# REQUEST FOR LETTERS OF INTEREST by the City of Homer, Alaska, for TENANTS TO OCCUPY THE HOMER EDUCATION AND RECREATION COMPLEX (HERC I)

In accordance with Resolution 19-006(A), the City of Homer is requesting Letters of Interest from parties interested in tenancy at the Homer Education and Recreation Complex (HERC 1) to determine effective use of the space and to seek potential stakeholders who are interested in investing in the building as third party property managers.

Letters of interest should include the following:

- The space needs of the tenant
- How the space will be used by the tenant including time of day
- Allow for Community Recreation activities
- How much a tenant is able to pay for space on a monthly basis
- What improvements to the space would be necessary for tenant to occupy the space
- If/how much tenant would be willing to contribute in capital costs to improvements
- How long of a lease tenant would be willing to commit to

Letters of interest are due to the City Clerk by 5:00 pm on Tuesday, February 19, 2019 in order to be included in the City Council packet for the February 25, 2019 City Council meeting. At that time City Council will hold a 4:00 pm worksession to discuss:

- Results of the request for letters of interest
- What the City of Homer is willing to contribute to capital improvements to HERC 1 for occupancy by tenant(s)
- Developing a Request for Proposal for a third party to manage HERC 1, including performing any necessary improvements required for occupancy. Letters of interest will be included as informational materials to help the RFP respondent develop a successful proposal.

An electronic copy of this notice and Resolution 19-006(A) is available on the City of Homer Website and paper copies can be obtained at the City Clerk's Office.

Electronic and faxed letters of interest will be accepted. The letters of interest must be sent to:

City of Homer – City Clerk's Office ATTN: HERC Letter of Interest 491 East Pioneer Avenue Homer, Alaska 99603 Telephone: 907-235-3130

DATED this 1st day of February, 2019

City of Homer

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## Office of the City Manager

491 East Pioneer Avenue Homer, Alaska 99603

citymanager@cityofhomer-ak.gov (p) 907-235-8121 x2222 (f) 907-235-3148

### Memorandum

TO: Potential tenants of HERC 1

FROM: Katie Koester, City Manager

DATE: February 2, 2019

SUBJECT: City of Homer Community Recreation Letter of Interest for HERC 1

Per Resolution 19-006(A), attached is a letter of interest that details the current space needs and activities of City of Homer Community Recreation at HERC 1. It is important to note that this letter of interest details current activity in the facility; with improvements to the building that allow for expanded occupancy (such as sprinkler systems and ADA accessibility), the ability of the space to house more activities and participants will grow.

Resolution 19-006(A) included a requirement that potential tenants of the facility take into consideration the recreation needs of the City, and this letter is meant to help prospective tenants understand that landscape. Please feel free to call the City Manager's office with any questions regarding current or future anticipated municipal use of HERC 1.

#### Enc:

City of Homer Community Recreation Letter of Interest for HERC 1 Sample Community Recreation Calendar, February 2019

#### The space needs of the tenant:

The City of Homer Community Recreation (CR) program currently uses the gymnasium, activity room and downstairs rest rooms (that also serve as equipment storage space) in the lower portion of HERC 1. We also use the kitchen as a place to store cleaning supplies, towels, broom and mop. The City of Homer Community Recreation mission statement is:

"The City of Homer Community Recreation will promote community involvement and life-long learning through educational and recreational opportunities for people of all ages. This will be accomplished through maximizing usage of all community facilities and resources, while utilizing, expanding and uniting local business and school resources and expertise. Our program shall be designed to recognize cultural diversity and to address social and community concerns."

We currently offer pickleball, gymnastics, Zumba dancing, Native Youth Olympics, youth basketball and adult basketball at HERC 1 (see attached February 2019 calendar for reference). The CR relies exclusively on volunteers and contracted instructors to offer programs and activities therefore having the flexibility and accessibility for scheduling is paramount in responding and determining what activities will take place based upon the community interests and people willing to volunteer, lead or instruct each designated program. While we know today what programs we offer are popular, there is always the possibility of either a new program on the horizon or existing programs losing participation and interest.

#### How the space will be used by the tenant including time of day:

The primary needs for City of Homer Community Recreation at HERC 1 is for municipal recreational, educational and physical activities. The programs are a combination of ongoing drop in activities such as pickleball, basketball and dance as well as instructional classes with a flat fee and a designated start/end date, such as youth basketball. We recognize that weekdays after school and evening has the highest demand

We would need the gymnasium, activity room and downstairs restroom areas Monday—Friday 3-9pm. Ideally, we would have youth activities from 3-5pm and from 5-9pm teens/ adults during the weekday. These times are subject to change based upon the request and demand of programs. The weekend hours are somewhat intermittent with current usage being 11am-1pm and 5-7pm on Saturday and 10am-1pm on Sundays in the gym. It should be noted that we do see a decrease of indoor activity participation for youth programs during the summer months due to the lack of staffing, volunteers or contracted instructors willing to offer programs in the summer. It is also helpful to have the ability to use the gymnasium for random days and times during the summer months as a backup location for City of Homer Community Recreation activities if and when the local high school gym is closed due to maintenance.

#### How much a tenant is able to pay for space on a monthly basis

The City of Homer Community Recreation program currently generates \$9,000-\$12,000 per year with existing activities in the HERC. I would conservatively estimate approximately \$850-\$950 per month. Relevant to the issue of paying for space for municipal programming, the City of Homer Community Recreation program pays \$6,000 a year for combined use of both Homer High School and Homer Middle School that includes office space, free use of equipment, office supplies and some photo copying.

#### What improvements to the space would be necessary for tenant to occupy the space

At the present time, per State Fire Marshall approval, the City of Homer Community Recreation program can operate in the facility "as is" with no upgrades needed for the short term. The ideal improvements for long term use would include: improving facility accessibility, upgrades to the rest rooms, hot mopping of the gymnasium and activity room roofs and a floor refinishing and repainting of floor lines. It would be helpful to have a small office space for staff and volunteers for registration, record keeping, computer/internet access, equipment storage but the programs can do without these as space for activities is the priority.

If/how much tenant would be willing to contribute in capital costs to improvements

This is up to the Homer City Council.

Indefinitely.

How long of a lease tenant would be willing to commit to

# February 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 5-8pm PICKLEBALL at HERC GYM	2 11am-1pm ZUMBA at HERC GYM
						5-7pm PICKLEBALL at HERC GYM
3 10am-1pm PICKLEBALL at HERC GYM	4 3-4pm YOUTH BASKETBALL at HERC GYM 5-8pm PICKLEBALL at HERC GYM	5 11AM-12:30pm MORNING PICKLEBALL DRILLS at HERC GYM 3-5pm NATIVE YOUTH OLYMPICS at HERC GYM & ACTIVITY ROOM 4-5pm GYMNASTICS at HERC GYM 5:15-8:30pm PICKLEBALL at HERC GYM	6 10:30AM-12pm MORNING PICKLEBALL at HERC GYM 3-4pm YOUTH BASKETBALL at HERC GYM 5-8pm PICKLEBALL at HERC GYM	7 11AM-12:30pm MORNING PICKLEBALL DRILLS at HERC GYM 3-5pm NATIVE YOUTH OLYMPICS at HERC GYM & ACTIVITY ROOM 4-5:30pm GYMNASTICS at HERC GYM 5:45-8:30pm PICKLEBALL at HERC GYM	8 5-8pm PICKLEBALL at HERC GYM	9 11am-1pm ZUMBA at HERC GYM 5-7pm PICKLEBALL at HERC GYM
10 10am-1pm PICKLEBALL at HERC GYM	11 3-4pm YOUTH BASKETBALL at HERC GYM 5-8pm PICKLEBALL at HERC GYM	12 11AM-12:30pm MORNING PICKLEBALL DRILLS at HERC GYM 3-5pm NATIVE YOUTH OLYMPICS at HERC GYM & ACTIVITY ROOM 4-5pm GYMNASTICS at HERC GYM 5:15-8:30pm PICKLEBALL at HERC GYM	13 10:30AM-12pm MORNING PICKLEBALL at HERC GYM 3-4pm YOUTH BASKETBALL at HERC GYM 5-8pm PICKLEBALL at HERC GYM	14 11AM-12:30pm MORNING PICKLEBALL DRILLS at HERC GYM 3-5pm NATIVE YOUTH OLYMPICS at HERC GYM & ACTIVITY ROOM 4-5:30pm GYMNASTICS at HERC GYM 5:45-8:30pm PICKLEBALL at HERC GYM	15 5-8pm PICKLEBALL at HERC GYM	16 11am-1pm ZUMBA at HERC GYM 5-7pm PICKLEBALL at HERC GYM
17 10am-1pm PICKLEBALL at HERC GYM	18 3-4pm YOUTH BASKETBALL at HERC GYM 5-8pm PICKLEBALL at HERC GYM	19 11AM-12:30pm MORNING PICKLEBALL DRILLS at HERC GYM 3-5pm NATIVE YOUTH OLYMPICS at HERC GYM & ACTIVITY ROOM 4-5pm GYMNASTICS at HERC GYM 5:15-8:30pm PICKLEBALL at HERC GYM	20 10:30AM-12pm MORNING PICKLEBALL at HERC GYM 3-4pm YOUTH BASKETBALL at HERC GYM 5-8pm PICKLEBALL at HERC GYM	21 11AM-12:30pm MORNING PICKLEBALL DRILLS at HERC GYM 3-5pm NATIVE YOUTH OLYMPICS at HERC GYM & ACTIVITY ROOM 4-5:30pm GYMNASTICS at HERC GYM 5:45-8:30pm PICKLEBALL at HERC GYM	5-8pm PICKLEBALL at HERC GYM	23 11am-1pm ZUMBA at HERC GYM 5-7pm PICKLEBALL at HERC GYM
24 10am-1pm PICKLEBALL at HERC GYM	25 3-4pm YOUTH BASKETBALL at HERC GYM 5-8pm PICKLEBALL at HERC GYM	26 11AM-12:30pm MORNING PICKLEBALL DRILLS at HERC GYM 3-5pm NATIVE YOUTH OLYMPICS at HERC GYM & ACTIVITY ROOM 4-5pm GYMNASTICS at HERC GYM 5:15-8:30pm PICKLEBALL at HERC GYM	27 10:30AM-12pm MORNING PICKLEBALL at HERC GYM 3-4pm YOUTH BASKETBALL at HERC GYM 5-8pm PICKLEBALL at HERC GYM	28 11AM-12:30pm MORNING PICKLEBALL DRILLS at HERC GYM 3-5pm NATIVE YOUTH OLYMPICS at HERC GYM & ACTIVITY ROOM 4-5:30pm GYMNASTICS at HERC GYM 5:45-8:30pm PICKLEBALL at HERC GYM	AL TOWN AND THE PROPERTY OF TH	

1 **CITY OF HOMER** 2 **HOMER, ALASKA** 3 Aderhold/Erickson 4 **RESOLUTION 19-006(A)** 5 6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ISSUING A REQUEST FOR LETTERS OF INTEREST FOR TENANTS 7 8 TO OCCUPY THE HOMER EDUCATION AND RECREATION 9 COMPLEX (HERC 1) 10 WHEREAS, The City has discussed and heard public testimony about how to effectively 11 utilize the Homer Education and Recreation Complex (HERC 1) building for many years; and 12 13 14 WHEREAS, The City will not be able to fully comprehend what feasible options could be available for the facility without seeking input and interest on a wider scale; and 15 16 WHEREAS, Gathering letters of interest from interested parties will open the door to 17 determining effective use of the space and to seeking potential stakeholders who are 18 interested in investing in the building as third party property managers; and 19 20 WHEREAS, City of Homer Community Recreation will submit a letter of interest detailing 21 their needs as a tenant of HERC 1 to ensure the recreational needs of residents are taken into 22 23 consideration. 24 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby 25 issues a request for letters of interest for HERC 1. 26 27 28 BE IT FURTHER RESOLVED that the letter of interest should include: 29 The space needs of the tenant • How the space will be used by the tenant including time of day 30 31 Allow for Community Recreation activities How much a tenant is able to pay for space on a monthly basis 32 What improvements to the space would be necessary for tenant to occupy the 33 34 • If/how much tenant would be willing to contribute in capital costs to 35 36 improvements 37 How long of a lease tenant would be willing to commit to 38 BE IT FURTHER RESOLVED that the letters of interest are due to the City Clerk by 5:00 39 40 pm on Tuesday, February 19, 2019 in order to be included in the City Council packet for the February 25, 2019 City Council meeting. At that time City Council will hold a 4:00 pm 41 worksession to discuss: 42

43	<ul> <li>Results of the request for letters of interest</li> </ul>
44	<ul> <li>What the City of Homer is willing to contribute to capital improvements to HERC</li> </ul>
45	1 for occupancy by tenant(s)
46	<ul> <li>Developing a Request for Proposal for a third party to manage HERC 1, including</li> </ul>
47	performing any necessary improvements required for occupancy. Letters of
48	interest will be included as informational materials to help the RFP respondent
49	develop a successful proposal.
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51	BE IT FURTHER RESOLVED the intent of City Council is to follow up the February 25, 2019
52	worksession with a Resolution at the March 11, 2019 regular City Council meeting issuing a
53	Request for Proposal for a third party property manager to lease the property and manage any
54	subleases.
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56	PASSED AND ADOPTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 28th day of
57 	January, 2019.
58	CITY OF HOMER
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61 62	KEN CACTNED MAYOR
63	KEN CASTNER, MAYOR
64	ATTEST:
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67	Will the the
68	MELISSA JACOBSEN, MMC, CITY CLERK
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70	Fiscal Note: Advertising Costs