

CITY ATTORNEY REPORT

COMMITTEE REPORT(S)

PENDING BUSINESS

**CITY OF HOMER
HOMER, ALASKA**

Lewis/Zak/Parks and Recreation
Advisory Commission

RESOLUTION 11-090

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, SUPPORTING THE CONCEPT AND
CONSTRUCTION OF NON-MOTORIZED PATHWAYS TO
INCREASE THE SAFETY FOR MOTORIZED AND NON-
MOTORIZED USERS ALONG KACHEMAK DRIVE
LOCATED WITHIN THE CITY LIMITS, FROM THE BASE OF
THE HOMER SPIT TO EAST END ROAD.

1
2 WHEREAS, The Parks and Recreation Advisory Commission established a committee to
3 specifically address possible solutions to the hazards presented to non-motorized and motorized users
4 of Kachemak Drive; and
5

6 WHEREAS, Public input was sought through a variety of channels for solutions to address
7 these safety concerns; and recommendations to Lower the Speed Limit, Alter the Travel Lane
8 Width and Shoulder, Increase the Use of Signage, Construct Separated, Non-motorized Paths
9 paralleling Kachemak Drive using the existing Utility Easements will be contingent on available
10 funding in the future; and
11

12 WHEREAS, The Homer City Council has shown support in approval of the Homer Non-
13 Motorized Transportation and Trail Plan, Homer Area Transportation Plan, Climate Action Plan,
14 HART Policy Manual and inclusion of the Kachemak Drive Rehabilitation/Pathway on the Capital
15 Improvement Plan; and
16

17 WHEREAS, Increasing active transportation, motorized and non-motorized, offers the
18 potential for improved public health, economic development, a cleaner environment, reduced
19 transportation costs, enhanced community connections, social equity, and more livable
20 communities.
21

22 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska,
23 hereby supports the concept and construction of non-motorized pathways along Kachemak Drive in,
24 over, and upon property within the City of Homer, and that said improvements are necessary for the
25 use and benefit of the public; and
26

27 BE IT FURTHER RESOLVED that the City Council of Homer, Alaska, further supports
28 the actions increasing the safety for motorized and non-motorized users along Kachemak Drive
29 in any or all of the following ways:

- 30 - Alteration of the existing Kachemak Drive and Shoulder
- 31 - Separated Paths paralleling Kachemak Drive using the Utility Easements
- 32 - Lowering the Speed Limit
- 33 - Increasing the Use of Signage
- 34

PASSED AND ADOPTED by the Homer City Council this 12th day of September, 2011.

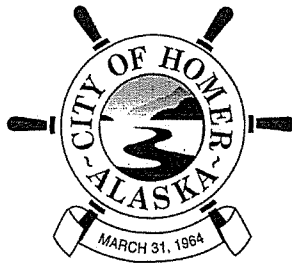
CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal information: Funding not defined.



City of Homer Planning & Zoning

491 East Pioneer Avenue
Homer, Alaska 99603-7645

Telephone (907) 235-3106
Fax (907) 235-3118
E-mail Planning@ci.homer.ak.us
Web Site www.ci.homer.ak.us

MEMORANDUM 11-152

TO: Mayor Hornaday and Homer City Council
THRU: Rick Abboud, City Planner
FROM: Julie Engebretsen, Planning Technician
DATE: November 2, 2011
SUBJ: Homer Advisory Planning Commission comments on the Kachemak Drive Pathway

At the September 12, Homer City Council meeting, the Council considered Resolution 11-90, bought forward by the Parks and Recreation Advisory Commission. The resolution supported the concept and construction of a pathway or other non-motorized improvement along Kachemak Drive. The Council referred the matter to the Planning Commission.

At the September 21st HAPC meeting, the Commission made and approved the following motions:

- THE ADVISORY PLANNING COMMISSION SUPPORTS THE CONCEPT OF A NON MOTORIZED ACCESS ALONG KACHEMAK DRIVE.
- A LARGE PART OF THIS PROJECT IS A PRIVATE PROPERTY RIGHTS ISSUE THAT SHOULD BE ADDRESSED CAREFULLY FROM THE ONSET. THE UTILITY EASEMENTS ARE PRIVATE PROPERTY.
- THE ADVISORY PLANNING COMMISSION RECOMMENDS THE CITY ADD THE KACHEMAK DRIVE PATH IMPROVEMENTS TO THE STIP NEEDS LIST AS AN AVENUE FOR STATE FUNDING.
- THE COMMISSION APPRECIATES THE EFFORTS OF THE PARKS AND RECREATION ADVISORY COMMISSION AND ENCOURAGES THEM TO CONTINUE WITH THIS GRASS ROOTS EFFORT.

Renee Krause

From: Beaver & Jessie Nelson <bjnelson@alaska.net>
Sent: Tuesday, September 06, 2011 9:25 PM
To: Renee Krause
Subject: Kachemak Drive Bike Path

Sept 7, 2011

City of Homer

ATTN: Rene Krause

RE: Kachemak Bike Path

I am commenting on the various proposals to turn Kachemak Drive into a very unfriendly road for the working people of Homer to gain access between the Spit/Boat Harbor and the businesses along Kachemak Drive and the Gear Shed on East Road.

This road is not a scenic byway - it is an industrial road used to transport boats, trailers with fishing gear, freight hauling 18-wheelers and for airport activities. The entire fishing population east of Kachemak Center, which includes the Russian villages, uses it to access the Spit. At times, several trips are made per day between the Spit and the Gear Shed or other businesses along the road.

Do we really want all that traffic going through town? Narrowing the lanes and implementing a 25 mph speed limit would be ridiculous! There is a mile-long straight stretch with a double yellow line - to go 25 mph with not another car in sight is just not going to happen. This would be like an office worker's computer running at half speed. Incredibly infuriating. Do we want our police force enforcing this limit? I don't. Actually, the speed limit between the Bay Club and Northern Enterprises should be 40-45 mph.

I like bike paths. It just needs to be along the utility right-of-way so the working people do not bear the burden for other peoples' pleasure. Leave Kachemak Drive alone.

Jessie Nelson
Mile 5 East End Rd.

PROPOSED KACHEMAK DRIVE

NON-MOTORIZED PATH

PLEASE HELP OUR EFFORTS BY COMPLETING THE SURVEY

QUESTIONS BELOW

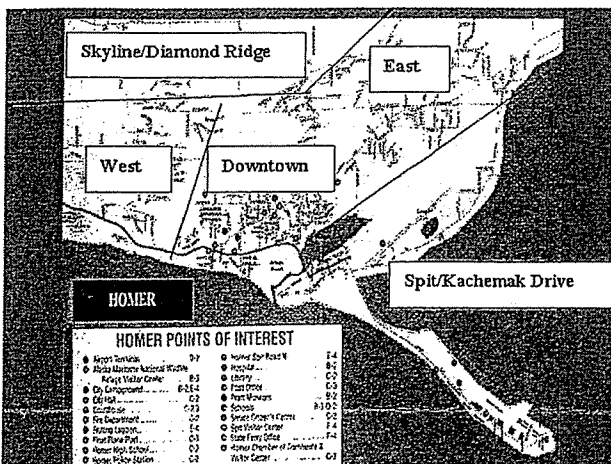
Background: Late last year it was brought to the attention of the Parks and Recreation Advisory Commission that the current state of Kachemak Drive is unsafe for the traffic and recreation occurring there. A committee was formed to look at the safety issues on this road and to come up with creative ideas to increase safety. All four scenarios presented are ideas created and supported by the Committee members but are not to be considered concrete plans. Your input will help the Kachemak Drive Pedestrian Bike Path Committee present recommendations to the Parks and Recreation Advisory Commission and ultimately City Council for further action, if any, in the future.



Kachemak Drive Pedestrian Bike Path
A Committee of the Parks and Recreation Advisory
Commission

Cowles Council Chambers City Hall
491 E. Pioneer Avenue
Homer, Alaska
www.cityofhomer-ak.com

Name (Optional) Lon Zitzmann Address (Optional) 579 Hidden Way
City, State, Zip Homer, AK



1. Please refer to the map and indicate the area of Homer where you live.

- ☐ West Homer
- ☒ Downtown Homer
- ☐ East Homer
- ☐ Kachemak Drive and Spit
- ☐ Skyline/Diamond Ridge

2. Referring to the map, indicate the area of Homer where your most frequent destination is located (workplace, office, school, etc.)

- ☐ West Homer
- ☒ Downtown Homer
- ☐ East Homer
- ☐ Skyline/Diamond Ridge
- ☐ Kachemak Drive and Spit

3. How often do you ride a bicycle on Kachemak Drive?

- ☐ Never
- ☐ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☒ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

5. If you ride a bike, which of the following describes why you use it on Kachemak Drive. If more than one please note in "Other".

- ☒ Regular Exercise or Workout
- ☒ Family Outings or touring
- ☐ Commuting - Work or School
- ☐ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ I do not Ride a Bike
- ☒ Other I am a bike rider 40.

4. How often do you drive a car on Kachemak Drive?

- ☐ Never
- ☐ Infrequently; maybe every few months
- ☒ Occasionally, about once or twice a month
- ☐ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

6. If you drive a car which describes why you use Kachemak Drive. If more than one please note in "Other".

- ☐ Commuting to Work or School
- ☐ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☒ Other

If you could re-allocate space on the road for the following user groups, circle the action you would take:

CARS	PEDESTRIANS	CYCLISTS	OTHER VEHICLES
<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space
<input type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input type="radio"/> More Road Space
<input checked="" type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input checked="" type="radio"/> Less Road Space

8. Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option. Do you support this Option? Why or Why Not?

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

Support

10. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways. Comments or Concerns? Do you Support this Option? Why or Why Not?

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it Scenic Byway during this Time. Comments or Concerns? Do you Support this Option? Why or Why Not?

strongly support
safer for all

Support
safer for all

12. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

13. What do you feel are the most pressing issues facing Kachemak Drive?

no

safety
preserving scenic byway drive option

14. How are the Community and the Uses of Kachemak Drive changing? How should the City respond to the changes?

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require significant investment.

PROPOSED KACHEMAK DRIVE NON-MOTORIZED PATH

PLEASE HELP OUR EFFORTS BY COMPLETING THE SURVEY
QUESTIONS BELOW



Background: Late last year it was brought to the attention of the Parks and Recreation Advisory Commission that the current state of Kachemak Drive is unsafe for the traffic and recreation occurring there. A committee was formed to look at the safety issues on this road and to come up with creative ideas to increase safety. All four scenarios presented are ideas created and supported by the Committee members but are not to be considered concrete plans. Your input will help the Kachemak Drive Pedestrian Bike Path Committee present recommendations to the Parks and Recreation Advisory Commission and ultimately City Council for further action, if any, in the future.

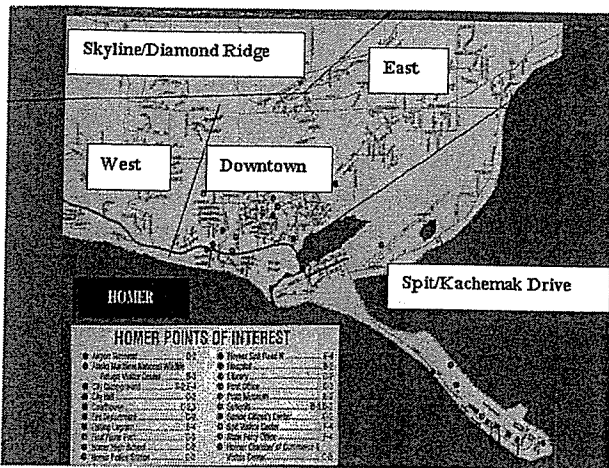
Kachemak Drive Pedestrian Bike Path
A Committee of the Parks and Recreation Advisory Commission

Cowles Council Chambers City Hall
491 E. Pioneer Avenue
Homer, Alaska
www.cityofhomer-ak.com

Name (Optional) Andy Haas

Address (Optional)

City, State, Zip



1. Please refer to the map and indicate the area of Homer where you live.

- ☐ West Homer
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- ☐ Kachemak Drive and Spit
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3. How often do you ride a bicycle or walk along Kachemak Drive?

- ☐ Never
- ☐ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☐ Regularly, once or twice a week
- ☒ Frequently, several times a week or every day

5. If you ride a bike or walk, which of the following describes why you use Kachemak Drive. If more than one please note in "Other".

- ☒ Regular Exercise or Workout
- ☐ Family Outings or touring
- ☐ Commuting - Work or School
- ☐ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ I do not Ride a Bike
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4. How often do you drive a car on Kachemak Drive?

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6. If you drive a car, which describes why you use Kachemak Drive. If more than one please note in "Other".

- ☒ Commuting to Work or School
- ☐ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ Other

If you could re-allocate space on the road for the following user groups, circle the action you would take:

CARS	PEDESTRIANS	CYCLISTS	OTHER VEHICLES
<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space
<input type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input type="radio"/> More Road Space
<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space

8. Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option. Do you support this Option? Why or Why Not?

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike/Walking Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

10. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways. Comments or Concerns? Do you Support this Option? Why or Why Not?

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it a Scenic Byway during this Time. Comments or Concerns? Do you Support this Option? Why or Why Not?

12. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

13. What do you feel are the most pressing issues facing Kachemak Drive?

The ability to safely ride a bike or run on the road. Additionally, it should NOT be commercialized

14. How are the Community and the Uses of Kachemak Drive Changing? How should the City respond to the changes?

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require a significant investment.

YOU CAN MAIL THE COMPLETED SURVEY TO: CITY OF HOMER, 1000 E. 1ST AVE. ATTN. RENEE KRAUSE, CITY CLERK'S OFFICE 491 E. 1ST AVE. HOMER, ALASKA 99603 OR SUBMIT VIA EMAIL

Submit by Email

Print Form

Renee Krause

From: Hayley Norris <hayleybird412@gmail.com>
Sent: Wednesday, July 06, 2011 11:16 AM
To: Renee Krause
Subject: Kachemak Drive Survey
Attachments: Survey Kachemak Drive 07.06.11.xml

attached.


```

<?xml version="1.0" encoding="UTF-8"?>
<form1>
  <TextField3>41347 McLay Road</TextField3>
  <TextField4>Homer, AK 99603</TextField4>
  <Answer>East Homer</Answer>
  <Answer/>
  <Answer/>
  <Answer/>
  <Answer>Downtown Homer</Answer>
  <Answer/>
  <Answer>Occasionally, about once or twice a month</Answer>
  <Answer>Occasionally, about once or twice a month</Answer>
  <Answer>Routine Errands</Answer>
  <Answer>Routine Errands</Answer>
  <TextField1>and 'Trips to the Spit.'</TextField1>
  <TextField1>and 'Trips to the Spit.'</TextField1>
  <TextField2/>
  <Question11>I think 25 mph is too low of a speed limit. I'd support 30 mph.</Question11>
  <Question10>I do support this trail, but only after the narrower lane/shoulder option. This trail
    would accommodate pedestrians, older and younger, but not cyclists. I think cyclists must be
    accommodated for because the mode of travel is so beneficial to our environment and society.
    So, I only support this option if it is included with a plan to put in shoulders along Kachemak
    Drive for cyclists.</Question10>
  <Question5>This is my favorite option and I whole-heartedly support it. There are so many
    benefits that could be realized with the implementation of this option. For one, the speed that
    drivers drive will be less with the narrower lanes. This makes things safer first off. Next,
    cyclists and pedestrians would have a designated spot to walk and ride if a shoulder is painted.
    This improves safety and encourages residents to get out and walk/ride that beautiful road.
    Also, this option seems that monetarily it would be relatively cheap compared to a separated
    bike path. The only thing not good about this option is that some kids and older people might
    not feels safe on a shoulder alone and this is why a separated path should still be considered as
    a long-term goal. This option could be a shorter-term goal.</Question5>
  <Question3>I do support this option because it would be the beginning or end of a full-length
    Kachemak Drive pedestrian path. Also, locals and tourists could more easily enjoy the
    beautiful views and wildlife in the area. That stretch of Kachemak Drive is one of the most
    dangerous spots for walking and cycling on the road; therefore, a trail could make that safer
    for pedestrians at least.</Question3>
  <Question1>I'd like to see bike lanes and a seperated path for other pedestrians. This will mean
    there is a loop of trails: the Spit, East End Road and Kachemak Drive. Maybe even some camp
    grounds and other nature, bird viewing trails.</Question1>
  <Question2/>
  <Question13>It is unsafe to walk or cycle along Kachemak Drive and it is an important road in
    our town.</Question13>
  <Question6>I do not support this option. Kachemak Drive is an important road in our community
    and it needs to be safer. Kachemak Drive being safer makes this a better
    community.</Question6>
  <RadioButtonList>1</RadioButtonList>
  <RadioButtonList/>
  <RadioButtonList/>

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<RadioButtonList>1</RadioButtonList>
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<Question1/>
<Question1/>
</form1>
```


Renee Krause

From: chase warren <likes_to_roam@yahoo.com>
Sent: Wednesday, July 06, 2011 11:56 AM
To: Renee Krause
Subject: path survey
Attachments: survey.kdpc_.06.21.11.xml

Excellent idea to put this online!

<?xml version="1.0" encoding="UTF-8"?>

<form1>

<TextField3>41347 mclay rd</TextField3>

<TextField4>kachemak city, ak, 99603</TextField4>

<Answer>East Homer</Answer>

<Answer/>

<Answer/>

<Answer/>

<Answer>Downtown Homer</Answer>

<Answer/>

<Answer>Occasionally, about once or twice a month</Answer>

<Answer>Regularly, once or twice a week</Answer>

<Answer>Routine Errands</Answer>

<Answer/>

<TextField1/>

<TextField1/>

<TextField2>Chase Warren</TextField2>

<Question11>How about 30? Or, and I know the committee has little to do with this but, what if we actually enforced the speed limit? Make it a double fine zone. 25 is kinda pushy, considering nobody wants to go 35.</Question11>

<Question10>Good luck. If the cost, right of way issues, dealing with the airport, dealing with the bog, cooperation with HEA, and the time it would take to deal with all those things were not issues, then yes I am for it. Create a shoulder first, then tie yourselves up with this project for the next 10 years. </Question10>

<Question5>I am in full support of this option. Although it is not an ideal solution, as it does not safely open up the shoulder to children/families, or persons with special needs. However, the cost/effectiveness of this option for out way the others. A consistent shoulder width is not necessary to immediately alleviate the dangers of riding on the current uneven and rock/sand riddled shoulders. No fill is needed, which dramatically reduces the cost of creating a shoulder. In addition, I would propose more signs, both speed limit and be aware of pedestrian/cyclists signs.</Question5>

<Question3>The trail would promote tourism, the shore bird festival would benefit greatly. Perhaps increased traffic would cut down on blatant littering. Also the trail seems to cut right through areas currently being used as squatter camps, the remnants of these camps are evident by the bags of trash and weather logged materials scattered along the bluff. I'd rather see people appreciating the area, not abusing it. The downside of this option is that it really doesn't address the inherent safety hazards of riding and/or walking on K drive, and could distract from the real objective of the committee. </Question3>

<Question1>Ideally, a separated ADA approved path connecting E end road to the spit, with alternate nature trails headed north and through the bog that could be used as ski trails in the winter</Question1>

<Question2>Every year since I have lived here I have seen more cyclists and higher gas prices. If you want people to be able to afford to live here, something that has always been an issue, the city design should be able to accommodate alternative modes of transportation. </Question2>

<Question13>considerations made by the state/city/drivers who speed/drivers who pass a pedestrian or cyclists with another car coming in the other lane at the same time also, the condition or lack of shoulder. the lack of considerations by others could be alleviated by a sufficient shoulder</Question13>

--8-- --

<Question6>This would be absolutely negligent, which is my current opinion of the situation. K
dr. has become a major through route for those working/ travelling to the spit or ocean drive.
For everyone's safety there needs to be a shoulder. If nothing is done now, when there is the
opportunity, any accidents in the future would reflect quite clearly that the state and the city
has not been concerned enough about the safety of persons to do anything. </Question6>

<RadioButtonList>1</RadioButtonList>

<RadioButtonList/>

<RadioButtonList/>

<RadioButtonList>1</RadioButtonList>

<RadioButtonList/>

<RadioButtonList/>

<RadioButtonList/>

<RadioButtonList>1</RadioButtonList>

<RadioButtonList/>

<RadioButtonList/>

<RadioButtonList/>

<RadioButtonList>1</RadioButtonList>

<Question1>pave out to the edge of the dirt, re-stripe the road, narrow the lanes if at all possible,
put up signs, enforce the current speed limit. any or all of these I feel would dramatically
improve the situation as is</Question1>

<Question1>Your dealing with a situation that places people within 12-24" of being struck by a
moving vehicle. I feel that no matter how difficult or significant the investment that the city
has made some major oversights in letting this go on for so long and must do something
before someone is hurt. I'm all for the narrow lanes and re-paving option!</Question1>

</form1>

PROPOSED KACHEMAK DRIVE NON-MOTORIZED PATH

PLEASE HELP OUR EFFORTS BY COMPLETING THE SURVEY
QUESTIONS BELOW



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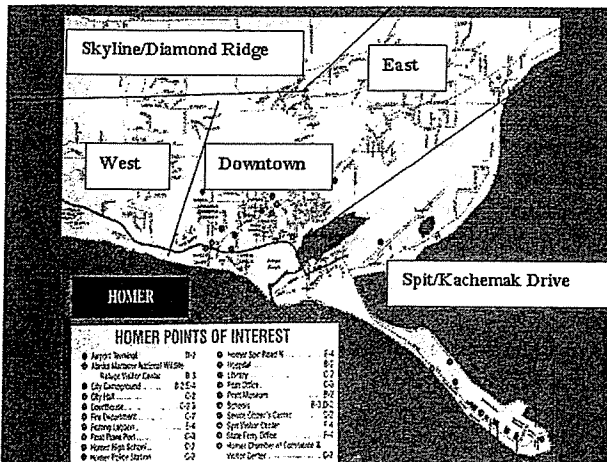
Kachemak Drive Pedestrian Bike Path
Advisory Committee of the Parks and Recreation Advisory
Commission

Cowles Council Chambers City Hall
491 E. Pioneer Avenue
Homer, Alaska
www.cityofhomer-ak.com

Name (Optional) Martin Renner

Address: (Optional) 388 E. Bayview Ave.

City, State, Zip Homer, AK, 99603



1. Please refer to the map and indicate the area of Homer where you live.

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- ☒ Downtown Homer
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4. How often do you drive a car on Kachemak Drive?

- ☐ Never
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- ☐ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

5. If you ride a bike or walk, which of the following describes why you use Kachemak Drive. If more than one please note in "Other".

- ☒ Regular Exercise or Workout
- ☐ Family Outings or touring
- ☐ Commuting - Work or School
- ☐ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ I do not Ride a Bike
- ☐ Other

6. If you drive a car, which describes why you use Kachemak Drive. If more than one please note in "Other".

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- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ Other

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CARS	PEDESTRIANS	CYCLISTS	OTHER VEHICLES
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<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space

9. Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option.

Do you support this Option? Why or Why Not?

can't find where Airport Access Road is.

A better connection to FAA road would be good, esp. the crossing from the W-side of Ocean Drive (heading out the spit) onto the spit trail (E-side) could be improved. A round-a-bout would be a really good idea here.

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike/Walking Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

Yes, I'd support this option. This is an economical and effective solution. By keeping bicyclists on the road, they are easier for motorists to see, making it safer for everybody.

When going for this option, it is important to implement it on both sides. Cycling in the opposite direction from car traffic is very dangerous because bikes are not expected to come from this direction and their speed is generally underestimated.

As with any of the other solutions, snow plowing and dirt can be

10. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways. Comments or Concerns? Do you Support this Option?

Why or Why Not?

Motorists tend to like this option because it gets bikes off "their" road, and inexperienced bikers like it because it gives them a (false!) sense of security.

Unfortunately, this is actually a bad idea in terms of bike safety. Drivers cannot see or do not notice bicycles that far off the road. Riding this kind of trail is often less safe than riding on the road

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it a Scenic Byway during this Time. Comments or Concerns? Do you Support this Option? Why or Why Not?

Good idea.

Why limit this to summer months? Driving conditions don't get better during the winter.

12. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

There's a need to improve Kachemak Drive. That said, I would not have given it the highest priority. Main Street, of all places, is an embarrassment for our town. Please go there, get out of the car, and take a walk. Now imagine pushing a baby stroller through the dirt. Now imagine doing this in winter with a foot of snow. It's downright scary.

13. What do you feel are the most pressing issues facing Kachemak Drive?

Intersection with Spit Rd is dangerous.

14. How are the Community and the Uses of Kachemak Drive changing? How should the City respond to the changes?

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

Maintain the rural/wilderness character of Kachemak Drive. Widening this drive would be a sad mistake. This is a great scenic drive through wetlands, past baby moose, with views of the bluff and the the bay, and all that right next to town.

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

A speed limit along with a narrower road for cars would be a great start. One without the other would be dangerous.

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require significant investment.

Round-a-bout at the base of the spit, intersection Kachemak Drive and Spit Rd. Not that big of an investment, really. Pay-off is smoother traffic and considerable fuel savings compared to the current stop-signs. This would also improve safety for motorists, cyclists and pedestrians.

YOU CAN MAIL THE COMPLETED SURVEY TO: CITY OF HOMER, KDPC ATTN. RENEE KRAUSE, CITY CLERK'S OFFICE 491 E. 270 PIONEER AVENUE HOMER, ALASKA 99603 OR SUBMIT VIA EMAIL

Submit by Email

Print Form

```

<?xml version="1.0" encoding="UTF-8"?>
<form1>
  <TextField3>41640 Gladys Ct</TextField3>
  <TextField4>Homer</TextField4>
  <Answer>East Homer</Answer>
  <Answer/>
  <Answer>Kachemak Drive and Spit</Answer>
  <Answer/>
  <Answer/>
  <Answer/>
  <Answer>Never</Answer>
  <Answer>Regularly, once or twice a week</Answer>
  <Answer> Other </Answer>
  <Answer>Trips to the Library, Museums, Spit, Parks, etc.</Answer>
  <TextField1>To access the spit.</TextField1>
  <TextField1/>
  <TextField2>Duane Howe</TextField2>
  <Question11>That would be too confusing to motorists to have changing speed limits. They
    already drive 50 mph in the 25 zone. </Question11>
  <Question10>That could work if the easements are far enough from the road to allow several feet
    of separation from the roadway. I walk frequently on the spit and along East Road, and I can
    tell you I would not feel safe with any less space than there is along those paths, and there is
    several feet most of the time. I have known two people who were killed trying to walk or ride
    a bike too close to traffic. I would not risk doing it myself.</Question10>
  <Question5>That would not allow enough space to walk or ride a bike safely. </Question5>
  <Question3>No. It would not be of much use just to go that far. </Question3>
  <Question1>Pretty much like it is now.</Question1>
  <Question2>That road is primarily to access the homes along it, and it should stay that way. There
    is little place for businesses along it because it is mostly wetland which should not be
    disturbed or filled in.</Question2>
  <Question13>Surface water drainage and domestic water supply.</Question13>
  <Question6>Since there is already a path on East End Road we may not need another one to go
    essentially to the same place. Extending the present one farther east would make more
    practical sense to me.</Question6>
  <RadioButtonList/>
  <RadioButtonList>1</RadioButtonList>
  <RadioButtonList/>
  <RadioButtonList>1</RadioButtonList>
  <RadioButtonList/>
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  <RadioButtonList>1</RadioButtonList>
  <RadioButtonList/>
  <RadioButtonList>1</RadioButtonList>
  <RadioButtonList/>
  <RadioButtonList/>
  <Question1>Improve the drainage and rezone the commercial portion to conservation. There
    should be no development in the wetlands. This would add to the recreational value of a path,
    but the cost would be questionable. I have seen groups of bikers that ride out via one route and

```

return via the other route, so this might be an excuse to improve Kachemak Drive to accommodate that sort of recreation. </Question1>

<Question1>Little investment should be made here because most of that land will eventually be eroded away along with the houses on it. There is no way to prevent it as we are learning in other parts of town.</Question1>

</form1>

<?xml version="1.0" encoding="UTF-8"?>

<form1>

JUL 01 2011 PM01:53

<TextField3/>

<TextField4/>

<Answer>East Homer</Answer>

<Answer/>

<Answer/>

<Answer/>

<Answer>Downtown Homer</Answer>

<Answer/>

<Answer>Infrequently; maybe every few months</Answer>

<Answer>Frequently, several times a week or every day</Answer>

<Answer> Other </Answer>

<Answer>Other</Answer>

<TextField1>exercise and to go birding</TextField1>

<TextField1>to go to the spit or businesses that are closer that way for me</TextField1>

<TextField2>Lani Raymond</TextField2>

<Question11>I definitely think you need to acknowledge that there is lots of bike and pedestrian traffic in winter also!! Not so much as summer, but still quite a bit. AND, it is a more dangerous situation because of ice on the road. This road is often quite icy and with the curves and limited visibility, can be challenging for drivers. Please also note that if you reduce the speed limit but don't enforce it, the situation will still be very dangerous.</Question11>

<Question10>This might be another good idea. Possibly safer but more costly.</Question10>

<Question5>I think there should be a narrowing of the road and make a walking/biking lane on ONE SIDE ONLY. The speed limit should be reduced and enforced. The speed limit should also be lower in winter because there is still lots of use (biking and walking) even in winter and with icy roads, the lower limit would still be needed. I think also some sort of "watch for pedestrians and bikers along this road" caution signs should be in place at each end.</Question5>

<Question3>It's a good idea. I walked it last week and there were several people camping down there. Concern about it being a possible homeless area? Also how maintained in winter?</Question3>

<Question1>Not built up with lots of commercial stuff. It is beautiful as it is now. Hopefully there won't be too much more erosion. If it had a bike/walking path somewhere along it to use safely, it would be a fantastic asset. Plus being able to go from town out East End Rd, down Kachemak Dr then back into town as a circle (or triangle).</Question1>

<Question2>More use of Kachemak Drive for driving and walking and biking. More people wanting to use bikes and walk for various reasons--save gas, exercise, etc.</Question2>

<Question13>Safe travel for: bicyclists, walkers and vehicles. I want to say somewhere that your Question #3 might be going to give you a false sense of amount of use this road gets for walking and biking. AS IT IS NOW, I and many others I know avoid using Kachemak Drive. But if it were safe, there would be way, way more use!!!!</Question13>

<Question6>Obviously something needs to be done!!</Question6>

<RadioButtonList>1</RadioButtonList>

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<RadioButtonList/>

<RadioButtonList/>

<RadioButtonList/>
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<RadioButtonList/>
<RadioButtonList/>
<RadioButtonList/>
<RadioButtonList>1</RadioButtonList>

<Question1>Figure out what is most affordable and weigh the safety. I also think that you need to do something SOON!! Not just have an elaborate plan for 5 years down the road (pardon the pun there). Reducing the speed limit for vehicles is easy and cheap. People may complain but taking a little bit more time is not the end of the world. (But would have to be enforced.)
</Question1>

<Question1>Ideally there would be a bike path along the whole way but that might not be possible due to cost, land owners not wanting to cooperate, and the fact it is wetland part of the way. If enough people think about it and help plan, there will be a way found to accomplish this.</Question1>

</form1>

Renee Krause

From: Adam Bauer <abauer@bauerhaus.ws>
Sent: Friday, July 01, 2011 6:13 PM
To: Renee Krause
Subject: Kachemak Drive survey
Attachments: survey.kdpc.pdf

PROPOSED KACHEMAK DRIVE NON-MOTORIZED PATH

PLEASE HELP OUR EFFORTS BY COMPLETING THE SURVEY
QUESTIONS BELOW

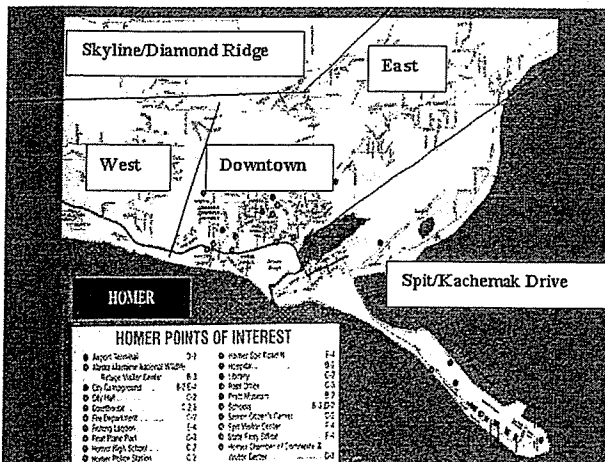


Background: Late last year it was brought to the attention of the Parks and Recreation Advisory Commission that the current state of Kachemak Drive is unsafe for the traffic and recreation occurring there. A committee was formed to look at the safety issues on this road and to come up with creative ideas to increase safety. All four scenarios presented are ideas created and supported by the Committee members but are not to be considered concrete plans. Your input will help the Kachemak Drive Pedestrian Bike Path Committee present recommendations to the Parks and Recreation Advisory Commission and ultimately City Council for further action, if any, in the future.

Kachemak Drive Pedestrian Bike Path
Advisory Committee of the Parks and Recreation
Commission

Cowles Council Chambers City Hall
491 E. Pioneer Avenue
Homer, Alaska
www.cityofhomer-ak.com

Name (Optional) Address (Optional)
City, State, Zip



1. Please refer to the map and indicate the area of Homer where you live.

- ☐ West Homer
☐ Downtown Homer
☒ East Homer
☐ Kachemak Drive and Spit
☐ Skyline/Diamond Ridge

2. Referring to the map, indicate the area of Homer where your most frequent destination is located (workplace, office, school, etc.)

- ☐ West Homer ☒ Downtown Homer ☐ East Homer ☐ Skyline/Diamond Ridge ☐ Kachemak Drive and Spit

3. How often do you ride a bicycle or walk along Kachemak Drive?

- ☐ Never
☐ Infrequently; maybe every few months
☒ Occasionally, about once or twice a month
☐ Regularly, once or twice a week
☐ Frequently, several times a week or every day

4. How often do you drive a car on Kachemak Drive?

- ☐ Never
☒ Infrequently; maybe every few months
☐ Occasionally, about once or twice a month
☐ Regularly, once or twice a week
☐ Frequently, several times a week or every day

5. If you ride a bike or walk, which of the following describes why you use Kachemak Drive. If more than one please note in "Other".

- ☐ Regular Exercise or Workout ☐ Family Outings or touring
☐ Commuting - Work or School
☒ Routine Errands
☐ Trips to the Library, Museums, Spit, Parks, etc.
☐ I do not Ride a Bike
☐ Other

6. If you drive a car, which describes why you use Kachemak Drive. If more than one please note in "Other".

- ☐ Commuting to Work or School
☐ Routine Errands
☐ Trips to the Library, Museums, Spit, Parks, etc.
☐ Other

If you could re-allocate space on the road for the following user groups, circle the action you would take:

CARS	PEDESTRIANS	CYCLISTS	OTHER VEHICLES
<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input checked="" type="radio"/> Same Road Space
<input type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input type="radio"/> More Road Space
<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space

8. Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option. Do you support this Option? Why or Why Not?

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike/Walking Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

10. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways. Comments or Concerns? Do you Support this Option? Why or Why Not?

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it a Scenic Byway during this Time. Comments or Concerns? Do you Support this Option? Why or Why Not?

12. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

13. What do you feel are the most pressing issues facing Kachemak Drive?

14. How are the Community and the Uses of Kachemak Drive changing? How should the City respond to the changes?

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

The area will most likely lose more coastline to erosion there will most likely be fewer residents. I doubt there will be any more businesses. The road will become an important transportation link diverting traffic from East Road to Ocean Drive both of

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require significant investment.

YOU CAN MAIL THE COMPLETED SURVEY TO: CITY OF HOMER, KDPC ATTN. RENEE KRAUSE, CITY CLERK'S OFFICE 491 E. 270 NEER AVENUE HOMER, ALASKA 99603 OR SUBMIT VIA EMAIL

Submit by Email

Print Form

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<?xml version="1.0" encoding="UTF-8"?>
<form1>
  <TextField3/>
  <TextField4>Homer, AK 99603</TextField4>
  <Answer>Downtown Homer</Answer>
  <Answer/>
  <Answer>Kachemak Drive and Spit</Answer>
  <Answer/>
  <Answer/>
  <Answer/>
  <Answer>Frequently, several times a week or every day</Answer>
  <Answer>Regularly, once or twice a week</Answer>
  <Answer>Commuting - Work or School</Answer>
  <Answer>Commuting to Work or School</Answer>
  <TextField1/>
  <TextField1/>
  <TextField2>Ryan Briscoe</TextField2>
  <Question11>Yes, as long as the speed limit is enforced. Although, you will still have cars that go
    around bicyclists/walkers in unsafe locations.</Question11>
  <Question10>Yes, this would be the ideal situation and would encourage more user groups to use
    the trail.</Question10>
  <Question5>If there is actually enough room to do this safely, then I would support it. I am
    skeptical that there is enough room with the current width of the road to make this
    feasible.</Question5>
  <Question3>Yes, this seems to be the most dangerous spot since cars frequently go around me on
    my bicycle in the middle of the hill where they cannot see what is coming the other
    direction.</Question3>
  <Question1>Kachemak drive should have a trail that connects the Spit trail to the East End Road
    trail. </Question1>
  <Question2>I don't know the history beyond three years, so I can't speak to long term changes,
    but the city should provide safe travel options for multiple user groups.</Question2>
  <Question13>Providing a safe road for all user groups (cars, walkers, bicycles,
    etc.).</Question13>
  <Question6>I do not support taking no action.</Question6>
  <RadioButtonList/>
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  <RadioButtonList>1</RadioButtonList>
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  <RadioButtonList>1</RadioButtonList>
  <RadioButtonList/>
  <RadioButtonList/>
  <Question1>For starters, you could add the half mile trail from the spit to the airport access road
    and widen the shoulders on the remainder of the road. </Question1>

```

<Question1>Ultimately, it would be best to have a trail connecting the spit to East End
Road.</Question1>

</form1>

Renee Krause

From: Ryan & Erin Briscoe <rebriscoe602@hotmail.com>
Sent: Thursday, June 30, 2011 10:38 AM
To: Renee Krause
Subject: Kachemak Drive Path survey
Attachments: survey.kdpc_.06.21.11_0.xml

Hello,

I filled out the survey online and clicked on submit via email. It said to save file and attach to an email, so I did that. It saved it as an .xml file instead of a .pdf file. Hopefully, you can read the .xml file and see my comments.

Thanks,
Ryan

Dear Homer Community Member,

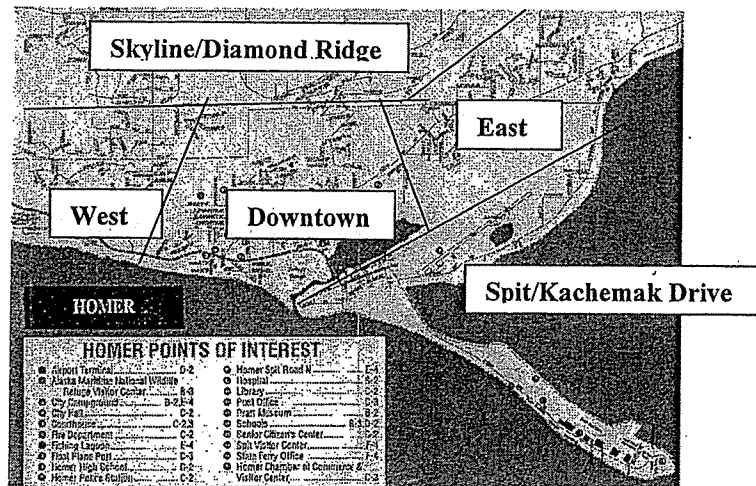
Thank you for attending the Kachemak Drive Proposed Bike Path Open House.

Background: Earlier this year it was brought to the attention of the Parks and Recreation Advisory Commission that the current state of Kachemak Drive is unsafe for the traffic and recreation occurring there. A committee was formed to look at the safety issues on this road and to come up with creative ideas to increase safety. All four scenarios presented tonight are ideas created and supported by the subcommittee, but not put forth as concrete plans. Your input and opinions will help us formulate further actions, if any, that should occur along this issue.

Please help our efforts by completing the survey form below.

1. Please refer to the map below and indicate the area of Homer where you live.

- ☒ West Homer
- ☐ Downtown Homer
- ☐ East Homer
- ☐ Kachemak Drive and Spit
- ☐ Skyline/Diamond Ridge



Please refer to the map and indicate the area of Homer where your most frequent destination is located (workplace, office, school, etc.)

- ☐ West Homer
- ☒ Downtown Homer
- ☐ East Homer
- ☐ Kachemak Drive and Spit
- ☐ Skyline/Diamond Ridge

How often do you ride a bicycle on Kachemak Drive?

- ☐ Never
- ☒ Infrequently: maybe every few months
- ☐ Occasionally: about once or twice a month
- ☐ Regularly: once or twice a week
- ☐ Frequently: several times a week to every day

If you ride a bike, which of the following describes why you use it on Kachemak Drive. Check all those that apply.

- ☐ Regular exercise or workout
- ☐ Commuting to work or school
- ☐ Routine errands
- ☐ Trips to the library, museums, parks, and similar places
- ☒ Family outings or touring
- ☐ Other (please indicate)
- ☐ I do not ride a bike

How often to do you drive a car on Kachemak Drive?

- ☐ Never
- ☐ Infrequently: maybe every few months
- ☐ Occasionally: about once or twice a month
- ☒ Regularly: once or twice a week
- ☐ Frequently: several times a week to every day

If you drive a car, which of the following describes why you use it on Kachemak Drive. Check all those that apply.

- ☐ Commuting to work or school
- ☒ Routine errands
- ☐ Trips to the library, museums, parks, and similar places
- ☐ Other (please indicate)

If you could re-allocate space on the road for the following user groups, circle the action you would take:

Space For	Less Road Space	Same Road Space	More Road Space
Cars	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pedestrians	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Cyclists	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Buses	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

The following page refers to the ideas presented at the Kachemak Drive Open House:

1. Half Mile Trail from base of the spit to the airport access road.

Do you have any comments or concerns about this option?

I LIKE IT CAN BE A NICE WALKABLE/BIKEABLE
RECREATIONAL ROUTE.

Do you support this option? Why or why not?

YES, VERY APPEALING GREAT EASY WALK CLOSE TO SPIT
PARKING, A WALKABLE ACCESS TO GRAVEL BAR - FOR BIRDING

2. Narrowing width of road on Kachemak Drive and adding widened painted shoulder for bike lane.

Do you have any comments or concerns about this option?

I THINK IT CAN/SHOULD BE DONE, EASY TO
ACCOMPLISH, RELATIVELY INEXPENSIVE

Do you support this option? Why or why not?

YES IMPROVES SAFETY, CONNECTS EXISTING
BIKE PATHS.

3. Creating a separated recreational trail following current water and sewer right of ways.

Do you have any comments or concerns about this option?

BEST OPTION UNTIL POWER LINE EASEMENT CAN
BE UTILIZED.

Do you support this option? Why or why not?

YES, MAKES GOOD USE OF DISTURBED GROUND/
PROPERTY

4. Decreasing speed to 25 mph during summer months (defined as non-studded tire months) and making it a "scenic byway" during this time.

Do you have any comments or concerns about this option?

A GOOD OPTION - WOULD BE MORE SCENIC WITH
2-3 POCKET PARKS/OVERLOOKS

Do you support this option? Why or why not?

YES, INCREASES SAFETY, EASY TO IMPLEMENT

5. Take no action on Kachamak Drive.

Do you have any comments or concerns about this option?

NOT A VIABLE OPTION FOR ME, SOMETHING
NEEDS TO BE DONE.

Do you support this option? Why or why not?

NO, IT MEANS GIVING UP, ACCEPTING NO FOR
AN ANSWER

In addition, we would appreciate your thoughts on the following questions:

What do you feel are the most pressing issues facing Kachamak Drive?

SPEEDING, LACK OF BICYCLE/PEDESTRIAN PATH

How are the community and the uses of Kachamak Drive changing?

BICYCLE USE INCREASING, VEHICLE USE INCREASING,
MORE DEVELOPMENT IN GENERAL

How should we respond to these changes?

SLOW VEHICLE TRAFFIC, PROVIDE SAFE OPTIONS
FOR BICYCLES + PEDESTRIANS

What do you want Kachamak Drive to look like 10 and 20 years into the future?

A SCENIC BYWAY WITH A MIX OF BUSINESS
INDUSTRY, RESIDENTIAL - ACCESSED BY IMPROVED
ROAD/BIKE/PEDESTRIAN PATH

4. Please identify any actions on Kachamak Drive that seem easy, affordable and effective.

WEEKLY PLACEMENT OF DIGITAL SPEED CAP, RADIO/NEWSPAPER
EDUCATIONAL SPOTS, SHARE THE ROAD SIGNS, SPEED M.
ENFORCEMENT, OTHER SIGNS, PEDESTRIAN/BICYCLE DOUBLE F

5. Please identify any actions on Kachamak Drive that you feel we need to take even though they seem hard, but worth it. These actions may be difficult to achieve or may require a significant investment.

PURCHASE TRAIL EASEMENT(S), PURCHASE PROPERTY
FOR TRAILHEADS, PARKING, SCENIC OVERLOOKS
ENCOURAGE BUSINESSES/HOMESOWNERS TO
CLEAN UP PROPERTIES.

<?xml version="1.0" encoding="UTF-8"?>

<form1>

<TextField3>PO Box 2355 </TextField3>

<TextField4>Homer, AK 99603</TextField4>

<Answer>Downtown Homer</Answer>

<Answer/>

<Answer/>

<Answer/>

<Answer>Downtown Homer</Answer>

<Answer/>

<Answer>Never</Answer>

<Answer>Occasionally, about once or twice a month</Answer>

<Answer/>

<Answer>Routine Errands</Answer>

<TextField1/>

<TextField1/>

<TextField2>Ryjil Christianson</TextField2>

<Question11>No, if anything the speed limit should be lowered during the winter time when it's icy. I think the current speed limit is fine. I do think this would be a wonderful spot to make a Scenic Byway though. A trail or walking/bike lane should also be added. </Question11>

<Question10>On Kachemak Drive? I think this would be wonderful. Kachemak Drive is a lovely stretch of road to walk or bike. Unfortunately, there is no room right now for walkers and bikers to safely travel. </Question10>

<Question5>What road are you talking about? The base of the Spit or Kachemak Drive? Kachemak Drive is already a narrow road. I would be strongly in favor of adding a bike/pedestrian lane. But not if it means narrowing the roadway. The road at the base of the Spit may be wide enough to accommodate the a bike/walking lane. </Question5>

<Question3>Extending this trail would be wonderful. Right now there is a narrow point between the Airport Access Road and the beginning of the Spit trail. I often feel uncomfortable walking or cycling this stretch. </Question3>

<Question1>I would like to see turn out spots along to road for trucks towing boats. In the winter these areas could also be used as parking for people skating on the lake. </Question1>

<Question2>When the road was paved the traffic speed seemed to increase drastically. This made it even more terrifying to walk or bike along the road in some respects. More people have discovered the lake as a great skating area in the winter. It is difficult to park though. More homes are being built along the roadway. </Question2>

<Question13>Safety of walkers and bikers! This is a very scary roadway to travel if you are not in a car. </Question13>

<Question6>NO Something should be done on Kachemak Drive. I have never felt safe walking or biking on that road. </Question6>

<RadioButtonList/>

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<RadioButtonList/>

<RadioButtonList>1</RadioButtonList>

<RadioButtonList/>

<RadioButtonList/>

<RadioButtonList/>

<RadioButtonList>1</RadioButtonList>

<RadioButtonList/>

<RadioButtonList/>
<RadioButtonList/>
<RadioButtonList/>
<Question1>We could lower the speed limit until we build a seprate walking/ biking lane. I would
not be thrilled by this but it would be an affordable change. </Question1>
<Question1>put in a walking/ biking lane that is set back from the main roadway and make the
road a scenic byway (like the done along East End Road)</Question1>
</form1>


```
<?xml version="1.0" encoding="UTF-8"?>
<form1>
  <TextField3/>
  <TextField4>Homer, Alaska 99603</TextField4>
  <Answer>Downtown Homer</Answer>
  <Answer/>
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  <Answer/>
  <Answer>Downtown Homer</Answer>
  <Answer/>
  <Answer>Never</Answer>
  <Answer>Infrequently; maybe every few months</Answer>
  <Answer/>
  <Answer>Other</Answer>
  <TextField1/>
  <TextField1>Occasionally to get from East End Road to the Spit or vice versa, or to Ocean
    Drive</TextField1>
  <TextField2>Anne Marie Holen</TextField2>
  <Question11>I would love to see traffic slow down but I don't think this is a realistic option.
    Narrowing the lanes would help (with visual cues). Scenic Byway status requires an
    application to Alaska DOT. I have never heard of a seasonal Byway designation. I doubt such
    a short section would be granted Scenic Byway designation. (I know something about this
    topic.)</Question11>
  <Question10>Clearly the best option in terms of non-motorized user experience. Undoubtedly
    more expensive. However, I think we need to quit thinking of non-motorized transportation
    infrastructure as "optional." For years, handicapped access to buildings was thought of as
    "optional" until enough pressure was put on public officials to make it mandatory. It should be
    the same with non-motorized transportation, for many reasons.</Question10>
  <Question5>Not as good/safe/pleasant as a separated trail, but better than current
    situation.</Question5>
  <Question3>I support all trail development in the Homer area, including this
    proposal.</Question3>
  <Question1>It should have a separated bike/walking/running trail along the entire
    length.</Question1>
  <Question2>not sure</Question2>
  <Question13>not sure</Question13>
  <Question6>I am glad that the Parks and Rec Commission has not let this issue (biking/pedestrian
    pathway) die. It would be a shame if that happened.</Question6>
  <RadioButtonList>1</RadioButtonList>
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  <RadioButtonList/>
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<RadioButtonList>1</RadioButtonList>

<Question1>Narrowing the lanes and creating bike/walking shoulders of a different color (this is important) would be easy and affordable but not as effective as a separated pathway.</Question1>

<Question1>Kachemak Drive is a State road, not a City road. The City needs to advocate strongly for improvements via the STIP (Statewide Transportation Improvement Plan) process.</Question1>

</form1>

PROPOSED KACHEMAK DRIVE NON-MOTORIZED PATH

PLEASE HELP OUR EFFORTS BY COMPLETING THE SURVEY
QUESTIONS BELOW



Background: Late last year it was brought to the attention of the Parks and Recreation Advisory Commission that the current state of Kachemak Drive is unsafe for the traffic and recreation occurring there. A committee was formed to look at the safety issues on this road and to come up with creative ideas to increase safety. All four scenarios presented are ideas created and supported by the Committee members but are not to be considered concrete plans. Your input will help the Kachemak Drive Pedestrian Bike Path Committee present recommendations to the Parks and Recreation Advisory Commission and ultimately City Council for further action, if any, in the future.

Kachemak Drive Pedestrian Bike Path
A Committee of the Parks and Recreation Advisory Commission

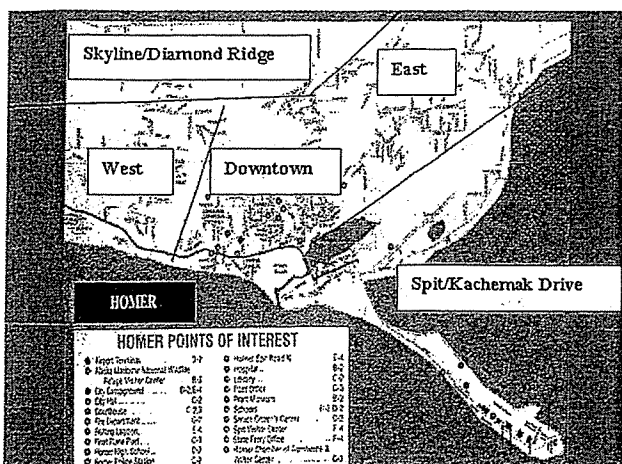
Cowles Council Chambers City Hall
491 E. Pioneer Avenue
Homer, Alaska
www.cityofhomer-ak.co

Name (Optional)

Address (Optional)

City, State, Zip

Homer, AK 99603



1. Please refer to the map and indicate the area of Homer where you live.

- ☐ West Homer
- ☐ Downtown Homer
- ☒ East Homer
- ☐ Kachemak Drive and Spit
- ☐ Skyline/Diamond Ridge

2. Referring to the map, indicate the area of Homer where your most frequent destination is located (workplace, office, school, etc.)

- ☐ West Homer
- ☒ Downtown Homer
- ☐ East Homer
- ☐ Skyline/Diamond Ridge
- ☐ Kachemak Drive and Spit

3. How often do you ride a bicycle on Kachemak Drive?

- ☐ Never
- ☐ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☒ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

5. If you ride a bike, which of the following describes why you use it on Kachemak Drive. If more than one please note in "Other".

- ☐ Regular Exercise or Workout
- ☐ Family Outings or touring
- ☒ Commuting - Work or School
- ☐ Routine Errands
- ☒ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ I do not Ride a Bike
- ☐ Other

4. How often do you drive a car on Kachemak Drive?

- ☒ Never
- ☐ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☐ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

6. If you drive a car which describes why you use Kachemak Drive. If more than one please note in "Other".

- ☐ Commuting to Work or School
- ☐ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ Other

If you could re-allocate space on the road for the following user groups, circle the action you would take:

CARS	PEDESTRIANS	CYCLISTS	OTHER VEHICLES
<input checked="" type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input checked="" type="radio"/> Same Road Space
<input type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input type="radio"/> More Road Space
<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space

8. Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option. Do you support this Option? Why or Why Not?

This doesn't make sense...
Why would anyone just want to
bike to the airport.

10. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways. Comments or Concerns? Do you Support this Option? Why or Why Not?

Possibly depending on how
far.

12. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

No - the shoulder needs to
be paved at least!

14. How are the Community and the Uses of Kachemak Drive changing? How should the City respond to the changes?

Bike commuters are more
common - also tourist bike trips
create hazard in summer - need safe path
for the loop

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

Paving shoulders

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

Yes, concern is road is
small to begin w/

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it Scenic Byway during this Time. Comments or Concerns? Do you Support this Option? Why or Why Not?

No! Will just create more
traffic.

13. What do you feel are the most pressing issues facing Kachemak Drive?

No Bike lane, or at least no
paved shoulder

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

Much the same but w/
Bike Path.

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require significant investment.

PROPOSED KACHEMAK DRIVE NON-MOTORIZED PATH

PLEASE HELP OUR EFFORTS BY COMPLETING THE SURVEY
QUESTIONS BELOW

Background: Late last year it was brought to the attention of the Parks and Recreation Advisory Commission that the current state of Kachemak Drive is unsafe for the traffic and recreation occurring there. A committee was formed to look at the safety issues on this road and to come up with creative ideas to increase safety. All four scenarios presented are ideas created and supported by the Committee members but are not to be considered concrete plans. Your input will help the Kachemak Drive Pedestrian Bike Path Committee present recommendations to the Parks and Recreation Advisory Commission and ultimately City Council for further action, if any, in the future.

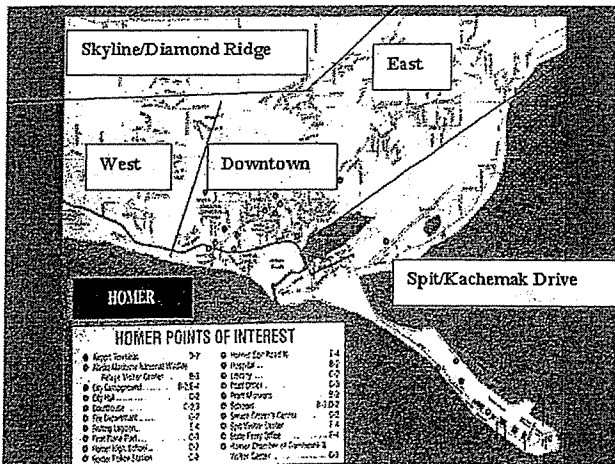
Kachemak Drive Pedestrian Bike Path
Advisory Commission of the Parks and Recreation
City of Homer, Alaska

Cowles Council Chambers City of Homer
491 E. Pioneer Avenue
Homer, Alaska
www.cityofhomer-ak.co

Name (Optional) Tom & Sandy Early

Address (Optional) _____

City, State, Zip _____



1. Please refer to the map and indicate the area of Homer where you live.

- ☐ West Homer
☐ Downtown Homer
☒ East Homer
☐ Kachemak Drive and Spit
☐ Skyline/Diamond Ridge

2. Referring to the map, indicate the area of Homer where your most frequent destination is located (workplace, office, school, etc.)

- ☐ West Homer ☒ Downtown Homer ☐ East Homer ☐ Skyline/Diamond Ridge ☐ Kachemak Drive and Spit

3. How often do you ride a bicycle on Kachemak Drive?

- ☐ Never
☐ Infrequently; maybe every few months
☒ Occasionally, about once or twice a month
☐ Regularly, once or twice a week
☐ Frequently, several times a week or every day

running
several
times
per
week

5. If you ride a bike, which of the following describes why you use it on Kachemak Drive. If more than one please note in "Other".

- ☒ Regular Exercise or Workout ☐ Family Outings or touring
☐ Commuting - Work or School
☐ Routine Errands
☐ Trips to the Library, Museums, Spit, Parks, etc.
☐ I do not Ride a Bike
☐ Other _____

4. How often do you drive a car on Kachemak Drive?

- ☐ Never
☐ Infrequently; maybe every few months
☐ Occasionally, about once or twice a month
☐ Regularly, once or twice a week
☒ Frequently, several times a week or every day

6. If you drive a car which describes why you use Kachemak Drive. If more than one please note in "Other".

- ☐ Commuting to Work or School
☐ Routine Errands
☐ Trips to the Library, Museums, Spit, Parks, etc.
☐ Other

go to boat harbor, athletic
club, Starvin Marvin's,
beach

If you could re-allocate space on the road for the following user groups, circle the action you would take:

CARS	PEDESTRIANS	CYCLISTS	OTHER VEHICLES
Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space
More Road Space	<input checked="" type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input type="radio"/> More Road Space
Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space

Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option. Do you support this Option? Why or Why Not?

would be nice as continuation of spit bike trail- Homer needs to add bike paths whenever possible

0. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways. Comments or Concerns? Do you Support this Option? Why or Why Not?

Yes- this would be best

2. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

Nope- needs something

14. How are the Community and the Uses of Kachemak Drive changing? How should the City respond to the changes?

More bikers, runners- they need safer accommodations

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

The road is not very wide now- but this would be better than nothing

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it a Scenic Byway during this Time. Comments or Concerns? Do you Support this Option? Why or Why Not?

No- drivers don't usually observe the speed limit now- but would be better than nothing also

13. What do you feel are the most pressing issues facing Kachemak Drive?

more use- needs to be upgraded

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

Wider, with room for everyone

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require significant investment.

Bike/pedestrian path

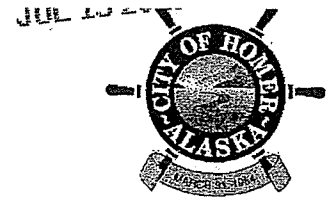
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Submit by Email

Print Form

PROPOSED KACHEMAK DRIVE NON-MOTORIZED PATH

PLEASE HELP OUR EFFORTS BY COMPLETING THE SURVEY
QUESTIONS BELOW



Background: Late last year it was brought to the attention of the Parks and Recreation Advisory Commission that the current state of Kachemak Drive is unsafe for the traffic and recreation occurring there. A committee was formed to look at the safety issues on this road and to come up with creative ideas to increase safety. All four scenarios presented are ideas created and supported by the Committee members but are not to be considered concrete plans. Your input will help the Kachemak Drive Pedestrian Bike Path Committee present recommendations to the Parks and Recreation Advisory Commission and ultimately City Council for further action, if any, in the future.

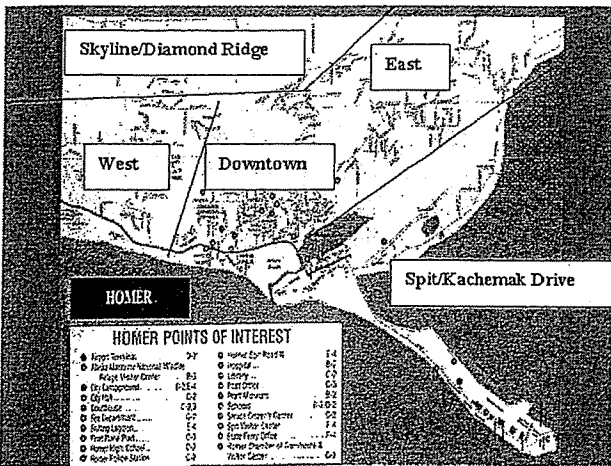
Kachemak Drive Pedestrian Bike Path
Advisory Committee of the Parks and Recreation
Commission

Cowles Council Chambers City Hall
491 E. Pioneer Avenue
Homer, Alaska
www.cityofhomer-ak.co

Name (Optional) Bruce Bezon

Address (Optional) 304 W. Pioneer

City, State, Zip 99603



1. Please refer to the map and indicate the area of Homer where you live.

- ☐ West Homer
- ☒ Downtown Homer
- ☐ East Homer
- ☐ Kachemak Drive and Spit
- ☐ Skyline/Diamond Ridge

2. Referring to the map, indicate the area of Homer where your most frequent destination is located (workplace, office, school, etc.)

- ☐ West Homer
- ☒ Downtown Homer
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- ☐ Skyline/Diamond Ridge
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3. How often do you ride a bicycle on Kachemak Drive?

- ☐ Never
- ☐ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☒ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

5. If you ride a bike, which of the following describes why you use it on Kachemak Drive. If more than one please note in "Other".

- ☐ Regular Exercise or Workout
- ☐ Family Outings or touring
- ☐ Commuting - Work or School
- ☒ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ I do not Ride a Bike

☒ Other Routine Errands

4. How often do you drive a car on Kachemak Drive?

- ☒ Never
- ☐ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☐ Regularly, once or twice a week
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8. Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option. Do you support this Option? Why or Why Not?

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

10. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways. Comments or Concerns? Do you Support this Option? Why or Why Not?

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it a Scenic Byway during this Time. Comments or Concerns? Do you Support this Option? Why or Why Not?

Yeah right!

12. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

13. What do you feel are the most pressing issues facing Kachemak Drive?

a bike path

14. How are the Community and the Uses of Kachemak Drive changing? How should the City respond to the changes?

more cyclists, & also more car traffic w/ little space.
Bad mix!

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require significant investment.

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QUESTIONS BELOW



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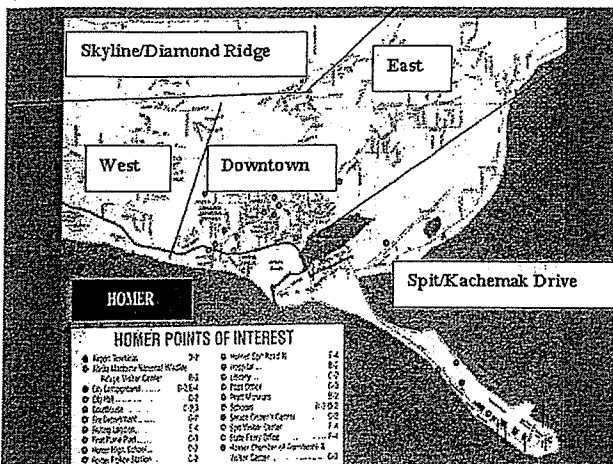
Name (Optional)

Address (Optional)

PO Box 1757

City, State, Zip

HOMER, AK 99603



1. Please refer to the map and indicate the area of Homer where you live.

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- ☒ Downtown Homer
- ☐ East Homer
- ☐ Kachemak Drive and Spit
- ☐ Skyline/Diamond Ridge

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- ☐ West Homer
- ☒ Downtown Homer
- ☐ East Homer
- ☐ Skyline/Diamond Ridge
- ☒ Kachemak Drive and Spit

3. How often do you ride a bicycle on Kachemak Drive?

*CURRENTLY TOO DANGEROUS

- ☐ Never
- ☒ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☐ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

5. If you ride a bike, which of the following describes why you use it on Kachemak Drive. If more than one please note in "Other".

- ☒ Regular Exercise or Workout
- ☐ Family Outings or touring
- ☐ Commuting - Work or School
- ☐ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ I do not Ride a Bike
- ☐ Other

4. How often do you drive a car on Kachemak Drive?

- ☐ Never
- ☐ Infrequently; maybe every few months
- ☒ Occasionally, about once or twice a month
- ☐ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

6. If you drive a car which describes why you use Kachemak Drive. If more than one please note in "Other".

- ☐ Commuting to Work or School
- ☐ Routine Errands
- ☐ Trips to the Library, Museums, Spit, Parks, etc.
- ☒ Other

If you could re-allocate space on the road for the following user groups, circle the action you would take:

CARS	PEDESTRIANS	CYCLISTS	OTHER VEHICLES
Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space
More Road Space	<input checked="" type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input type="radio"/> More Road Space
Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input checked="" type="radio"/> Less Road Space

8. Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option.

Do you support this Option? Why or Why Not?

YES, FOR PEDESTRIAN/BYCECLE ACCESS TO LOCAL/CHARTER AIR SERVICES.

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

MAYBE, NOT CERTAIN IT WOULD IMPROVE SAFETY FOR ANYONE.

10. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways.

Comments or Concerns? Do you Support this Option?

Why or Why Not?

YES, A PEDESTRIAN/BYCECLE PATH IS NEEDED TO COMPLETE THE LOOP BY TIEING EAST END RD TO SPIT TRAILS.

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it a Scenic Byway during this Time. Comments or Concerns?

Do you Support this Option? Why or Why Not?

YES, WOULD IMPROVE SAFETY FOR ALL USERS.

12. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

NO

13. What do you feel are the most pressing issues facing Kachemak Drive?

SAFETY & DRAINAGE.

14. How are the Community and the Uses of Kachemak Drive changing? How should the City respond to the changes?

MORE & FASTER TRAFFIC, ESPECIALLY IN SUMMER - BOAT/TRAILOR TRAFFIC TO BOAT YARD + RVs.

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

MORE LIKE PORTION OF EAST END ROAD THAT HAS BIKE PATH.

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

?

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require significant investment.

SEPARATED BIKE/PEDESTRIAN LANE

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PROPOSED KACHEMAK DRIVE NON-MOTORIZED PATH

PLEASE HELP OUR EFFORTS BY COMPLETING THE SURVEY
QUESTIONS BELOW

AUG 30 2011 10:02:06



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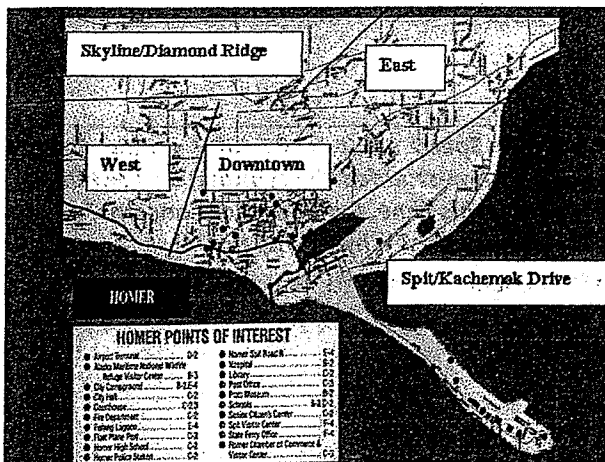
Cowles Council Chambers City Hall
491 E. Pioneer Avenue
Homer, Alaska
www.cityofhomer-ak.com

Name (Optional) Kevin Walker

Address (Optional) 59975 Gliden Plover

City, State, Zip

Kachemak City, AK 99603



1. Please refer to the map and indicate the area of Homer where you live.

- ☐ West Homer
- ☐ Downtown Homer
- ☒ East Homer
- ☐ Kachemak Drive and Spit
- ☐ Skyline/Diamond Ridge

2. Referring to the map, indicate the area of Homer where your most frequent destination is located (workplace, office, school, etc.)

- ☐ West Homer
- ☒ Downtown Homer
- ☐ East Homer
- ☐ Skyline/Diamond Ridge
- ☐ Kachemak Drive and Spit

3. How often do you ride a bicycle or walk along Kachemak Drive?

- ☐ Never
- ☐ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☒ Regularly, once or twice a week
- ☐ Frequently, several times a week or every day

4. How often do you drive a car on Kachemak Drive?

- ☐ Never
- ☐ Infrequently; maybe every few months
- ☐ Occasionally, about once or twice a month
- ☐ Regularly, once or twice a week
- ☒ Frequently, several times a week or every day

5. If you ride a bike or walk, which of the following describes why you use Kachemak Drive. If more than one please note in "Other".

- ☐ Regular Exercise or Workout
- ☐ Family Outings or touring
- ☐ Commuting - Work or School
- ☐ Routine Errands
- ☒ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ I do not Ride a Bike
- ☐ Other

6. If you drive a car, which describes why you use Kachemak Drive. If more than one please note in "Other".

- ☐ Commuting to Work or School
- ☐ Routine Errands
- ☒ Trips to the Library, Museums, Spit, Parks, etc.
- ☐ Other

If you could re-allocate space on the road for the following user groups, circle the action you would take:

CARS	PEDESTRIANS	CYCLISTS	OTHER VEHICLES
<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space	<input type="radio"/> Same Road Space
<input type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input checked="" type="radio"/> More Road Space	<input type="radio"/> More Road Space
<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input type="radio"/> Less Road Space	<input checked="" type="radio"/> Less Road Space

8. Half Mile Trail from the Base of the Spit to the Airport Access Road. Comments and Concerns about this Option.

Do you support this Option? Why or Why Not?

Is this the beach trail option? This is a good pedestrian option, but only mountain bikers with lots of time would find cycle on this trail. I would strongly support a paved or crushed gravel surface parallel to the road - this is a very dangerous section as cars are going fast with limited visibility over the hill, and uphill bike riders may be going very slow and weaving a bit.

10. Creating a Separated Recreational Trail following Current Water and Sewer Easements or Right of Ways.

Comments or Concerns? Do you Support this Option?

Why or Why Not?

This is an excellent long term solution. Act fast, the easements on the west end are dug up and construction equipment is on site!

12. Take No Action on Kachemak Drive. Comments and Concerns? Do you Support this Option? Why or Why Not?

I travel this road frequently, both on a bike and by car. There is often a lot of car / truck traffic and they are going too fast. I often see 4-8 bicyclists on my trips along Kachemak Drive. I can not support no action.

14. How are the Community and the Uses of Kachemak Drive changing? How should the City respond to the changes?

With the rising price of gas, more people are riding bikes.

16. Please identify any actions on Kachemak Drive that seem easy, affordable and effective?

Take advantage of the current construction activity at the west end of Kachemak Drive to eliminate move - demobe costs. Repaint the lines to allow up to 3' on each side for a paved shoulder for bikes and walkers.

9. Narrowing the Width of Road and Adding Widened Painted Shoulder for Bike/Walking Lane. Comments or concerns about this Option? Do you Support this Option? Why or Why Not?

I strongly support this option as an immediate, low cost solution where the right of way and topography permit.

11. Decreasing the Speed Limit to 25 MPH during Summer Months (defined as non-studded tire months) and Making it a Scenic Byway during this Time. Comments or Concerns? Do you Support this Option? Why or Why Not?

I support this if it could be enforced. Making 9.5-10' lanes would help slow down traffic.

13. What do you feel are the most pressing issues facing Kachemak Drive?

Safety, safety, and safety.

15. What do you want Kachemak Drive to look like in the next 10 or 20 years?

I would like to see a separate, paved bike and pedestrian trail, similar to the spit trail. I would discourage an adjacent trail where possible, as the proximity of speeding cars and trucks detracts from a pleasant commuting / traveling experience.

17. Please identify any actions on Kachemak Drive that you feel the City needs to take even though they appear hard but worth it? These actions may be difficult to achieve or may require a significant investment.

Acquire necessary easements for trails under the power lines and over the sewer and water lines.

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Submit by Email

Print Form

From: "Thomas, Scott E (DOT)" <scott.thomas@alaska.gov>
Subject: **RE: signage on Kachemak Drive, Homer**
Date: August 26, 2011 11:08:44 AM AKDT
To: Molly Brann <brann@alaska.net>
Cc: "Jones, Kevin L (DOT)" <kevin.jones@alaska.gov>, "High, Carl S (DOT)" <carl.high@alaska.gov>, "Vanderwood, Randy D (DOT)" <randy.vanderwood@alaska.gov>, "Huling, Lawrence K (DOT)" <larry.huling@alaska.gov>, "Rader, Val S (DOT)" <val.rader@alaska.gov>, "Morton, Kenneth M (DOT)" <ken.morton@alaska.gov>

Mr. Brann,

As we discussed, I recommend the following:

1. SHARE THE ROAD signs.

A. A State perspective: DOT/PF has no policy/rules, program, or resource on where best to do this or proof they are effective. If we did, we would likely choose higher priority roads on a southcentral Region basis. Kachemak Bay Drive has visibility, and it is our practice to limit the use of warning signs to things people need to know because they can't see the problem. Bicyclists can be seen on this route and sharing the road should be obvious to the driver due to the lack of shoulders and other facilities.

B. A local perspective: State priorities are not the same as local priorities. What I can recommend and support is a local government plan for signing for SHARE THE ROAD or BIKE ROUTE[s] or pathways. This is the approach we are taking in the Municipality of Anchorage, where the city creates a priority plan for bike routes and pathway circulation regardless of road ownership. They identify in a plan the routes and connectivity in an area. Then they are responsible for signing those routes. We would entertain an agreement for route signing that is conducted at the local level with continuity in mind. That will get you away from a Regional priority system for investing in signing and into more of a system that makes sense and is easier to coordinate/plan at the local level.

2. SPEED signs - driver feedback, battery operated.

A. DOT/PF is not opposed to these, but again, is only prioritizing these and maintaining these at the Regionwide level - with our highest priority being to test the effectiveness of these in our Safety Corridors - high speed, high volume highways with a crash problem. For the same reasons as above, (resources, funding, priority) we are not doing this on other roads.

B. Similar to bicycling signs, we have agreed to allow the City of Anchorage to test driver feedback signs on state roads. We do require they take speed measurements and document effectiveness before they are allowed to remain indefinitely. I would recommend a local level approach to the use of these signs for education and policing information to the driver, with a local priority system. Same as Anchorage and local use of speed carts. We would entertain an agreement led by the City of Homer to have a local effort in speed feedback signs, as long as it is part of a prioritized plan, funded by and operated by the City.

Thank you for calling.

Scott Thomas
Traffic Safety Engineer
DOT/PF Central Region
907-269-0633
scott.thomas@alaska.gov

-----Original Message-----

From: Molly Brann [mailto:brann@alaska.net]
Sent: Tuesday, August 23, 2011 1:57 PM
To: Thomas, Scott E (DOT)
Subject: signage on Kachemak Drive, Homer

Hello Mr. Thomas,

I was referred to you by Kevin Jones, DOT here in Homer. I am working on various ideas to increase safety for pedestrians, bicyclists and motorists along Kachemak Drive in Homer. I am writing as a concerned citizen and one that supports the concept of a bike/pedestrian path along Kachemak Drive. Until all the questions related to a possible path can be answered, possibly years down the road, I think a few things can be done to increase safety for users of the road.

I would like to be able to add a couple of Bicycles on the Road or Share the Road signs to existing signposts, the yellow advisory signs, not to the black and white regulatory signs. This would avoid (I hope) having to get permits to add new sign posts in the ROW. I think this would help make drivers aware there may be bicycles on the roadway, especially since there is a blind hill and some blind corners along the road. Without paved shoulders bicyclists do ride in the road-this summer has seen an increased number of commuter type bicyclists.

I have also been researching driver feedback / radar signs that are small and alert drivers when they go over the posted speed limit. The speed limit on Kachemak Drive is 35 but many, if not most, drive 45mph. The radar signs are battery operated and can be placed on existing sign posts. The signs are about \$3000 and I think I could raise the funds for two if permission could be obtained to mount them on existing signs. The local police chief and the city manager support the concept as far as slowing traffic and increasing safety.

Any advice, information or perhaps permission you could send my way would be greatly appreciated.

Sincerely,

Dave Brann

Jo Johnson

From: Renee Krause
Sent: Friday, July 29, 2011 7:50 AM
To: Melissa Jacobsen; Jo Johnson
Subject: FW: Request for Resolution from Councilmember Zak

See below. I can draft one if you are too swamped. I believe the goal is to have it on the agenda for August 22 cc meeting since Francie was gone for the first meeting.

Renee Krause, CMC
Deputy City Clerk I

-----Original Message-----

From: bryanzak@aol.com [mailto:bryanzak@aol.com]
Sent: Thursday, July 28, 2011 10:22 PM
To: Renee Krause
Subject: Re: Excerpt from the Parks and Recreation Minutes of July 21 2011

I will sponsor a resolution to this effect.

-----Original Message-----

From: Renee Krause <RKrause@ci.homer.ak.us>
To: Bryan Zak <BryanZak@aol.com>; Francie Roberts <roberts2@alaska.net>; David Lewis <davelyn@gci.net>
Cc: Beth Cumming <listentothewaters@yahoo.com>
Sent: Thu, Jul 28, 2011 12:05 pm
Subject: Excerpt from the Parks and Recreation Minutes of July 21 2011

The below is an excerpt from the Meeting Minutes of the Parks and Recreation Advisory Commission regarding recommendations submitted on a proposed Kachemak Drive Pedestrian and Bike Path this was requested from Commissioner Cumming to be emailed to you seeking support for the recommendation and a resolution from Council to continue/proceed with the concept.

I believe this may be brought up at the Council Meeting August 8th.

COMMITTEE REPORTS/STAFF REPORTS

- C. Kachemak Drive Path Committee - Commissioner Harrauld
1. Synopsis of the June 17, 2011 Meeting
 2. Synopsis if Surveys Received as of July 13, 2011
 3. Survey received as of July 1, 2011
 4. Recommendations to the Commission
 5. Memorandum dated July 14, 2011 Discussion on Recommendations to Council from the Committee

Chair Bremicker requested a motion and read the motion submitted by the Committee into the record as follows:

THE KACHEMAK DRIVE PATH COMMITTEE OF THE HOMER PARKS AND RECREATION ADVISORY COMMISSION RECOMMENDS THAT THE FOLLOWING BE PASSED AND SUBMITTED TO CITY COUNCIL:

TO SUPPORT THE ACTIONS INCREASING THE SAFETY FOR MOTORIZED AND NON-MOTORIZED USERS ALONG KACHEMAK DRIVE IN ANY OR ALL OF THE FOLLOWING WAYS:

- ALTERATION OF THE EXISTING KACHEMAK DRIVE AND SHOULDER
- A SEPARATED PATH PARALLELING KACHEMAK DRIVE USING THE UTILITY EASEMENTS
- LOWERING THE SPEED LIMIT AND INCREASING THE USE OF SIGNAGE
- THE PARKS AND RECREATION ADVISORY COMMISSION WILL WORK IN COOPERATION WITH THE

CITY OF HOMER IN THE PLANNING AND IMPLEMENTATION PHASES.

BRANN/ARCHIBALD - SO MOVED.

CUMMING/LILLIBRIDGE - MOVED TO AMEND THE MOTION TO READ "TO SUPPORT DEVELOPMENT OF PATHS ALONG KACHEMAK DRIVE FOR NON-MOTORIZED USERS INCLUDING WALKERS, RUNNERS AND BICYCLISTS TO INCREASE SAFETY FOR BOTH MOTORIZED AND NON-MOTORIZED USERS IN THE FOLLOWING WAYS.

Discussion proceeded on the wording changes and that the word flow and intent of the motion was the same and the original recommendation was appropriate. The maker and second pulled the amendment from consideration. Chair Bremicker commented that the motion was acceptable as written.

Commissioner Lillibridge re-read the motion as written for clarification.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Ms. Krause responded to questions regarding the process and what happens when they submit the recommendations to City Council. She informed the commissioners that since this item was not and has not been on the council agenda, the recommendation can be verbally presented at the August 8, 2011 Council meeting during Commission Reports, a memorandum from the Commission could be submitted for inclusion in the packet. It will be up to the Council if they would like to proceed further on the recommendation and it must have Council support for the recommendation to have anything further done. The commissioners must realize that the recommendation could be presented to council and that is it, nothing more happens even with the support of councilmembers. The issue will then be finished and the job of the Committee may then be complete. She recommended contacting council members to try to gain support for further action and implementation of the recommendations that will be forwarded by this commission. She confirmed that Council has the option to request a resolution to express support also.

Commissioner Cumming commented that she would like to do as much as possible to ensure that the council supports the recommendation. She expounded on her reasons for having this approved by council.

Renee Krause, CMC
Deputy City Clerk I
City of Homer
491 E. Pioneer Avenue
Homer, Alaska 99603
Ph. 907-235-8121 ext. 2224
Fax. 907- 235-3143
rkrause@ci.homer.ak.us

"Successful is the person who has lived well, laughed often and loved much, who has gained the respect of children, who leaves the world better than they found it, who has never lacked appreciation for the earth's beauty, who never fails to look for the best in others or give the best of themselves."

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**CITY OF HOMER
HOMER, ALASKA**

Lewis/Zak/Parks and Recreation
Advisory Commission

RESOLUTION 11-090

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, SUPPORTING THE CONCEPT AND
CONSTRUCTION OF NON-MOTORIZED PATHWAYS TO
INCREASE THE SAFETY FOR MOTORIZED AND NON-
MOTORIZED USERS ALONG KACHEMAK DRIVE
LOCATED WITHIN THE CITY LIMITS, FROM THE BASE OF
THE HOMER SPIT TO EAST END ROAD.

1
2 WHEREAS, The Parks and Recreation Advisory Commission established a committee to
3 specifically address possible solutions to the hazards presented to non-motorized and motorized users
4 of Kachemak Drive; and
5

6 WHEREAS, Public input was sought through a variety of channels for solutions to address
7 these safety concerns; and recommendations to Lower the Speed Limit, Alter the Travel Lane
8 Width and Shoulder, Increase the Use of Signage, Construct Separated, Non-motorized Paths
9 paralleling Kachemak Drive using the existing Utility Easements will be contingent on available
10 funding in the future; and
11

12 WHEREAS, The Homer City Council has shown support in approval of the Homer Non-
13 Motorized Transportation and Trail Plan, Homer Area Transportation Plan, Climate Action Plan,
14 HART Policy Manual and inclusion of the Kachemak Drive Rehabilitation/Pathway on the Capital
15 Improvement Plan; and
16

17 WHEREAS, Increasing active transportation, motorized and non-motorized, offers the
18 potential for improved public health, economic development, a cleaner environment, reduced
19 transportation costs, enhanced community connections, social equity, and more livable
20 communities.
21

22 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska,
23 hereby supports the concept and construction of non-motorized pathways along Kachemak Drive in,
24 over, and upon property within the City of Homer, and that said improvements are necessary for the
25 use and benefit of the public; and
26

27 BE IT FURTHER RESOLVED that the City Council of Homer, Alaska, further supports
28 the actions increasing the safety for motorized and non-motorized users along Kachemak Drive
29 in any or all of the following ways:

- 30 - Alteration of the existing Kachemak Drive and Shoulder
31 - Separated Paths paralleling Kachemak Drive using the Utility Easements
32 - Lowering the Speed Limit
33 - Increasing the Use of Signage
34

PASSED AND ADOPTED by the Homer City Council this 12th day of September, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal information: Funding not defined.

NEW BUSINESS

RESOLUTION(S)

Howard, Lewis, Wythe

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE CITY MANAGER TO DRAFT AND SUBMIT A REVENUE BOND SALE APPLICATION AND TAKE OTHER STEPS NECESSARY TO PREPARE FOR A POSSIBLE BOND SALE TO FINANCE CONSTRUCTION OF SIX TOP PRIORITY CAPITAL PROJECTS WITHIN THE HOMER HARBOR.

WHEREAS, The Homer City Council recently adopted Resolution 11-060 entitled “A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ESTABLISHING A COMMITTEE TO DEVELOP A PORT AND HARBOR IMPROVEMENT REVENUE BONDING PLAN AND PROVIDE COMMITTEE REVIEW AND OVERSIGHT THROUGHOUT THE IMPLEMENTATION AND COMPLETION OF ANY APPROVED PLAN”; and

WHEREAS, The Committee has completed the first phase of its work and has submitted a memorandum containing recommendations to the Council, a copy of which is attached and incorporated herein; and

WHEREAS, The Committee conducted a thorough review of all aspects related to revenue bond sales that must be considered including the bond sale process, the status and fiscal health of the Port and Harbor Enterprise Fund, the Fund's capacity to generate new revenues to retire bonded indebtedness, and an overview of all projects identified for inclusion in a potential bond sale; and

WHEREAS, The Committee found that it was in the best interest of the City to recommend a small but targeted revenue bond sale focused on the most high priority projects and those in which a local share would leverage funds from outside sources; and

WHEREAS, The Committee selected six projects for inclusion in the sale at a cost of approximately \$ 6 Million financed over twenty years; and

WHEREAS, The projects recommended in order of priority ranking are:

- Load and Launch Ramp
- Ramp 3 Gangway
- System 5 Upgrades
- Harbor Float Replacement
- Harbor Office
- Harbor Entrance Erosion Control

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council finds that it is in the best interest of the City to proceed with the next steps in preparation for a possible bond sale consistent with the recommendations of the Port and Harbor Revenue Bond Committee; and

BE IT FURTHER RESOLVED that the City Council hereby authorizes the City Manager to draft and submit a revenue bond sale application and take other steps necessary to prepare for a possible bond sale for financing the harbor projects referenced above.

PASSED AND ADOPTED by the Homer City Council this 28th day of November, 2011.

CITY OF HOMER

MARY E. WYTHER, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Administration and Legal Time / estimated to be less than \$3,000.

MEMORANDUM 11-145

TO: Mayor Hornaday and Homer City Council

FROM: Port and Harbor Revenue Bond Committee / Barbara Howard Chair

DATE: October 24, 2011

SUBJECT: Proposed Revenue Bond Sale for Harbor Improvement Projects

Introduction

The City Council recently adopted Resolution 11-060 entitled " A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ESTABLISHING A COMMITTEE TO DEVELOP A PORT AND HARBOR IMPROVEMENT REVENUE BONDING PLAN AND PROVIDE COMMITTEE REVIEW AND OVERSIGHT THROUGHOUT THE IMPLEMENTATION AND COMPLETION OF ANY APPROVED PLAN." The Committee was established and held its first meeting in early August. Barbara Howard was elected Chair and meetings were held every Thursday until the end of September when they were changed to every other week.

Resolution 11-060 required that the Committee provide recommendations to the Council by November 1, 2011. We are pleased to report that the Committee has completed the first phase of its work. This memorandum contains the Committee's recommendations.

The Committee conducted a thorough review of all of the variables that must be evaluated when municipalities are considering a revenue bond sale. The Committee started by having a discussion with Deven Mitchell, the Executive Director of the Alaska Municipal Bond Bank. Mr. Mitchell explained the entire bond sale process from conception and application through closing. He also outlined the benefits associated with using the Bond Bank to conduct the sale. The Committee received several briefings from the Finance Director regarding the financial health and capacity of the Port and Harbor Enterprise Fund. As part of this process, the Committee reviewed the Fund's ability to generate the amount of revenue that would be needed to retire bond debt.

The Committee received an overview of all of the harbor projects that were included in the enabling resolution. It also reviewed a number of new projects that were not included in either the CIP List or the enabling resolution for possible inclusion in the bond sale. Finally, the Committee was informed that the current City Attorney, Tom Klinkner, was one of the best known bond counsels in the State. Bond Counsel is required for any bond sale and the City already has the legal services it will need.

The Project Selection Criteria

There are many port and harbor projects that have been on the CIP List for a long time and are worthy of consideration for inclusion in the bond sale. Making choices was potentially difficult, especially given the backlog of priority projects and the limited bonding capacity of the enterprise fund. Therefore, the Committee decided to go about selecting projects in a methodical and structured manner. It scored and ranked projects using a weighted set of criteria. The criteria were:

- Is the project included in the enabling resolution?
- Does the project address health and safety issues?
- Does bonding leverage other money from outside sources?

- Does the project stimulate economic development and job creation?
- Does the project generate revenue for the enterprise fund?
- Does the project improve service delivery to port and harbor customers?
- Is there an identifiable revenue stream from benefitted users to retire the debt?

Other Considerations

The Committee carefully considered the financial capacity of the Port and Harbor Enterprise Fund and concluded that if a bond sale was conducted, it should be a relatively small and conservative one. The Committee took note of the fact that the Fund has diminishing retained earnings and cash assets below what would be advisable. The amount of money in the depreciation account is much less than that recommended by the City's auditors. The City could easily justify fee increases of 10 percent or more just to address these issues. Adding additional increases on top of that could be problematic and result in diminishing returns. No one wanted to raise fees too high too fast. To complicate matters further, revenues are down overall this year and are projected to be down again next year.

The Committee concluded that even though the Fund's bonding capacity at present is limited, interest rates are very low and there are opportunities right now to leverage significant amounts of outside funding for harbor priority projects that are too good to pass up. A targeted and limited investment in vital harbor infrastructure seems prudent and feasible. The Port and Harbor Enterprise Fund is expected to be self sustaining and good business practices require that investments be made in the facilities that support port and harbor operations. The port and harbor is an economic engine that creates jobs and generates revenue for the community. The revenues raised through a bond sale would be dedicated and directed right back into the facilities that port and harbor customers use and benefit from.

Bond revenues would be used to provide the required local match for other funding sources (with the exception of the harbor office). Therefore, five of the projects recommended for approval have significant funding sources associated with them. The City has already received a grant to pay for engineering and design for four of them. The Committee concluded that there was room for harbor fee increases sufficient to pay for bonded indebtedness up to \$5 or 6 Million. The Committee recommends exploring a staged call on bond revenues so that fees could be increased incrementally, and not all at once.

For a six million dollar bond sale and a twenty year amortization period, it is estimated that annual bond payments, including principal and interest, would be between \$300,000 and \$400,000. Closing costs will be minimal if the City goes through the Alaska Municipal Bond Bank and uses its attorney, Tom Klinkner as Bond Counsel. Harbor fees would have to be raised about 12% across the board to cover those payments unless other reductions in Port and Harbor expenses were achieved. The Committee also looked at targeted increases in specific fees for user groups that would benefit by particular projects. The City would be required to have a reserve account in place in the amount of \$500,000 to cover impending default and/or routine maintenance.

The City has received a grant Memorandum of Understanding for the load and launch ramp reconstruction project. Phase I of the project, engineering and design, will be fully funded up to \$350,000 with no local match requirement. The construction phase will be funded with federal money at 75% with a 25% local match. It is very likely that the 25% local match will be covered by the State of Alaska, either through Department of Fish and Game Sport Fish Program funds or through a State Harbor grant. Therefore, there is a good possibility no match from the City will be necessary. That could save the City an estimated \$837,500 in bonded indebtedness or a drawdown of port and harbor reserves.

The City will need to develop more current and precise project cost and local share estimates. This will be provided in more detail later if the Council approves the bonding recommendation in concept and authorizes us to move on to the next steps in the process. Council approval will be needed at a number of steps along the way.

The Recommended Projects

Following is a list of recommended projects to be included in a proposed revenue bond sale. They are listed in order of priority as scored by Committee members.

<u>Project</u>	<u>Estimated Cost</u>	<u>City Share</u>	<u>Matching Funds</u>
Load and Launch Ramp	\$3,350,000	\$837,500	Federal / State
Ramp 3 Gangway	\$1,700,000	\$850,000	State Harbor Grant
System 5 Upgrades	\$530,000	\$265,000	State Harbor Grant
Harbor Float Replacement	\$3,500,000	\$1,750,000	State Harbor Grant
Harbor Office	\$2,875,000	\$2,875,000	-----
Harbor Entrance Erosion Control	\$600,000	<u>\$300,000</u>	State Harbor Grant
TOTAL		\$6,877,500	
		<u>-790,000</u>	(secured design money)

TOTAL ESTIMATED BOND SALE \$6,087,500

FISCAL NOTES: The estimated costs presented above are total project costs. More refined and precise cost estimating will be provided as part of the bond application and approval process. The amount already secured for engineering and design (\$440,000 from Denali Commission and \$350,000 for L&L Ramp) is subtracted at the bottom. This has the effect of reducing the City's overall bonding costs. Also, it is probable that the City share for reconstruction of the L&L ramp will also be eliminated. If so, that reduces the bond sale to about \$5 Million.

These projects have been bundled into one project that was approved as part of the newly adopted CIP List. A good description of each project, the estimated costs, and the anticipated matching funds are included there. The project is entitled "Harbor Improvement Revenue Bond Projects" and is attached for your information.

HARBOR OFFICE NOTES: The Committee noted that the criteria used to select the recommended projects was not well suited for evaluating the merits of this particular project. A new harbor office has been on the City CIP List for many years. The facility is a patchwork of older buildings cobbled together and is easily number one on the City's list of buildings that need to be replaced. The building does not meet many of today's building code standards and it is not energy efficient. Replacing this building is a health and safety issue, both for the employees that work there and for the general public that conducts business there. Replacing this building would enable the staff to work more efficiently and productively and therefore, provide better service to the public. It is the intent of the Committee to explore the possibility of securing renters in the new facility to help cover bond payments.

RECOMMENDATION: Approve Resolution 11-099. Authorize the City Manager to proceed with the next steps including preparation of a bond sale application to the Alaska Municipal Bond Bank and the necessary documents for Council approval authorizing a bond sale.

**CITY OF HOMER
HOMER, ALASKA**

Wythe

RESOLUTION 11-060

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, ESTABLISHING A COMMITTEE TO DEVELOP A
PORT AND HARBOR IMPROVEMENT REVENUE BONDING
PLAN AND PROVIDE COMMITTEE REVIEW AND
OVERSIGHT THROUGHOUT THE IMPLEMENTATION AND
COMPLETION OF ANY APPROVED PLAN.

WHEREAS, The City of Homer Capital Improvement Plan (CIP) contains a variety of
repair and improvement items for the Port & Harbor district, many of which have been
languishing on the CIP list for a number of years with the continued hope of receiving funding
from State and Federal agencies; and

WHEREAS, The Homer City Council recognizes the Port and Harbor Enterprise as a
vital economic contributor to the community and as such desires to maintain and improve the
facilities to ensure continued economic vitality and support economic development within the
community; and

WHEREAS, State and Federal funding of these projects becomes increasingly unlikely
due to economic shortfalls at all levels of government; and

WHEREAS, The Port and Harbor is an Enterprise Fund which generates revenues that
can be allocated to the repayment of financed projects, which qualifies the Enterprise Fund for
Revenue Bonding consideration; and

WHEREAS, The Port and Harbor Enterprise Fund currently has no indebtedness; and

WHEREAS, The current Port and Harbor Enterprise Fund depreciation reserve account
has a balance of \$1,653,816 as of December 31, 2010.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska,
supports the establishment of a committee to develop a plan for the implementation of a Port and
Harbor Improvement Revenue Bonding Project; and

BE IT FURTHER RESOLVED that the committee will consist of six members, three
representatives from the Homer City Council (to be appointed by the Mayor and approved by the
Council), the Harbormaster, and two members from the Port and Harbor Advisory Commission
(to be selected by the Port and Harbor Advisory Commission). Other staff members will provide
administrative and consultative support as requested by the committee or directed by the City
Manager.

BE IT FURTHER RESOLVED that the committee will make a recommendation to the Council not later than November 1, 2011, including information on the process for revenue bond funding, a proposed timeline for project completion in not longer than three years with a beginning date of no later than June 1, 2012, and including the following items from the Capital Improvement Projects list:

- a. Harbormaster's Office (to be developed as a model over-slope development project and include public restroom facilities with a separated entrance from the building to allow 24-hour access) \$2,875,000
- b. Harbor Entrance Erosion Control 600,000
- c. Ramp 3 Gangway replacement (to include disability access) 1,700,000
- d. Harbor Float Replacement 3,500,000
- e. Upgrade System 5 – Vessel Shore Power & Water 530,000
- f. Fishdock Restrooms 400,000

PASSED AND ADOPTED by the Homer City Council this 13th day of June, 2011.

CITY OF HOMER


JAMES C. HORNADAY, MAYOR

ATTEST:


JO JOHNSON, CMC, CITY CLERK

Fiscal Note: \$6,720, Acct. No. 165-375 (HART Trails Reserve)



Harbor Improvement Revenue Bond Projects

PROJECT DESCRIPTION & BENEFIT: This project will utilize municipal revenue bonds along with state and federal grant funds to accomplish six significant harbor improvement projects:

- **Port & Harbor Building**—will replace the existing Port & Harbor building (Harbormaster's Office) constructed in 1983. The building is substandard with electrical, lighting, and heating deficiencies, and does not meet codes and standards for occupancy as an office building. The new building is being planned as oversize development. Cost: \$2,875,000.
- **Harbor Entrance Erosion Control**—will construct a rock revetment to replace the badly damaged and disintegrating log cribbing that was installed as a temporary erosion control measure in 1995. Rip-rap revetment would extend 935 feet from the jetty entrance of the harbor to the existing revetment near the Ferry Terminal, providing critical shore/infrastructure protection. Cost: \$600,000.
- **Ramp 3 Gangway and Approach**—will replace the existing Ramp 3 which dates back to the mid-1960s. This ramp is the steepest ramp in the harbor and difficult to use during very low tides. At 100 feet long, the new ramp will be less steep and therefore ADA compliant. It will be constructed of aluminum and covered by an awning to keep it snow and ice-free for year-round access. The existing Ramp 3 approach, a long narrow wooden structure in poor condition, will also be replaced. Cost: \$1,700,000.
- **Harbor Float Replacement**—will replace some of the oldest and most badly damaged floats in the harbor. These floats are plagued by worn and irregular walking surfaces, bull rails in need of replacement, ice damage to pilings, and broken sidewalks with exposed flotation. A total of 1,706 linear feet will be replaced: A Float, connecting E-J, J Float, R Float, and S Float. Cost: \$3,500,000.
- **Upgrade System 5—Vessel Shore Power and Water**—will provide System 5, the large vessel float system in the Homer Harbor, with additional power pedestals and a year-round fresh water supply to meet the needs of the large vessel fleet and attract new vessels to be home-ported in Homer. Cost: \$530,000.
- **Load and Launch Ramp**—will reconstruct the entire Load and Launch Ramp facility, replacing all five lanes along with the floats and piles. The existing ramp is suffering from age-related wear and tear and has been judged by the Alaska Dept. of Fish and Game to be in need of replacement. The facility serves small boaters from all over south-central Alaska. Cost: \$3,500,000.

PLANS & PROGRESS: 80% of design and engineering funds have been procured through a Denali Commission Waterfront Development grant for three of the projects: Ramp 3 Gangway and Approach, Harbor Float Replacement, and System 5 Upgrade. The same three projects are also eligible for an Alaska Municipal Harbor Facility grant, which would cover 50% of construction costs. Local revenue bonds can be used to meet the 50% match requirement for this grant program. Load and Launch Ramp reconstruction may be accomplished with a Federal Aid In Sport Fish Restoration Act grant together with state matching funds (provided through the Dept. of Fish and Game).

Total Project Cost: \$12,705,000

Amount covered by existing or projected grant funds = \$6,530,000 as follows:

\$440,000 (Denali Commission grant – already secured)

\$3,377,000 (Municipal Harbor Facility grant – to be requested after revenue bond sale is approved)

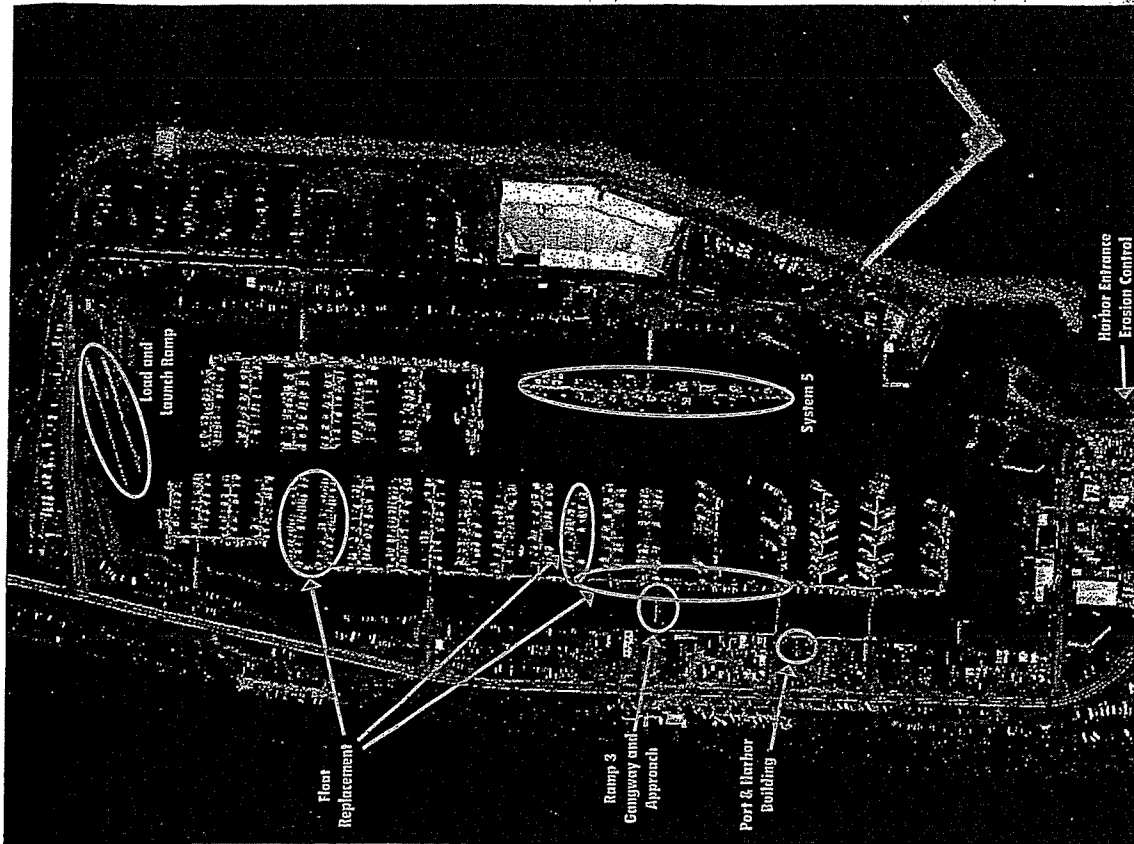
\$2,712,500 (Federal Aid In Sport Fish Restoration Act funds plus state Fish and Game funds)

Remaining (local responsibility) = \$6,175,000

Schedule: 2012-2014

Priority Level: 1

Contact Mayor Jim Hornaday or City Manager Walt Wrede at 235-8121



**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 11-101

A RESOLUTION OF THE HOMER CITY COUNCIL ADOPTING
AN ALTERNATIVE ALLOCATION METHOD FOR THE FY 12
SHARED FISHERIES BUSINESS TAX PROGRAM AND
CERTIFYING THAT THIS ALLOCATION METHOD FAIRLY
REPRESENTS THE DISTRIBUTION OF SIGNIFICANT EFFECTS
OF FISHERIES BUSINESS ACTIVITY IN THE COOK INLET
FISHERIES MANAGEMENT AREA.

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY 12 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community and Economic Development that the municipality suffered significant effects during calendar year 2011 from fisheries business activities; and

WHEREAS, 3AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community and Economic Development; and

WHEREAS, 3AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and

WHEREAS, The Homer City Council proposes to use an alternative allocation method for allocation of FY 12 funding available within the Cook Inlet Fisheries Management Area in agreement with all other municipalities in this area participating in the FY 12 Shared Fisheries Business Tax Program.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, by this Resolution, certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2011 of fisheries business activity in the Cook Inlet Fisheries Management Area:

50% divided equally and 50% divided on a per capita basis.

PASSED and ADOPTED by the City Council of Homer, Alaska this 28th day of November, 2011.

CITY OF HOMER

MARY E. WYTHER, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Previous year's Acct. 400-603-4206 and budgeted for previous years.



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Division of Community and Regional Affairs

Sean Parnell, Governor
Susan K. Bell, Commissioner
Scott Ruby, Director

October 7, 2011

Dear Municipal Official:

The purpose of the *Shared Fisheries Business Tax Program* is to provide for a sharing of state fish tax collected outside municipal boundaries with municipalities that have been affected by fishing industry activities. Municipalities around the state will share approximately \$2.15 million based on 2010 fisheries activity as reported by fish processors on their fish tax returns.

The law that created this program requires that program funding be first allocated to fisheries management areas around the state based on the level of fish processing in each area compared to the total fish processing for the whole state. Then the funding is further allocated among the municipalities located within each fisheries management area based on the relative level of impacts experienced by each municipality. Details of how the program works are presented in the application under *Program Description*.

Your municipality is located in the **Cook Inlet Fisheries Management Area**. The municipalities located in this area include Anchorage, Homer, Kenai, Kenai Peninsula Borough, Kachemak, Seldovia, Seward and Soldotna. The FY 12 program allocation to be shared within this area is estimated to be **\$83,537.37**.

In fisheries management areas where the program allocation is greater than \$4,000 multiplied by the number of municipalities in the area, program regulations provide for a "long-form" application. In your area the threshold value equals \$32,000 (8 municipalities x \$4,000) and you are therefore receiving the attached Long-Form Application. The long-form application provides for a "standard" and an "alternative" method of funding allocation. We encourage your municipality to complete the FY 12 Shared Fisheries Business Tax Application as soon as possible. **The deadline for submission of applications is December 15, 2011.**

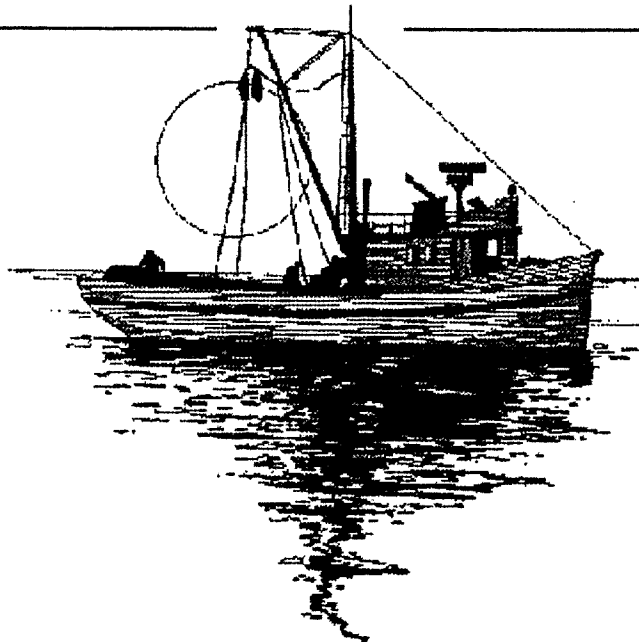
If you have any questions about the program, or require assistance in completing the application, please call me at 465-4733.

Sincerely,

Bill Rolfzen
Local Government Specialist

**DCCED
Shared Fisheries Business
Tax Program**

**FY 12
Long-Form Application**



**APPLICATION MUST BE SUBMITTED TO DCCED
NO LATER THAN DECEMBER 15, 2011**

**State of Alaska
Sean Parnell, Governor
Department of Commerce, Community, and
Economic Development
Susan K. Bell, Commissioner
Division of Community and Regional Affairs
Scott Ruby, Director**

FY 12 SHARED FISHERIES BUSINESS TAX PROGRAM

PROGRAM DESCRIPTION

The purpose of the Shared Fisheries Business Tax Program is to provide for an annual sharing of fish tax collected outside municipal boundaries to municipalities that can demonstrate they suffered significant effects from fisheries business activities. This program is administered separately from the state fish tax sharing program administered by the Department of Revenue which shares fish tax revenues collected inside municipal boundaries.

Program Eligibility

To be eligible for an allocation under this program, applicants must:

1. be a municipality (city or borough); and
2. demonstrate the municipality suffered significant effects as a result of fisheries business activity that occurred within its respective fisheries management area(s).

Program Funding

The funding available for the program this year is equal to half the amount of state fisheries business tax revenues collected outside of municipal boundaries during calendar year 2010.

Program funding is allocated in two stages:

1st Stage: Nineteen Fisheries Management Areas (FMAs) were established using existing commercial fishing area boundaries. The available funding is allocated among these 19 FMAs based on the pounds of fish and shellfish processed in the whole state during the 2010 calendar year. For example, if an area processed 10% of all the fish and shellfish processed in the whole state during 2010, then that area would receive 10% of the funding available for the program this year. These allocations are calculated based on Fisheries Business Tax Return information for calendar year 2010.

2nd Stage: The funding available within each FMA will be allocated among the municipalities in that area based on the level of fishing industry significant effects suffered by each municipality compared to the level of effects experienced by the other municipalities in that FMA.

Some boroughs, because of their extensive area, are included in more than one fisheries management area. In these cases, the borough must submit a separate program application for each area.

FY 12 SHARED FISHERIES BUSINESS TAX PROGRAM

PROGRAM DESCRIPTION

There are Two Application Methods Possible: Standard and Alternative

Standard Method: In the Standard Method, established by the department, each municipality in the FMA must determine and document the cost of fisheries business impacts experienced by the community in 2010. These impacts are submitted by each municipality in their applications. The department will review the applications and determine if the impacts submitted are valid. Once the impacts have been established for each of the municipalities in the FMA, the department will calculate the allocation for each municipality using the following formula:

One half of the funding available within a FMA is divided up among participating municipalities on the basis of the relative dollar amount of impact in each municipality. The other half of the funding available to that area is divided equally among all eligible municipalities.

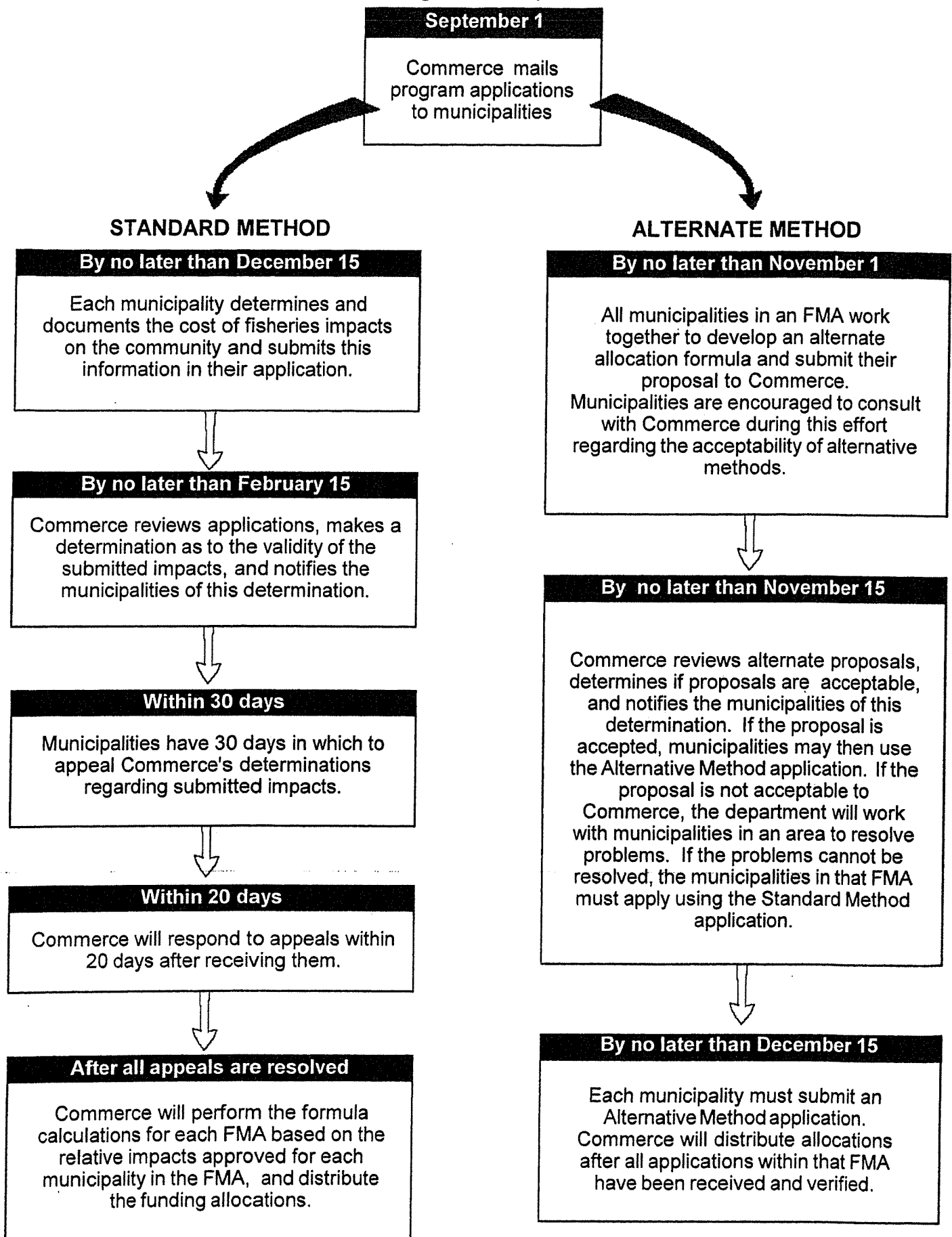
Alternative Method: Alternative allocation methods may be proposed by the municipalities within the FMA. The department will consider approving the use of a proposed alternative method only if all the municipalities in the area agree to use the method, and if the method includes some measure of the relative effects of the fishing industry on the respective municipalities in the area.

This application packet contains the instructions and forms for applying under either of these methods.

- The **yellow pages** are for applications using the **standard method**.
- The **pink pages** are to be used for **alternative method** applications.

The chart on the following page summarizes the process for these two methods.

FY 12 Shared Fisheries Business Tax Program:
Program Description



FY 12 Shared Fisheries Business Tax Program Application Instructions


STANDARD METHOD

The Process

- In the standard method application process each municipality determines and documents the cost to the municipality of fisheries industry significant effects suffered by the community in 2010.
- Details for each of these effects are submitted by municipalities using the *Declaration of Significant Effects* application forms on the following pages.
- The municipality must also submit an approved resolution by the governing body certifying that the information submitted in the application is correct and complete. A sample resolution is included in this packet.
- The department will review the applications and determine if the significant effects submitted are valid.
- Once the effects have been established for each of the municipalities in a Fisheries Management Area, the department will calculate the funding allocation for each municipality using the following formula:

One half of the funding available within a FMA is divided up among participating municipalities on the basis of the relative dollar amount of impact in each municipality. The other half of the funding available to that area is divided equally among all eligible municipalities.

Guidelines for Completing the Declaration of Significant Effects Forms

 **Some important definitions:** The Shared Fisheries Business Tax Program provides for a sharing of State Fisheries Business Tax with municipalities that can demonstrate they suffered *significant effects* during the *program base year* from *fisheries business activity* in their respective fisheries management area.

For the purposes of this program, "fisheries business activity" means:

- activity related to fishing, including but not limited to the catching and sale of fisheries resources;
- activity related to commercial vessel moorage and commercial vessel and gear maintenance;
- activity related to preparing fisheries resources for transportation; and,
- activity related to processing fisheries resources for sale by freezing, icing, cooking, salting, or other method and includes but is not limited to canneries, cold storages, freezer ships, and processing plants.

And, "significant effects" means:

- municipal expenditures during the program base year demonstrated by the municipality to the department to be reasonable and necessary that are the result of fisheries business activities on the municipality's:
 - population;
 - employment;
 - finances;
 - air and water quality;
 - fish and wildlife habitats; and,
 - ability to provide essential public services, including health care, public safety, education, transportation, marine garbage collection and disposal, solid waste disposal, utilities, and government administration.

And, "program base year" means:

- calendar year 2010.

→ **A municipality does not need to have actually made expenditures in 2010 in order to include them as significant effects in the application.** If a fishing business activity impacts a municipality in a manner that will result in a cost to the municipality, then the municipality can claim that impact as a significant effect. For example, a city's pier might have been damaged by an improperly docked fish processing vessel. The city might not have the funds to repair the pier during 2010, but the city has obtained final engineering estimates for the cost of repairs. In this case, the city could declare the repair cost estimates as significant effects on their application. However, **these costs may not be claimed again** if the city subsequently expended the monies to repair the pier at a later date (this would result in a double counting of significant effects).

If a significant effect claimed in the application reflects expenditures that were determined by the municipality to be necessary, but for which the municipality was unable to make an expenditure during the program base year, the application must include a finding by the municipal governing body which documents and clearly describes the procedures and methods by which the need and the estimated cost of such expenditures were determined.

→ **Only that part of overall community impacts which are directly attributable to fishing business activity should be included as significant effects in the application.** For example, a city's water supply system may be impacted by the fresh water needs of the local fishing fleet and fish processing facilities. However, a city in this situation should not claim the entire cost of operating or maintaining the water system as a "significant effect" for the purposes of this program. In this case, the city must determine and document its estimate of the share of the use, and "wear and tear," of the water system that can reasonably be attributed to fisheries business activity. A place is provided on the *Declaration of Significant Effects* forms for municipalities to explain how they arrived at such estimates.

→ **Examples of eligible significant effects.** The kinds of negative effects which a municipality might possibly claim to have suffered are many. It is the responsibility of each municipality to describe, document and justify its particular claims of negative impacts during 2010 resulting from fisheries business activities. For the purposes of this program, all significant effects must be presented in terms of expenditures of municipal funds, either actual or determined necessary. For example, a sudden population increase of 1,000 people is not in itself a negative effect. It is the demonstrable impacts on the city budget of dealing with

these extra people that may be considered as significant effects for this program. The following examples represent the kinds of community impacts which are clearly eligible for inclusion in a city's *Declaration of Significant Effects* forms.

- a municipality's expenses during 2010 in repairing a dock damaged by a fishing vessel;
- a municipality's costs of hiring extra police, teachers or medical staff to cover periods during 2010 when fish processing workers or fishing crew and their families expanded the municipality's population;
- a city 2010 loan which was used to improve the city's water system to meet increased demands for fresh water by local fish processors. Only that part of the debt service which can be directly attributable to supporting the fishing industry may be counted as a significant effect.
- special expenditures made by a city during 2010 to assist or help re-train workers who lost their jobs in the fishing industry because of a downturn in fishing activity;
- a borough's expenditures for operating and maintaining harbor facilities during 2010;
- that part of operating and maintaining a city's water and sewer system or landfill during 2010 that is directly attributable to the fishing industry.

➔ **Examples of events which are not eligible to be significant effects.** The following are examples of municipal expenditures or events which are **not eligible** for inclusion in a municipality's *Declaration of Significant Effects* forms:

- municipal expenditures that occurred before or after 2010 which are the result of fishing business activities;
- revenues which a city did not receive during 2010 because of a downturn in local fishing business activity.

If you're not sure whether an event is a valid "significant effect" or not, contact DCCED.

Specific Instructions for Completing the Standard Method Application

The completed standard method application submitted by each municipality will contain three elements:

- a set of Declaration of Significant Effects forms (one separate form for each significant effect claimed by the municipality). **Three copies of this form are included in the application—please make as many additional copies of this form as you need.**
- a *Cover Page* that provides the total number and cost of the significant effects claimed by the municipality.
- an *approved resolution* by the governing body adopting the application as true and correct. A sample resolution is included in the application.

Instructions for *Declaration of Significant Effects* forms

- Part 1: **Description of fisheries business activity which resulted in the significant effect.** In clear detail describe what fisheries business activity caused the significant effect and how this resulted in a necessary expenditure of municipal funds.
- Part 2: **Significant Effect (municipal expenditures) made necessary by fisheries business activity.** What municipal funds were spent, or were determined to be necessary during 2010, to address this specific fishing business activity.
- Part 3: **Actual or planned expenditures.** Check the box which applies. If the municipality actually has made a municipal expenditure during 2010 to address the effect of the fishing business activity, check "**actual.**" If the municipality has specifically determined a need for expenditures during 2010 to address the effect of fisheries business activity, but has not yet made the expenditures, check "**determined necessary.**"
- Part 4: **Describe method of determining expenditures.** In clear detail describe the methods used by the municipality to determine the dollar amounts submitted under Part 2 of this form. Note: Every municipal expenditure "determined necessary" but the municipality was unable to make during 2010 must include a finding in a resolution by the municipal governing body that documents and clearly demonstrates the procedures and methods by which the need and estimates were determined.
- Part 5: **Is the fisheries business activity part of a larger community impact.** If a fisheries business activity (such as use of the municipal water system by a fish processor) is part of an overall municipal impact (like the use of the water system by all residents and businesses), then, for the purposes of this fish tax sharing program, the municipality may only claim as a significant effect those municipal expenditures made on the water system that are directly attributable to the fishing industry. A city in this situation should not claim the entire cost of operating or maintaining the water system as a "significant effect." In this case, the city must determine and document its estimate of the portion of the operation and maintenance of the water system that can reasonably be attributed to fisheries business activity.
- Part 6: **Describe the documents which support the municipality's expenditure determination.** List and describe all supporting documentation for the significant effect claimed. Examples would be audits, certified financial statements, invoices for repair work on the water line leading to the harbor, city payroll accounts, documentation on the need for extra emergency medical staff during fishing season, documentation demonstrating what portion of city water is used by the fishing industry, and final engineering estimates for repair of harbor facilities. These documents do not need to be submitted with the application, but they must be provided to the department in a timely manner if the department requests them during the application review process.

Instructions for the *Cover Page/Summary*

The *Cover Page* must be completed and submitted as part of the application. This form summarizes the information found in the application. The number of significant effects claimed should be equal to the number of *Declarations of Significant Effects* forms submitted with the application and the total dollar amount should equal the sum of all the dollar amounts stated in Part 2 on the *Declarations of Significant Effects* forms.

Instruction for the *Resolution* form

Municipalities may use this form, or a similar form, to comply with the requirement that the submitted application be certified by the municipality's governing body.

**Submit your completed application
by no later than December 15, 2011, to:**

**Department of Commerce, Community, and Economic Development
Division of Community and Regional Affairs
Shared Fisheries Business Tax Program
P.O. Box 110809
Juneau, AK 99811-0809**

**If you have any questions regarding this program,
please call Bill Rolfzen at 465-4733**

**STANDARD METHOD APPLICATION
for the
FY 12 SHARED FISHERIES BUSINESS
TAX PROGRAM**

Name of Municipality: _____

Address: _____

Contact Person: _____

Phone Number: _____

Total # of Significant Effects Claimed: _____

Total \$ of Significant Effects Claimed: \$ _____

Return this cover page along with
Declaration of Significant Effects forms and resolution to:

Department of Commerce, Community, and
Economic Development
Division of Community and Regional Affairs
Shared Fisheries Business Tax Program
P.O. Box 110809
Juneau, AK 99811-0809

**FY 12 Shared Fisheries Business Tax Program
DECLARATION OF
SIGNIFICANT EFFECTS FORM**

(One Separate Form for Each Significant Effect Claimed)

1. Description of the fisheries business activity which resulted in the significant effect:

2. Significant effect (municipal expenditure) made necessary during 2010 by the fisheries business activity listed in #1: \$ _____

3. Municipal expenditure is: ☐ actual ☐ determined necessary

4. Describe how the municipal expenditure figure listed under Part 2 was determined:
(Every municipal expenditure marked "determined necessary" must be supported by a resolution that documents and clearly demonstrates the procedures and methods by which the needs and estimates were determined).

5. Is the fisheries business activity part of a larger fiscal impact on the municipality?
☐ yes ☐ no

If yes, describe how the fisheries business-related part of the overall fiscal impact was determined.

6. Describe the documentation that supports the municipality's claim of this significant effect (this documentation must be readily available to the department upon request):

**FY 12 Shared Fisheries Business Tax Program
DECLARATION OF
SIGNIFICANT EFFECTS FORM**

(One Separate Form for Each Significant Effect Claimed)

1. Description of the fisheries business activity which resulted in the significant effect:

2. Significant effect (municipal expenditure) made necessary during 2010 by the fisheries business activity listed in #1: \$ _____

3. Municipal expenditure is: ☐ actual ☐ determined necessary

4. Describe how the municipal expenditure figure listed under Part 2 was determined:
(Every municipal expenditure marked "determined necessary" must be supported by a resolution that documents and clearly demonstrates the procedures and methods by which the needs and estimates were determined).

5. Is the fisheries business activity part of a larger fiscal impact on the municipality?
☐ yes ☐ no

If yes, describe how the fisheries business-related part of the overall fiscal impact was determined.

6. Describe the documentation that supports the municipality's claim of this significant effect (this documentation must be readily available to the department upon request):

**FY 12 Shared Fisheries Business Tax Program
DECLARATION OF
SIGNIFICANT EFFECTS FORM**

(One Separate Form for Each Significant Effect Claimed)

1. Description of the fisheries business activity which resulted in the significant effect:

2. Significant effect (municipal expenditure) made necessary during 2010 by the fisheries business activity listed in #1: \$ _____

3. Municipal expenditure is: ☐ actual ☐ determined necessary

4. Describe how the municipal expenditure figure listed under Part 2 was determined:
(Every municipal expenditure marked "determined necessary" must be supported by a resolution that documents and clearly demonstrates the procedures and methods by which the needs and estimates were determined).

5. Is the fisheries business activity part of a larger fiscal impact on the municipality?
☐ yes ☐ no

If yes, describe how the fisheries business-related part of the overall fiscal impact was determined.

6. Describe the documentation that supports the municipality's claim of this significant effect (this documentation must be readily available to the department upon request):

**FY 12 Shared Fisheries Business Tax Program
Standard Method Resolution**

(City or Borough)

RESOLUTION NO. _____

**A RESOLUTION CERTIFYING THE FY 12 SHARED FISHERIES BUSINESS TAX
PROGRAM APPLICATION TO BE TRUE AND CORRECT**

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY 12 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2010 from fisheries business activities; and

WHEREAS, the Department of Commerce, Community, and Economic Development has prepared specific application forms for the purpose of presenting the municipality's claims as to the significant effects suffered by the municipality during calendar year 2010; and

WHEREAS, 3 AAC 134.100 requires the governing body of the municipality to include with the municipality's FY 12 program application an approved resolution certifying the information contained in the application to be true and correct;

NOW THEREFORE BE IT RESOLVED THAT:

The _____ by this resolution certifies
(Governing Body)

the information contained in the _____
(City or Borough)

FY 12 Shared Fisheries Business Tax Program Application to be true and correct to the best of our knowledge.

PASSED AND APPROVED by a duly constituted quorum of the

_____ this _____ day of _____, 20____.
(Governing Body)

SIGNED _____
Mayor

ATTEST _____
Clerk

FY 12 Shared Fisheries Business Tax Program Application Instructions

ALTERNATE METHOD

The Process

- In the alternate method application process all municipalities in a fisheries management area may work together to develop an alternative allocation formula for distributing the available program funding among municipalities in the area. It is advised that the department be consulted during this process if the municipalities have questions or concerns about what constitutes an acceptable alternative to the standard allocation method.
- All the municipalities in an area must reach an agreement in writing on an alternative allocation formula.
- By November 1, the department must receive the proposed alternative method. If the alternative method is not acceptable, the department will work with the municipalities to resolve the problems.
- If the municipalities in an area fail to satisfy the department regarding the acceptability of the alternative allocation method proposed, then each municipality in the region must return to the standard application process and submit separate applications as required by that process.
- If the department finds the alternative allocation method satisfactory, each municipality must then complete an alternative method application consisting of a cover page and resolution. The resolution must be adopted by the governing body and it must **clearly describe the approved alternative allocation method within that area**. After all alternative method applications within an area have been received and approved, the department will perform the allocations and distribute program funds.

General Guidelines for Developing an Alternative Allocation Method

➡ **All municipalities in a fisheries management area must agree on the alternative method:** There must be unanimous agreement among all eligible municipalities in a fisheries management area with regard to alternative allocation methods. It is the responsibility of community leaders in the area to work together to negotiate an alternative which is acceptable to all municipalities. The department may be consulted at any time regarding what kinds of formula approaches are considered acceptable by the department.

➡ **Alternative methods must incorporate some measure of the relative significant effects experienced by the respective municipalities in the area.** The measure of significant effects may take many forms. One area might agree to use the number of commercial fishing boat visits-per-year per community as a measure of significant effects. Another area might use the linear foot-length of public docks as a measure. Another area might use

community population figures as an indication of the significant effects of fisheries business activity. Another area might share one half of the funding equally between the respective municipalities and share the other half based upon community population figures. Areas may decide to use one measure, or may use a combination of measures.

Specific Instructions for an Alternative Method Application

In the alternative method application, a **cover page** and **approved resolution** constitute the application. No other forms need to be submitted. A cover page and sample resolution have been attached for your use.

**Submit your completed application
by no later than December 15, 2011, to:**

**Department of Commerce, Community, and Economic Development
Division of Community and Regional Affairs
Shared Fisheries Business Tax Program
P.O. Box 110809
Juneau, AK 99811-0809**

**If you require assistance in completing this application,
please call Bill Rolfzen at 465-4733.**

**ALTERNATIVE METHOD APPLICATION
for the
FY 12 SHARED FISHERIES BUSINESS
TAX PROGRAM**

Name of Municipality: _____

Address: _____

Contact Person: _____

Phone Number: _____

Return this cover page along with your resolution to:

Department of Commerce, Community, and
Economic Development
Division of Community and Regional Affairs
Shared Fisheries Business Tax Program
P.O. Box 110809
Juneau, AK 99811-0809

**FY 12 Shared Fisheries Business Tax Program
Alternative Method Resolution**

(City or Borough)

RESOLUTION NO. _____

A RESOLUTION ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY 12 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN

(Fisheries Management Area)

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY 12 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2010 from fisheries business activities; and,

WHEREAS, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and,

WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and,

WHEREAS, The _____
(Governing Body)

proposes to use an alternative allocation method for allocation of FY 12 funding available

within the _____
(Fisheries Management Area)

in agreement with all other municipalities in this area participating in the FY 12 Shared Fisheries Business Tax Program;

NOW THEREFORE BE IT RESOLVED THAT: The _____
(*Governing Body*)

by this resolution certifies that the following alternative allocation method fairly
represents the distribution of significant effects during 2010 of fisheries business activity

in the _____
(*Fisheries Management Area*)

ALTERNATIVE ALLOCATION METHOD:

PASSED and APPROVED by a duly constituted quorum

of the _____ this _____ day of _____, 20 ____
(*Governing Body*)

SIGNED _____
Mayor

ATTEST _____
Clerk

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Fire Chief

RESOLUTION 11-102

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, APPROVING A BOROUGH AREA WIDE MUTUAL
AID AGREEMENT FOR FIRE AND EMERGENCY MEDICAL
SERVICES AND AUTHORIZING THE CITY'S
PARTICIPATION IN THAT AGREEMENT.

WHEREAS, The Kenai Peninsula Borough Office of Emergency Management and the
Kenai Fire Chief's Association has agreed upon an area wide mutual aid agreement which
establishes policies and procedures for the provision of mutual aid resources among departments
within the Borough; and

WHEREAS, The new area wide agreement will allow the City of Homer to both provide
and receive mutual aid from any department within the Borough that has signed the agreement;
not just the departments immediately adjacent to Homer, such as the Kachemak Emergency
Service Area and the Anchor Point Fire and Emergency Service Area, who already have mutual
aid agreements with the City; and

WHEREAS, This agreement enhances public safety within the greater Homer area, it
does not place binding financial obligations on the City, and the Fire Chief recommends
approval.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves
the new Borough Area Wide Mutual Aid Agreement, a copy of which is attached and
incorporated herein, and authorizes the City's participation in that agreement.

PASSED AND ADOPTED by the Homer City Council this 28th day of November, 2011.

CITY OF HOMER

MARY E. WYTHER, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Difficult to project. City mutual aid responses would be carried out generally within the parameters of the existing approved budget. Additional appropriations would be requested in the event of a City response to major emergencies in other areas of the Borough that could significantly exceed the budget.

Memo 11-147

To: Walt Wrede, City Manager
From: Bob Painter, Fire Chief
CC:
Date: November 21, 2011
Re: Borough-Wide Mutual Aid Agreement

Walt,

After several years of stalled attempts, Eric Mohrmann of the Kenai Peninsula Borough Office of Emergency Management and the Kenai Peninsula Fire Chiefs Association has worked out an area wide mutual aid agreement. This agreement establishes policies and procedures for the provision of mutual aid resources not only among our nearest mutual aid partners but across the entire Kenai Peninsula.

As you may know Borough Service Area departments were prevented in sending personnel or apparatus outside their service area boundaries (in the absence of a mutual aid agreement) only upon the express permission of the Borough Mayor. This agreement will allow us to provide and receive mutual aid from any department adopting the agreement. This agreement does not bind us to send aid if/when we are unable to do so due to staffing shortages or local needs. I recommend the approval of this agreement.

Mutual Aid Agreement

AGREEMENT FOR MUTUAL AID FOR THE PROVISION OF EMERGENCY SERVICES

By and Among

THE KENAI PENINSULA BOROUGH ON BEHALF OF THE

**ANCHOR POINT FIRE AND EMERGENCY SERVICE AREA
BEAR CREEK FIRE SERVICE AREA
CENTRAL EMERGENCY SERVICE AREA
KACHEMAK EMERGENCY SERVICE AREA
LOWELL POINT EMERGENCY SERVICE AREA
NIKISKI FIRE SERVICE AREA
and**

**CITY OF HOMER
CITY OF KENAI
CITY OF SELDOVIA
CITY OF SEWARD
COOPER LANDING EMERGENCY SERVICES, INC.
HOPE SUNRISE EMERGENCY MEDICAL SERVICES, INC.
MOOSE PASS VOLUNTEER FIRE DEPARTMENT
NANWALEK VOLUNTEER FIRE DEPARTMENT
NINILCHIK EMERGENCY SERVICES
PORT GRAHAM VOLUNTEER FIRE DEPARTMENT
SELDOVIA VILLAGE VOLUNTEER FIRE DEPARTMENT
SEWARD VOLUNTEER AMBULANCE CORPS**

SECTION I – Purpose:

1. This Agreement made pursuant to AS 18.70.150 establishes the authority and procedures whereby the parties to this Agreement provide Emergency Mutual Aid Services, upon request of a requesting agency and within the capability of each responding agency.
2. This Agreement is effective as of the last date of signature below.

SECTION II – Policies:

Support rendered under the terms of this Agreement will be limited to the boundaries of the specific designated protection areas and established policies of the agencies party to this Agreement. A map of each agency's service boundaries is attached hereto as Attachment A.

SECTION III – General:

1. The President of the Peninsula Fire Chief's Association is designated as coordinator for all parties to this Agreement, in cooperation with the Kenai Peninsula EMS Coordinator.

SECTION IV – Review, Re-Negotiation, or Amendment:

1. Review, re-negotiation, or amendment of this Agreement may be initiated at any time upon written request by any party hereto.
2. The Agreement will remain in effect until amended or terminated.
3. Amendments will be submitted in writing, will be approved by all parties hereto or their designated representatives and will be attached to and become part of this Agreement upon execution.

SECTION V – Terms of Agreement:

1. It is agreed that participants will assist each other as provided by this agreement.
2. It is further specifically agreed and understood by and among the parties hereto that this Agreement does not and shall not create any monetary contractual obligations between or among the parties.
3. The Agreement may be terminated any time by mutual agreement. Any party hereto may withdraw by giving thirty (30) days advance written notice to all other parties hereto.
4. The rendering of assistance under the terms of this Agreement shall not be mandatory, but the party receiving the request for assistance should immediately inform the requesting department if, for any reason, assistance cannot be rendered. *(In no event shall any agency provide mutual aid to another agency if by doing so, the area of the*

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agency responding to the aid of another would thereby be placed in jeopardy. This shall be determined in each instance by the Agency chief or designee of the area from which support is requested.)

5. The agency requesting assistance/aid will have in place an Incident Command System at the time of the request.
6. Aid may be requested by any agency in the form of personnel, equipment, facilities or materials for the purpose of assisting in fighting fires or responding to other emergency incidents. Request for aid shall include as much detail as circumstances and time allow.
7. Upon dispatch by the requested agency, the requesting agency shall at a minimum provide:
 - a. concise directions to the location of the emergency and/or to the location at which the requested department's equipment/personnel will be staged;
 - b. a description of the type of emergency and of the planned utilization of the requested agency's resources;
 - c. designated communications channels for command functions as well as any tactical channels.
8. The agency chief or designee of the requested agency shall determine whether to respond in whole, in part, or to deny the request, based on a determination of what level of response can be provided, without unreasonably limiting the requested agency's abilities to meet its responsibilities within its own jurisdictional area. The agency chief or designee of the requested agency shall promptly notify the requesting agency of the level of response, if any, the requested agency will provide.
9. Upon arrival of the requested agency's resources at the incident scene, staging area, or cover assignment location, all such personnel, equipment, and materials shall remain under the command of the requested department's senior responding personnel. The requested agency's senior responding personnel shall report to and operate under the direction of the requesting agency's Incident Command.
10. Turn down of an assignment may be made at the scene of an incident, at the sole discretion of the requested agency's senior personnel, if he/ she determines that the requested agency's personnel, equipment, or materials are being exposed to unnecessary or unreasonable danger, or if the requested agency's personnel do not have the training or resources required for the assignment.
11. The responding agency's senior responding officer shall coordinate any withdrawal or declination of assignment with the Incident Commander to mitigate the consequences of the withdrawal or declination of the assignment. After arrival at the incident, staging area or location of cover assignment, if it becomes necessary to withdraw a portion or all such requested personnel, equipment or materials, such withdrawal may be initiated at the sole discretion of the requested agency's senior personnel at the scene.

12. The officers and personnel of the parties to this Agreement are invited and encouraged, on a reciprocal basis, to frequently visit each other's jurisdictions for guided familiarization tours consistent with local security requirements and, as feasible, to jointly conduct pre-fire and medical planning inspections and drills.
13. Responsibility for Liability. Each agency shall bear its own costs for responding to requests for aid under this agreement. Each responding agency shall be responsible for damages caused by its personnel's negligence while traveling to the scene, at the scene, and returning to the station of origin. In rendering emergency services, each agency will bear the responsibility to other parties for actions of its own personnel, and any liability incurred as a result of such acts. Nothing in this provision shall preclude individuals from being held personally liable for damage caused by their own intentional misconduct.
14. Cooperative agreements between the Alaska Department of Forestry or United States Forest Service and individual departments or agencies are not addressed or affected by this agreement. Any and all other mutual aid or automatic aid agreements between any of the undersigned parties are not affected by this agreement and supersede this agreement should any conflict exist.

SECTION VI – AUTHORIZATION:

The following entities have reviewed this Agreement for Mutual Aid for the Provision of Emergency Services on the date indicated and agree that they concur to this Agreement as written.

_____ Signature/Date Approved by resolution no./board (if applicable): _____	_____ Printed Name/Title	Kenai Peninsula Borough
_____ Area Signature/Date Approved by resolution no./board (if applicable): _____	_____ Printed Name/Title	Anchor Point Fire & Emergency Service
_____ Signature/Date Approved by resolution no./board (if applicable): _____	_____ Printed Name/Title	Bear Creek Fire Service Area
_____ Signature/Date Approved by resolution no./board (if applicable): _____	_____ Printed Name/Title	Central Emergency Service Area
_____ Signature/Date Approved by resolution no./board (if applicable): _____	_____ Printed Name/Title	City Of Homer
_____ Signature/Date Approved by resolution no./board (if applicable): _____	_____ Printed Name/Title	City Of Kenai
_____ Signature/Date Approved by resolution no./board (if applicable): _____	_____ Printed Name/Title	City Of Seldovia
_____ Signature/Date Approved by resolution no./board (if applicable): _____	_____ Printed Name/Title	City Of Seward

October 28, 2011

Inc.

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Cooper Landing Emergency Services,

Services, Inc.

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Hope Sunrise Emergency Medical

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Kachemak Emergency Services Area

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Lowell Point Emergency Service Area

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Moose Pass Volunteer Fire Department

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Nanwalek Volunteer Fire Department

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Nikiski Fire Service Area

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Ninilchik Emergency Services

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Port Graham Volunteer Fire Dept.

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Seldovia Village Volunteer Fire Dept.
Barabara Heights Volunteer Fire Department

Signature/Date

Printed Name/Title

Approved by resolution no./board (if applicable):

Seward Volunteer Ambulance Corp.

October 28, 2011

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 11-103

A RESOLUTION OF THE CITY COUNCIL OF HOMER,
ALASKA, APPROVING THE GRANT AVIATION, INC. AIR
CARRIER/TICKET COUNTER SUBLEASE AT THE HOMER
AIRPORT TERMINAL AND AUTHORIZING THE CITY
MANAGER TO SIGN THE APPROPRIATE DOCUMENTS.

WHEREAS, Grant Aviation, Inc. has held an air carrier lease sublease at the Homer
Airport Terminal since 2005; and

WHEREAS, The air carrier sublease expired on September 30, 2011; and

WHEREAS, Grant Aviation, Inc. has requested a new three year sublease with the City
of Homer at the Homer Airport Terminal for the period of October 1, 2011 until September 30,
2014 with two (1) one year options to renew; and

WHEREAS, Grant Aviation, Inc. is a tenant in good standing and provides valuable
economic and transportation benefits to the community.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska,
hereby approves the Grant Aviation, Inc. Sublease for the Homer Airport Terminal and
authorizes the City Manager to sign the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 28th day of November,
2011.

CITY OF HOMER

MARY E. WYTHER, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Estimated \$26,719.57 annually in Airport Revenues to the General Fund.

MEMORANDUM 11-148

TO: Mayor Hornaday and Homer City Council
THRU: Walt Wrede, City Manager *W. Wrede*
FROM: Terry Felde, Airport Terminal Manager *T. Felde*
DATE: November 9, 2011
RE: Grant Aviation, Inc. Air Carrier Lease

Airport leases have been considered administrative leases since 1993 when the airport terminal opened and are negotiated and reviewed by administration with final approval of the City Council and DOT. They have not been subject to the lease policy procedures since they are building leases and the lease policy procedures have applied to city owned land. If a current lease holder is in good standing and requests a renewal to continue their airport operation we have approved. If lease space becomes available or the current lease holder is not in good standing when their lease is up for renewal we will RFP the available space.

Airport leases have limited allowed use such as air carriers, car rentals and food or gifts that supply the traveling public. The City owns the terminal building but leases the land from the State who is also subject to FAA guidelines. DOT limits a lease to a five year period. At times this makes it difficult for lease holders to develop long range business plans and obtain financing but short term leases seem to be standard procedure in the aviation industry. Additional space is and has been available at the airport if another airline indicates interest in the future.

Grant Aviation has held a sublease with the City since August 2005, is in good standing with their current lease, and has requested to renew their lease. Grant Aviation provides economic benefits to the City along with beneficial transportation options for the community through the operation of more than one airline. Grant has requested a three year lease for the period of October 1, 2011 to September 30, 2014. The lease fee is \$2,226.63 per month, \$26,719.57 annually, plus tax for the ticket counter, office and baggage areas.

RECOMMENDATION: Approve the Grant Aviation, Inc. sublease and authorize the City Manager to sign.

FISCAL IMPACT: \$26,719.57 annual Airport revenues to the General Fund.

**HOMER AIRPORT TERMINAL
AIR CARRIER/TICKET COUNTER SUBLEASE**

THIS SUBLEASE IS MADE this ____ day of November, 2011, between the City of Homer, Sublessor, (hereinafter referred to as "City") a municipal corporation, whose address is 491 East Pioneer Avenue, Homer, Alaska 99603-7624 and Grant Aviation, Inc. (hereinafter referred to as "Sublessee") whose address is P.O. Box 92200 Anchorage, Alaska 99509. The City is the lessee in that certain Lease Agreement No.ADA-06600, recorded at Book 222, Pages 124-140 of the Books and Records of the Homer Recording District, Third Judicial District, State of Alaska, between the State of Alaska, Department of Transportation and Public Facilities ("DOT/PF" or "State of Alaska"), lessor, and the City of Homer, lessee, as amended by Supplement No. 1, dated, February 28, 2002, and as may be further amended from time to time (collectively, the "Base Lease") to which all the terms, covenants, and conditions of this Sublease are subject. Sublessee will fully comply with all covenants, provisions, conditions, and terms of that Base Lease.

CITY AND SUBLESSEE AGREE AS FOLLOWS:

1. **DESCRIPTION.** City subleases to Sublessee and Sublessee subleases from City the premises consisting of 741 square feet of space as more fully described and/or depicted on Exhibit "A" attached hereto (hereinafter referred to as the "Premises"), located in the Homer Airport Terminal Building (hereinafter referred to as the "Building") located on Lot 5A, Block 800, HOMER AIRPORT TRACTS according to the official plats on file with the State of Alaska, Department of Transportation and Public Facilities, Division of Aviation (hereinafter referred to as the "Property"), for the term, the rent, and subject to the covenants and conditions hereinafter provided. This Sublease confers no rights either with regard to the subsurface of the land below the floor level of the Premises or with regard to airspace above the ceiling of the Premises.

2. **TERM.** (a) The term of this Sublease shall commence on the 1st day of October, 2011, and shall end on the 30th day of September, 2014 unless sooner terminated as hereinafter provided.

(b) In any event, Sublessee may not occupy the Premises before DOT/PF consents to this Sublease in writing. If City is unable to deliver possession of the Premises by the date specified for the commencement of the term of this Sublease as a result of causes beyond its reasonable control, including without limitation any failure or delay in obtaining the consent of DOT/PF, City shall not be liable for any damage caused by failing to deliver possession, this Sublease shall not be void or voidable, and the term of this Sublease shall not be extended by the delay. The Sublessee shall not be liable for rent until City delivers possession of the Premises to Sublessee, but shall commence paying rent when City delivers possession.

3. **RENT.** Sublessee shall pay to City as annual rent, without deduction, setoff, prior notice or demand, the sum of \$26,719.57, plus taxes, payable in monthly installments of \$2,226.63, plus taxes, in advance on the first day of each month, commencing on the date the term of this Sublease commences. Monthly rent for the first month or portion of it shall be paid on the day the term commences.

Monthly rent for any partial month shall be prorated at the rate of 1/30th of the monthly rent per day. Rent not paid when due shall bear interest from the date when due at the rate of interest specified in

AS 45.45.010(a) as now enacted or hereinafter amended. Rent shall be paid at the address set forth for City in the introductory paragraph of this Sublease, or as otherwise directed from time to time by notices from City.

4. USE OF PREMISES. Sublessee shall use the Premises for office space and ticket counter space for passenger or cargo transportation by air and related functions of aircraft operations and ticket sales and for no other use without City's consent. Sublessee shall be open for business not less than four hours per day, six days per week (excluding holidays). Sublessee agrees to comply with all federal, state and local laws, ordinances and regulations. Sublessee agrees to comply with the following rules and regulations and with such reasonable modifications thereof and additions thereto as City may hereafter from time to time make for the Building.

(a) Sublessee shall comply with all covenants, provisions, conditions, and terms of that certain Lease Agreement No. ADA-06600, recorded at Book 222, Pages 124-140 of the Books and Records of the Homer Recording District, Third Judicial District, State of Alaska, between the State of Alaska, Department of Transportation and Public Facilities ("DOT/PF" or "State of Alaska"), lessor, and the City of Homer, lessee, as amended by Supplement No. 1, dated February 28, 2002, and as may be further amended from time to time (collectively, the "Base Lease") to which all the terms, covenants, and conditions of this Sublease are subject. Sublessee will fully comply with all covenants, provisions, conditions and terms of that Base Lease. Sublessee shall not make or permit to be made any use of the premises or any part thereof which would violate any of the covenants, agreements, terms, provisions and conditions of said Base Lease; nor will Sublessee commit any act, either by commission or omission, which would cause City to be in default of any covenant, provision, term or condition of the Base Lease. Sublessee hereby acknowledges receiving a copy of the Base Lease.

(b) Sublessee will not make any use of the Property or the Building, nor will Sublessee make or permit to be made any use of the Premises or any part thereof which would violate any of the covenants, agreements, terms, provisions and conditions of this Sublease; which is forbidden by any federal, state or local law, ordinance or regulation; which may be dangerous to life, limb, or property; which would, in the reasonable judgment of City, in any way impair the character, reputation or appearance of the Building as an attractive and functional airport terminal building; or which would impair or interfere with or tend to impair or interfere with any of the services performed by City for the Property.

(c) Sublessee shall not exhibit, sell or offer for sale on the Premises or in the Building any article or thing except those articles and things reasonably connected with the stated use of the Premises set forth above by Sublessee without the advance consent of the City.

(d) Sublessee shall not display, inscribe, print, paint, maintain or affix in or about the Building or outside of the Premises any sign, notice, legend, direction, figure or advertisement, unless Sublessee shall first have obtained the consent of the City, and then only such names(s) and matter, and in such color, size, style, place and materials as shall first have been approved by City. City shall not unreasonably withhold prompt approval, but City's insistence on compliance with a uniform signage plan shall not be deemed unreasonable.

(e) No additional locks or similar devices shall be attached to any door or window

without City's consent. No keys for any door other than those provided by City shall be made. If more than two keys for one lock are desired, City will provide the same upon payment by Sublessee. All keys must be returned to City at the expiration or termination of this Sublease.

(f) Sublessee shall not overload any floor. City may direct, within reason, the time and manner of delivery, routing and removal, and the location, of safes and other heavy articles.

(g) Unless City gives consent, Sublessee shall not install or operate any steam or internal combustion engine, boiler, machinery, refrigerating or heating device or air conditioning apparatus in or about the premises, or carry on any mechanical business therein, or use the Premises for housing accommodations or lodging or sleeping purposes, or do any cooking therein, or use any illumination other than electric light, or use or authorize to be brought into the Building any inflammable fluid such as gasoline, kerosene, naphtha, and benzene, or any explosives, radioactive materials or other articles deemed extra hazardous to life, limb or property, except in a manner which would not violate any federal, state or local law, ordinance or regulation. Sublessee shall not use the Premises for any illegal or immoral purpose.

(h) The sidewalks, halls, passages, exits, entrances and stairways shall not be obstructed by Sublessee or used for any purpose other than for ingress to and egress from the Premises. No Sublessee and no employees or invitees of any Sublessee shall go upon the roof of the Building.

(i) Sublessee shall not use, keep or permit to be kept any foul, explosive or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner unreasonably offensive or objectionable to the City or other occupants of the Building by reason of noise, odors, and/or vibrations, or unreasonably interfere in any way with other tenants or those having business therein; nor shall any animals or birds be brought in or kept in or about the Premises or the Building, unless for purposes of air transport, and then only in containers designed for transport of such animals or birds. Sublessee shall be responsible for enforcing the requirement that all animals and birds shall be kept in containers while in the Premises or the Building. Sublessee shall make all repairs and conduct all cleaning necessary as a result of the presence of birds or animals in the Premises or the Building in connection with air transport.

(j) Sublessee shall see that the doors and windows, if openable, of the Premises, are closed and securely locked before leaving the Building and must observe with strict care and caution that all water faucets or water apparatus are entirely shut off before Sublessee or Sublessee's employees leave the Building, and that all electricity shall likewise be carefully shut off so as to prevent waste or damage.

(k) In the event of any default or carelessness in performing the duties imposed by this paragraph, Sublessee shall make good all resulting injuries or losses sustained by other sublessees or occupants of the Building and City. In addition to all other liabilities for breach of any covenant of this paragraph, the Sublessee shall pay to the City an amount equal to any increase in insurance premiums payable by the City or any other tenant in the building, caused by such breach, but City shall have the burden of proving by a preponderance of the evidence that such increase is directly attributable to such breach.

5. SECURITY DEPOSIT. The Sublessee has deposited with City at the time of execution of this Sublease the sum of \$4,267.08 as a security deposit for the performance by Sublessee of the provisions of this Sublease. If Sublessee is in default, City can use the security deposit, or any portion of it, to cure the default or to compensate City for all damage sustained by City resulting from Sublessee's default. Sublessee shall immediately upon demand pay to City a sum equal to the portion of the security deposit expended or applied by City as provided in this paragraph so as to maintain the security deposit in the sum initially deposited with City. Sublessee's failure to do so within five (5) days after demand by City shall be a default under this Sublease. If Sublessee is not in default at the expiration or termination of this Sublease, City shall return the security deposit to Sublessee. City's obligation with respect to the security deposit are those of a debtor and not those of a trustee or fiduciary. City may maintain the security deposit separate and apart from City's general funds or co-mingle the security deposit with City's general funds. City shall not be required to pay Sublessee interest on the security deposit. If City is required by law to maintain the security deposit in an interest bearing account, City shall be entitled to receive and retain the maximum amount permitted under applicable law as a bookkeeping and administrative charge.

6. UTILITIES AND SERVICES. City shall furnish to the Premises, at City's expense, except as otherwise provided in this Sublease, reasonable quantities of electricity and heat as required for Sublessee's use. City shall furnish water, sewer and garbage removal service to the Building, at City's expense; however, Sublessee shall be responsible for cleaning the Premises and taking its garbage to dumpsters provided for the Building. If City is required to construct new or additional utility installations including, without limitation, wiring, plumbing, conduits and mains, resulting from Sublessee's changed or increased utility requirements, Sublessee shall, on demand, pay to City the total cost of these items. City shall not be liable for failure to furnish utilities to the Premises when the failure results from causes beyond City's reasonable control, but in case of such failure City will take all reasonable steps to restore the interrupted utilities. Any such interruption of utilities shall never be deemed an eviction or disturbance of Sublessee's use and possession of the Premises, or any part thereof, or give Sublessee any right to abatement of rent, or otherwise relieve Sublessee from performance of any of Sublessee's obligations under this Sublease, except that Sublessee's obligation to pay rent shall be abated to the extent that any such interruption of the utilities exceeds fifteen (15) days. Sublessee shall pay for all telephone charges, including installation.

7. CONDITION OF PREMISES. Sublessee's taking possession of the Premises shall be conclusive evidence as against Sublessee that the Premises were in good order and satisfactory condition when Sublessee took possession, except as to latent defects. No promise of City to alter, remodel, repair or improve the Premises or the Building and no representation as to the condition of the Premises or the Building has been made by City to Sublessee, other than as may be contained in this Sublease or in a separate written agreement. At the termination of this Sublease, the Sublessee shall return the Premises clean and in as good order and condition as when the Sublessee took possession, ordinary wear and tear excepted, failing which the City may restore the Premises to such condition and the Sublessee shall pay the cost thereof on demand.

8. MAINTENANCE AND REPAIRS. City, at City's expense, shall maintain, in good condition, the structural parts of the Building which shall include only the foundation, bearing and exterior walls (excluding glass and doors to the Premises), subflooring, the unexposed electrical, plumbing and sewage systems, and the heating and ventilation system servicing the Premises.

Sublessee, at Sublessee's expense, shall maintain, in good condition, the Premises, including, without limitation, all glass, doors to the Premises, electrical and plumbing fixtures, interior walls, signs and Sublessee's personal property.

9. PARKING AND SNOW REMOVAL. City shall designate a parking area for employees of the tenants of the Building, and Sublessee's employees shall park in the employee parking lot. No overnight parking of employee vehicles is allowed. City shall designate overnight parking areas for Sublessee's vans. City shall provide snow removal in the parking area.

10. ALTERATIONS. (a) Sublessee shall not make any alterations to the Premises without City's prior written consent, which shall not be unreasonably withheld. Requests for approval of alterations shall be made in writing and shall include three (3) copies of the plans and specifications. The City will approve or disapprove the proposed alterations within thirty (30) days. Approval of the alterations shall not constitute a building permit, nor shall a building permit constitute approval of the alterations. Any alterations (except Sublessee's trade fixtures) shall remain on and be surrendered with the Premises on expiration or termination of this Sublease, except that City can elect at any time to require Sublessee to remove any alterations that Sublessee has made to the Premises. If City so elects, Sublessee, at Sublessee's expense, shall restore the Premises to the condition designated by City in its election, before the last day of the term, or within thirty (30) days after notice of election is given, whichever is later. If Sublessee proceeds to make any approved alterations to the Premises as provided in this paragraph, Sublessee shall notify City no less than five (5) days prior to the commencement of the work.

(b) Sublessee shall make no improvements or construction without the prior approval of DOT/PF. Sublessee shall provide City with copies of such written approval(s) prior to commencement of any improvements or construction.

11. MECHANICS' LIENS. Sublessee shall pay all costs for construction done by it or caused to be done by it on the Premises as permitted by this Sublease. Sublessee shall keep the Premises, the Building, and the Property free and clear of mechanics' liens resulting from construction done by or for Sublessee. Sublessee shall have the right to test the correctness or the validity of any such lien only if, immediately on demand by City, Sublessee procures and records a lien release bond issued by a corporation authorized to issue surety bonds in the State of Alaska in an amount equal to one and one-half times the amount of the claim of lien. The bond shall meet the requirements of AS 34.35.072 and shall provide for the payment of any sum that the claimant may recover on the claim, plus interest, costs and attorney's fees.

12. INDEMNITY. (a) Sublessee shall protect, indemnify and hold City and DOT/PF harmless from all damages, including costs and attorneys' fees, arising out of any injury to or death of any person or damage to or destruction of property occurring to, in, on or about the Premises, Building or Property, but only to the proportionate extent such damages, costs and fees may be caused by or contributed to by fault or other legal responsibility on the part of Sublessee, its employees, authorized representative, customers, invitees, or sublessees. Notwithstanding the preceding sentence, Sublessee shall protect, indemnify and hold City and DOT/PF harmless from all damages, including costs and attorney's fees, arising out of any injury to or death of any person or damage to or destruction of property arising out of and in the course of Sublessee's flight time, as defined in 14 CFR Section 1.1. Notwithstanding the first sentence of this paragraph, Sublessee shall

not be liable to City or its insurers for, and Sublessee's obligation to protect, indemnify and hold City harmless shall not include any loss or damages, including costs and attorney's fees, covered and paid by City's fire insurance described in paragraph 16.

(b) Furthermore, Sublessee shall protect, defend, and indemnify and hold the State harmless to the same level and extent that the Sublessee would provide to the State if the Sublessee were a direct lessee of the State under the Base Lease.

13. AVIATION LIABILITY, PUBLIC LIABILITY, PROPERTY DAMAGE, WORKERS' COMPENSATION, AND OTHER INSURANCE. (a) Sublessee, at Sublessee's expense, shall maintain airline/aircraft/airport public liability insurance with policy limits not less than that required by statute.

(b) Sublessee, at Sublessee's expense, shall maintain comprehensive general liability insurance with a single combined liability limit of not less than ONE MILLION DOLLARS (\$1,000,000.00) per person THREE MILLION DOLLARS (\$3,000,000.00) per occurrence for personal injury or death and property damage arising from one occurrence in the amount of not less than ONE MILLION DOLLARS (\$1,000,000.00) insuring against all liability of Sublessee, its employees, and authorized representatives, arising out of or in connection with Sublessee's use or occupancy of the Premises.

(c) All aviation and comprehensive general liability insurance policies shall insure performance by Sublessee of the indemnity provisions of paragraph 12; shall name City and DOT/PF as additional insureds; shall include a waiver of subrogation by the insurer against City and DOT/PF; and shall not contain any exclusion from coverage for Sublessee's liability for damages or loss incurred by City or DOT/PF because of their status as additional insureds.

(d) Sublessee, at Sublessee's expense, shall maintain workers' compensation insurance with policy limits not less than that required by statute.

(e) In addition to the foregoing, Sublessee must obtain and maintain such insurance covering the operations and activities of Sublessee to the same level and extent that Sublessee would be required to maintain if the Sublessee were the direct lessee of DOT/PF under the Base Lease. Sublessee must provide to DOT/PF, with a copy to City, such binders or certificates of insurance as may be required by DOT/PF to prove compliance with this subparagraph.

14. USE OF HAZARDOUS SUBSTANCES.

(a) Sublessee shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Property by Sublessee or its authorized representatives, customers, invitees or sublessees, except for such Hazardous Material as is necessary or useful to Sublessee's lawful use of the Property.

(b) Any Hazardous Material permitted on the Property as provided in this paragraph, and all containers therefor, shall be handled, used, kept, stored and disposed of in a manner that complies with all laws or regulations applicable to any such Hazardous Material. Such Hazardous Material shall be handled only by properly trained personnel.

(c) Sublessee shall not discharge, leak or emit, or permit its authorized representatives, customers, invitees or sublessees to discharge, leak or emit, any material into the atmosphere, ground, sewer system or any body of water, if such material does or may, unlawfully pollute or contaminate the same, or may unlawfully adversely affect (i) the health, welfare or safety of persons, whether located on the Property or elsewhere, or (ii) the condition, use or enjoyment of the Property or any other real or personal property. The preceding sentence only applies to Sublessee's use of and operations on the Property.

(d) If any such discharge, leak, spill, emission, or pollution (referred to in subparagraph 14(c) above) occurs upon or from the Property during the Sublease term or any holdover, Sublessee will immediately notify City and all appropriate federal, state, and local authorities, and will act immediately to contain the spill, repair any damage, absorb and clean up the spill area and restore the Property to comply with the applicable portions of any federal, state, or local law or regulation then in effect.

(e) Sublessee hereby agrees that it shall be fully liable for all costs and expenses related to the handling, use, storage and disposal of Hazardous Material brought or kept on the Property by the Sublessee, its authorized representatives, customers, invitees and sublessees, and the Sublessee shall give immediate notice to the City of any violation or suspected violation of the provisions of subparagraphs 14(a), (b), (c) and (d).

15. INDEMNITY FOR USE OF HAZARDOUS MATERIAL.

(a) Sublessee shall protect, indemnify and hold City and DOT/PF and their officers, officials, and other employees harmless from and against any claims, demands, penalties, fines, judgments, settlements, liabilities, losses, damages, costs and expenses (including, without limitation, attorney, consultant and expert fees, court costs and other litigation expenses) (individually and collectively, "Environmental Damages") arising out of or related to (i) the presence, disposal or release of any Hazardous Material (as defined in subparagraph (c) below) on or impacting the Property; and (ii) any bodily injury (including death) or property damage (real or personal) caused by such presence, disposal or release; but only to the proportionate extent such Environmental Damages shall have been caused by or contributed to by fault or other legal responsibility on the part of Sublessee or its employees, agents, customers, invitees or contractors.

(b) City shall protect, indemnify and hold Sublessee and its directors, officers, and other employees harmless from and against any Environmental Damages arising out of or related to (i) the presence, disposal or release of any Hazardous Material on or impacting the Property; and (ii) any bodily injury (including death) or property damage (real or personal) caused by such presence, disposal or release; but only to the proportionate extent such Environmental Damages shall have been caused by or contributed to by fault or other legal responsibility on the part of City or its employees, agents, customers, invitees or contractors.

(c) For the purposes of paragraphs 14 and 15, "Hazardous Material" is defined as any substance that is toxic, ignitable, reactive, or corrosive that is regulated by any local government, the State of Alaska, or the United States government. "Hazardous Material" includes any and all material or substances that are defined as "hazardous waste", "extremely hazardous waste" or a

"hazardous substance" pursuant to local, state or federal law, including without limitation, the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder, and the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder. "Hazardous Material" also includes, but is not restricted to, asbestos, polychlorobiphenyls ("PCB's") and petroleum and petroleum products.

16. CITY'S FIRE INSURANCE. City shall, at City's expense, maintain on the Building a policy of fire and extended coverage insurance, with vandalism and malicious mischief endorsements, up to the full replacement value. The policy shall provide that any proceeds shall be made payable solely to City. The "full replacement value" of the Building to be insured under this paragraph shall be determined by the insurance company issuing the policy at the time the policy is initially obtained or subsequently renewed.

Sublessee shall not use the Premises for any purpose, nor do any acts in the Premises, which will increase the existing rate of insurance on the Building or cause the cancellation of any insurance policy covering the Building, or any part thereof, nor shall Sublessee sell, or permit to be kept, used or sold, on the Premises, any article, material or substance which may be prohibited by standard form fire and extended coverage insurance policies. Sublessee shall, at Sublessee's expense, comply with any and all requirements pertaining to the Premises of any insurance organization or company, necessary for the maintenance of fire and extended coverage insurance covering the Building. Sublessee agrees to pay to City as additional rent any increase in premiums on policies which may be carried by City covering damage to the Building by fire and the perils normally included in extended coverage, but only to the extent City proves by a preponderance of the evidence that such increase is directly attributable to Sublessee's breach of the first two sentences of this subparagraph. In event of nonpayment of such additional rent, City shall have all the rights and remedies provided in this Sublease in case of nonpayment of rent.

17. OTHER INSURANCE MATTERS. All insurance required to be carried by Sublessee under this Sublease and the Base Lease shall be issued by insurance companies authorized to do business in the State of Alaska with a financial rating of at least "A" as rated in the most recent edition of Best's Insurance Reports, or an equivalent rating; shall be issued as a primary policy; and shall contain an endorsement requiring twenty (20) days prior written notice from the insurance company to both parties and before cancellation or change in the coverage, scope or amount of any policy. Sublessee shall furnish insurance certificates to City and DOT/PF at the commencement of the term of this Sublease, and on renewals. Sublessee shall promptly furnish copies of each policy to City and DOT/PF upon request.

18. TAXES AND ASSESSMENTS. City shall pay all general and special assessments. Sublessee shall pay all real estate taxes levied on Sublessee's interest in the Premises, Building or Property.

19. DESTRUCTION. If, during the term of this Sublease, the Premises or the Building are totally or partially destroyed from any cause, rendering the Premises totally or partially inaccessible or unusable, City shall restore the Premises or the Building to substantially the same condition as they were in immediately before destruction, if the restoration can be made under the then existing laws and can be substantially completed within one hundred twenty (120) working days after the date

of destruction. Such destruction shall not terminate this Sublease. If the restoration cannot be made in the time stated in this paragraph, either party shall have the right to terminate this Sublease by notice to the other party given at any time within thirty (30) days after the date of such destruction, or within thirty (30) days after it is determined that such restoration cannot be completed within the time stated, whichever is longer, except that if such destruction resulted from Sublessee's fault or negligence, Sublessee shall have no right to terminate this Sublease. If the then existing laws do not permit the restoration, either party shall have the right to terminate this Sublease by notice to the other party given at any time within thirty (30) days after the date of such destruction.

If a portion of the Building other than the Premises shall be totally or partially destroyed from any cause such that in the reasonable opinion of the City the Building should be restored in such a way as to alter the Premises materially, City may terminate this Sublease by notice to Sublessee at anytime within thirty (30) days after the date of such destruction. In the event of giving effective notice pursuant to this paragraph, the term of this Sublease shall expire on the date thirty (30) days after the giving of such notice as fully and completely as if such date were set forth for the expiration of the term of this Sublease. If this Sublease is not so terminated, City shall restore the Premises and the Building within a reasonable time and this Sublease shall continue in full force and effect.

If City is required or elects to restore the Premises as provided in this paragraph, City shall not be required to restore alterations made by Sublessee, Sublessee's improvements, Sublessee's trade fixtures, and Sublessee's personal property, including without limitation, any panels, decoration, office fixtures, railing, ceiling, floor covering, partitions and the like, such excluded items being the sole responsibility of Sublessee to restore.

In case of destruction there shall be an abatement or reduction of rent, between the date of destruction and the date of completion of the restoration or the date of termination of this Sublease based on the extent to which the destruction interferes with Sublessee's use of the Premises, except that if such destruction resulted from Sublessee's fault or negligence, Sublessee shall not be entitled to such abatement or reduction of rent.

If there is destruction to the Building that exceeds thirty-three and one-third percent (33 1/3%) of the then replacement value of the Building from any risk, City can elect to terminate this Sublease whether or not the Premises are destroyed. If, in the case of such destruction, Sublessee reasonably determines that such destruction unreasonably interferes with its use and occupancy of the Premises, Sublessee can elect to terminate this Sublease by written notice to City.

20. CONDEMNATION. If, during the term of this Sublease, there is a taking by condemnation (including condemnation by City) of all or any part of the Premises or Building, the rights and obligations of the parties shall be as follows:

If there is a taking of all or any part of the Premises, the term of this Sublease shall forthwith cease and terminate as of the date of vesting of title in the condemnor, and the City is entitled to receive the entire award from the condemning authority except that portion, if any, of the award which may be attributable to the loss of the value of the Sublessee's business and Sublessee's leasehold interest, which is given the Sublessee by virtue of this Sublease.

21. DEFAULT. Each of the following shall be deemed a default by the Sublessee and a

breach of the Sublease:

(a) A default in the payment of the rent and additional rents due hereunder for a period of ten (10) days from the due date for such payment.

(b) A default in the performance of any other term, covenant or condition on the part of the Sublessee to be kept, performed, or observed for a period of fifteen (15) days after service by City on Sublessee of a notice specifying the particular default or defaults, provided, however, that no default on the part of the Sublessee in the performance of work or acts required by it to be done, or conditions to be modified, shall be deemed to exist if steps shall have in good faith been commenced promptly by the Sublessee to rectify the same and shall be prosecuted to completion with diligence and continuity.

(c) The entry of a decree or order for relief by a court having jurisdiction in respect of the Sublessee in an involuntary case under the federal bankruptcy laws, as now or hereinafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of or for the Sublessee or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs.

(d) The commencement by the Sublessee of a voluntary case under the federal bankruptcy laws, as now constituted or thereafter amended, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by it to the appointment of or taking possession of a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of or for the Sublessee or for any substantial part of its property, or the making by Sublessee of any assignment for the benefit of creditors, or the failure of the Sublessee generally to pay its debts as such debts become due, or the taking of corporate action by the Sublessee in furtherance of any of the foregoing.

(e) The taking possession of the property of Sublessee by any governmental office or agency pursuant to statutory authority for the dissolution or liquidation of the Sublessee.

(f) The vacation or abandonment of the Premises by Sublessee.

(g) The assignment or subletting of the Premises by Sublessee without the prior written consent of City and the State of Alaska.

22. CITY'S REMEDIES IN EVENT OF DEFAULT. In the event of any default by Sublessee under this Sublease, City shall have the following rights and remedies, which shall be cumulative and all in addition to any rights and remedies that City may be given by statute, common law or otherwise:

(a) Distrain for rent due.

(b) Reenter the Premises and take possession thereof and remove all signs, other evidence of tenancy, and all personal property of Sublessee from the Premises.

(c) Declare the term of this Sublease ended.

(d) Relet the Premises in whole or in part for any period equal to or greater or less than the remainder of the term of this Sublease.

(e) Collect any and all rents due or to become due from subtenants or other occupants of the Premises.

(f) If Sublessee shall at any time fail to make any payment or perform any other act on its part to be made or performed under this Sublease, City may, but shall not be obligated to, and without waiving or releasing Sublessee from any obligation under this Sublease, make such payment or perform such other act as may be reasonable in the circumstances, and in connection therewith to pay expenses and employ counsel.

All sums so paid by City and all expenses in connection therewith, together with interest thereon at the rate of twelve percent (12%) per year or the current maximum legal rate of interest, whichever is less, from the date of payment to the date of repayment, shall be deemed additional rent hereunder and payable at the time of any installment of rent thereafter becoming due and City shall have the same rights and remedies for the nonpayment thereof, or of any other additional rent, as in the case of default in the payment of rent.

(g) Restrain by injunction any violation or attempted violation, or compel by injunction the performance of any of the covenants, agreements or conditions or terms of this Sublease.

(h) Recover, whether this Sublease be terminated or not, from Sublessee, damages provided for below constituting of items (i) and (ii), or, at City's election in lieu of (ii), item (iii):

(i) reasonable attorney's fees and other expenses incurred by City by reason of the breach or default by Sublessee;

(ii) an amount equal to the amount of all rent and additional rents reserved under this Sublease, less the net rent, if any, collected by City on reletting the Premises, which shall be due and payable by Sublessee to City on the days on which the rent and additional rents reserved in this Sublease would have become due and payable; that is to say, upon each of such days Sublessee shall pay to City the amount of deficiency then existing. Such net rent collected on reletting by City shall be computed by deducting from the gross rent collected all expenses incurred by City in connection with the reletting of the Premises, or any part thereof, including broker's commission and the cost of renovating or remodeling the Premises;

(iii) an amount to be due immediately on breach, equal to the amount, if any, by which the remaining rent due under this Sublease exceeds the fair and reasonable rental value of the Premises for the same period. In the computation of such damages the difference between any installment of rent thereafter becoming due and the fair and reasonable value of the Premises for the period for which such installment was payable shall be discounted to the date of such breach at the rate of eight percent (8%) per year. If the Premises, or any part thereof, be relet by City for the unexpired term of this Sublease, or any part thereof, before presentation of proof of damages, the amount of rent reserved upon such reletting, in the absence of evidence to the contrary, shall be deemed to be the fair and reasonable rental value for the Premises, or any part thereof, so relet during the term of such reletting.

(i) Reentry or reletting of the Premises, or any part thereof, pursuant to this paragraph

22 shall not be deemed a termination of this Sublease, unless expressly declared to be so by City. If this Sublease shall be deemed terminated, Sublessee's liabilities shall survive and Sublessee shall be liable for damages as provided above.

The enumeration of the default rights of City above are not intended to imply that they are mutually exclusive, nor that they are in lieu of any or all statutory, common law or other rights.

23. BANKRUPTCY OR INSOLVENCY.

(a) In the event that Sublessee shall file a petition, or an order for relief is entered against Sublessee, under Chapter 7 of the Bankruptcy Code, and the Trustee of Sublessee shall elect to assume this Sublease for the purpose of assigning the same, such election and/or assignment may only be made if all of the terms and conditions of subsections (c), (d) and (e) hereof are satisfied. If such Trustee shall fail to elect to assume this Sublease for the purpose of assigning the same within sixty (60) days after the order of relief, this Sublease shall be deemed to have been rejected. City shall be thereupon immediately entitled to exercise any remedies available to it under paragraph 25 of this Sublease, and this Sublease shall be canceled, but City's right to be compensated for damages in such bankruptcy proceedings shall survive.

(b) In the event that Sublessee files a petition for reorganization under Chapters 11 or 13 of the Bankruptcy Code or a proceeding filed by or against Sublessee under any other chapter of the Bankruptcy Code is converted to a Chapter 11 or 13 proceeding, and the Trustee of Sublessee or Sublessee as debtor-in-possession fails to assume this Sublease within sixty (60) days from the date of filing of the Petition or such conversion, the Trustee or debtor-in-possession shall be deemed to have rejected this Sublease. City shall be thereupon immediately entitled to exercise any remedies available to it under paragraph 22 of this Sublease, and this Sublease shall be canceled, but City's right to be compensated for damages in such bankruptcy proceedings shall survive. If the Trustee of Sublessee shall elect to assume this Sublease, such election may only be made if all of the terms and conditions of subsections (c) and (d) hereof are satisfied. If the Trustee of Sublessee shall elect to assign this Sublease after assuming it, such assignment may only be made if all of the terms and conditions of subsections (e) hereof are satisfied.

(c) No election to assume this Sublease shall be effective unless in writing and addressed to City and unless, in City's reasonable business judgment, all of the following conditions, which City and Sublessee acknowledge to be commercially reasonable, have been satisfied:

(i) The Trustee or the debtor-in-possession has cured or has provided City adequate assurance (as defined hereunder) that:

(A) within ten (10) days from the date of such assumption the Trustee or debtor-in-possession will cure all monetary defaults under this Sublease; and

(B) within thirty (30) days from the date of such assumption the Trustee or debtor-in-possession will cure all non-monetary defaults under this Sublease, or if the non-monetary default requires more than thirty (30) days to cure, the Trustee or debtor-in-possession will within thirty (30) days commence and proceed with diligence and continuity to cure the non-monetary defaults under this Sublease.

(ii) The Trustee or the debtor-in-possession has

compensated, or has provided to City adequate assurance (as defined hereunder) that within ten (10) days from the date of assumption City will be compensated for any pecuniary loss incurred by City arising from the default of Sublessee, the Trustee, or the debtor-in-possession as recited in City's written statement of pecuniary loss sent to the Trustee or debtor-in-possession.

(iii) The Trustee or the debtor-in-possession has provided City with adequate assurance of the future performance of each of Sublessee's obligations under this Sublease; provided, however, that the obligations imposed upon the Trustee or debtor-in-possession shall continue with respect to Sublessee after the completion of bankruptcy proceedings.

(iv) City has determined that the assumption of the Sublease will not breach any provision in any other Lease by which City is bound relating to the Property.

(d) For purposes of subparagraph (c), adequate assurance shall mean:

(i) City shall reasonably determine that the Trustee or the debtor-in-possession has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure City that the Trustee or debtor-in-possession will have sufficient funds to fulfill the obligations of Sublessee under this Sublease; and

(ii) an order shall have been entered segregating sufficient cash payable to City and/or there shall have been granted a valid and perfected first lien and security interest in property of Sublessee, Trustee or debtor-in-possession, acceptable as to value and kind to City, to secure City the obligation of the Trustee or debtor-in-possession to cure the monetary and/or non-monetary defaults under this Sublease within the time period set forth above.

(e) (i) If the Trustee or debtor-in-possession has assumed the Sublease pursuant to the terms and provisions of subparagraphs (a) or (b), for the purpose of assigning (or elects to assign) Sublessee's interest under this Sublease, to any other person, such interest may be so assigned only if City shall acknowledge in writing that the intended assignee has provided adequate assurance as defined in this subparagraph (e) of future performance of all of the terms, covenants and conditions of this Sublease to be performed by Sublessee.

(ii) For purposes of this subparagraph (e), adequate assurance of future performance shall mean that City shall have reasonably ascertained that each of the following conditions has been satisfied:

(A) the assignee has submitted a current financial statement audited by a certified public accountant which shows a net worth and working capital in amounts determined to be sufficient by City to assure the future performance by such assignee of Sublessee's obligations under this Sublease;

(B) if requested by City, the assignee shall have obtained guarantees in form and substance satisfactory to City from one or more persons whom City determines to be creditworthy;

(C) the assignee has submitted in writing evidence, satisfactory to City, of substantial business experience in business operations of the same kind and comparable size to the business contemplated under this Sublease; and

(D) City has obtained all consents or waivers from any third party necessary to permit such assignment under any lease or agreement by which City is bound.

(f) Neither Sublessee's interest in this Sublease, nor any lesser interest of Sublessee herein, shall pass to any Trustee, receiver, assignee for the benefit of creditors, or any other person or entity, or otherwise by operation of law under the laws of any state having

jurisdiction of the person or property of Sublessee ("state law") unless City shall consent to such transfer in writing. No acceptance by City of rent or other payments from any such Trustee, receiver, assignee, person or other entity shall be deemed to have waived, nor shall it waive, the need to obtain City's consent or City's right to terminate this Sublease for any transfer of Sublessee's interest under this Sublease without such consent.

(g) In the event Sublessee shall be adjudicated insolvent pursuant to the provisions of any present or future insolvency law under state law, or if a receiver or Trustee of the property of Sublessee shall be appointed under state law by reason of Sublessee's insolvency or inability to pay its debts as they become due or otherwise, or if any assignment shall be made of Sublessee's property for the benefit of creditors under state law; then and in such event City may, at its option, terminate this Sublease and all rights of Sublessee hereunder without further obligation to Sublessee, by giving Sublessee written notice of the election to so terminate.

24. SURRENDER OF POSSESSION. If, after termination of this Sublease, Sublessee shall vacate the Premises without removing all of its property, any and all property that remains may be removed from the Premises by City and may be handled, removed or stored by City at the risk, cost and expense of Sublessee, and City shall in no event be responsible for the value, preservation or safekeeping thereof or for any loss or damage to Sublessee occasioned thereby. Sublessee shall pay to City, upon demand, any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in City's possession or under City's control. Any such property of Sublessee not removed from the Premises or retaken from storage by Sublessee within thirty (30) days after the end of the term of this Sublease or of Sublessee's right to possession of the Premises, however terminated, shall be conclusively deemed to have been forever abandoned by Sublessee and either may be retained by City as its property or may be disposed of in such manner as City may see fit.

25. QUIET ENJOYMENT. So long as Sublessee shall observe and perform the covenants and conditions contained in this Sublease, Sublessee shall, at all times during the term of this Sublease, peacefully and quietly have and enjoy possession of the Premises without any disturbance or hindrance by, from or through City, but subject to any rights of the State of Alaska in the Base Lease.

26. ASSIGNMENT AND SUBLETTING. (a) Sublessee shall not assign, hypothecate, or encumber its interest in this Sublease or in the Premises. Sublessee shall not sublease all or any part of the Premises, or allow any other person or entity (except Sublessee's authorized representatives) to occupy or use all or any part of the Premises without first obtaining City's written consent, which will not unreasonably be withheld, and the written consent of DOT/PF. No sub-sublessee may occupy the Premises before DOT/PF grants written consent. Any assignment, encumbrance or hypothecation of the Sublease is void, and any sub-sublease without such consent by the City and DOT/PF is voidable and, at City's election, shall constitute a default. No consent to any sublease shall constitute a further waiver of the provisions of this paragraph.

(b) Any proposed sublease must be submitted to the City for approval in three (3) copies, each bearing the original notarized signature of all parties. Each sublease shall be expressly subject and subordinate to the Sublease and the Base Lease and the rights of the City and DOT/PF respectively, and shall require the sublessee to assume the Sublessee's obligations hereunder and

shall not release the Sublessee from liability hereunder. Each sublease shall be expressly terminable by City in its sole discretion at the end of the term of this Sublease. If approved by City, the proposed sublease will be forwarded to DOT/PF for approval. No consent to sublease is effective until given in writing by both the City and DOT/PF.

27. RIGHTS RESERVED TO CITY. City reserves the following rights:

- (a) To name or to change the name of the Building.
- (b) To install and maintain or to allow installation and maintenance of signs on the exterior or interior of the Building, excluding the interior of the Premises.
- (c) To have pass keys to the Premises.
- (d) To have access to the Premises for purposes of inspection upon reasonable prior notice.
- (e) On reasonable prior notice to Sublessee, to exhibit the Premises to prospective tenants during the last six (6) months of the term of this Sublease, and to any prospective purchaser, mortgagee, or assignee of any mortgage on the Building and to others having a legitimate interest at any time during the term of this Sublease.
- (f) At any time in the event of an emergency and otherwise at reasonable times, to take any and all measures, including inspections, repairs, alterations, additions, and improvements to the Premises or to the Building as may be necessary or desirable for the safety, protection or preservation of the Premises or the Building or City's interest, or as may be necessary or desirable in the operation or improvement of the Building, or in order to comply with laws, orders and requirements of governmental or other authority.

28. ESTOPPEL CERTIFICATES. Either party shall at any time and from time to time upon not less than fifteen (15) days prior request by the other party, execute, acknowledge and deliver to such party, or to its designee, a statement in writing certifying that this Sublease is unamended and in full force and effect (or, if there has been any amendment thereof, that the same is in full force and effect as amended and stating the amendment or amendments), that there are no defaults existing (or if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the rent and other charges have been paid in advance.

29. HOLDING OVER. If Sublessee remains in possession of the Premises after expiration of the term of this Sublease, or after the date in any notice given by City to Sublessee terminating this Sublease, such possession by Sublessee shall be deemed to be a month-to-month tenancy terminable on thirty (30) days notice given at any time by either party. The provisions of this paragraph do not exclude City's rights of re-entry or any other right under this Sublease.

30. SUBORDINATION OF SUBLEASE. The rights of Sublessee under this Sublease shall be and are subordinate at all times to the Base Lease and all ground leases and/or underlying leases, if any, now or hereafter in force against the Property and to the lien of any mortgage or mortgages now or hereafter in force against such leases and/or the Premises, and to all advances

made or hereafter to be made upon the security thereof, and to all renewals, modifications, consolidations, replacements, and extensions thereof. This paragraph is self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Sublessee shall promptly execute such further instrument as may be reasonably requested by City. Sublessee, at the option of any mortgagee, agrees to attorn to such mortgagee in the event of a foreclosure sale or deed in lieu thereof.

31. NOTICES. All notices, demands and requests from one party to another shall be delivered in person or sent by mail addressed to the other party at the address set forth below, or at such other address as either party may notify the other in writing pursuant to this paragraph.

If to City:
Terry Felde, Airport Terminal Manager
491 East Pioneer Avenue
Homer, Alaska 99603-7624
Telephone: 907-435-3102
Facsimile: 907-235-3148
E-mail: terminalmanager@cityofhomer-ak.gov

If to Sublessee:
Bruce McGlasson, President
P.O. Box 92200
Anchorage, Alaska 99509
Telephone: 907-644-4307
Facsimile: 907-248-7076
E-mail: bmcglasson@flygrant.com

Telephone, facsimile, and e-mail addresses are provided for informational purposes, and may not be used in lieu of mail or personal delivery for formal notices, demands, and requests.

32. WAIVER. No failure by either City or Sublessee to insist upon the strict performance by the other of any term, covenant or condition of this Sublease or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of such term, covenant or condition. No waiver of any breach or right, unless in writing, shall affect or alter this Sublease, but each and every term, covenant and condition of this Sublease shall continue in full force and effect with respect to any other then existing or subsequent breach.

The receipt and acceptance by City of delinquent rent shall not constitute a waiver of any other defaults; it shall constitute only a waiver of timely payment of the particular installment of rent involved. No act or conduct of City, including, without limitation, the acceptance of the keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Sublessee before the expiration of the term of this Sublease. Only a notice from City to Sublessee shall constitute acceptance of the surrender of the Premises and accomplish a termination of the term of this Sublease.

33. SALE OR TRANSFER OF PREMISES. If City sells or transfers the Building or the Premises, on consummation of the sale or transfer, City shall be released from any liability thereafter accruing under this Sublease. If any security deposit or prepaid rent has been paid by Sublessee, City can transfer the security deposit or prepaid rent to City's successor and on such transfer City shall be discharged from any further liability in reference to the security deposit or prepaid rent.

34. MISCELLANEOUS PROVISIONS.

(a) Time is of the essence of each provision of this Sublease.

(b) This Sublease shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns, except as otherwise provided in the Sublease.

(c) This Sublease shall be governed by and construed and enforced in accordance with the laws of the State of Alaska.

(d) This Sublease contains all the agreements of the parties and cannot be amended or modified except by a written agreement signed by the parties hereto.

(e) It is understood and agreed that this Sublease shall not be binding until and unless all parties have signed it.

(f) If Sublessee is a corporation, Sublessee shall deliver to City and DOT/PF on execution of this Sublease a certified copy of a resolution of its board of directors authorizing the execution of this Sublease and naming the officers that are authorized to execute this Sublease on behalf of the corporation or other proof reasonably satisfactory to City and DOT/PF.

(g) Any litigation arising out of the performance of the parties under this Sublease, or its interpretation, shall be brought in the Superior Court for the State of Alaska, Third Judicial District at Homer.

(h) All provisions contained in this Sublease, whether covenants or conditions, shall be deemed to be both covenants and conditions.

(i) This Sublease may be executed in several counterparts, each of which shall be deemed an original and may be used as such, and such counterparts shall constitute but one and the same instrument.

35. NON-DISCRIMINATION. Sublessee covenants and agrees that discrimination on the grounds of race, color, religion, national origin, ancestry, age or gender will not be permitted against any patron, employee, applicant for employment, or other person or group of persons in any manner prohibited by federal, state or local law. To the extent required by applicable law, regulation, or government contract, Sublessee shall furnish services on a fair, reasonable and not unjustly discriminatory basis, and shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, however, that Sublessee may make reasonable and nondiscriminatory discounts, rebates and similar types of price reductions to volume purchasers. The Sublessee recognizes the right of the City to take any action necessary to enforce this covenant, including actions required pursuant to any federal, state or local law.

(a) This agreement is subject to requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23, Subpart F. The concessionaire agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 CFR Part 23, Subpart F.

(b) The concessionaire agrees to include the above statements in any subsequent concession agreement that it enters and cause those businesses to similarly include the statements in

further agreements.

36. RADIO INTERFERENCE. At the City's request, Sublessee shall discontinue the use of any machine or device which interferes with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

37. REGULATIONS. Sublessee agrees to abide by all reasonable regulations now or hereafter established by the City or DOT/PF, or both, concerning the use, operation and maintenance of the Premises, Building and the Property.

38. STATE DOT/PF APPROVAL. Pursuant to the terms of the Base Lease this Sublease shall not become effective until approved in writing by the State of Alaska, Department of Transportation and Public Facilities.

39. TERMINAL CHANGES AND IMPROVEMENTS.

(a) The Sublessee understands and agrees that the requirements of the Building as an airport terminal in such matters as passenger volume, freight volume, flight frequencies, aircraft size, operating procedures, efficient baggage handling and passenger movements, aircraft and vehicle parking requirements, etc., may from time to time change, sometimes substantially, and consequently the City does hereby reserve the right and option to rebuild, remodel, relocate or otherwise effect such changes in the Premises and the Building. Sublessee agrees that upon thirty (30) days advance written notice given by City to relocate to new premises within the Building as may be reasonably assigned by City as deemed necessary or advisable; subject, however, to the conditions that the new premises shall be situated on the same floor in the Building and on the same concourse or hallway as the Premises, and further that the area of the new premises shall not be less than ninety percent (90%) of the area of the Premises unless Sublessee shall consent to a greater reduction.

(b) Sublessee shall receive no compensation but shall receive reimbursement of reasonable expenses for any such move required by City. Moreover, if the area of the new premises is less than the area of the Premises, rent shall be reduced by a fraction, the numerator of which is the difference between the area of the Premises and the area of the new premises and the denominator of which is the area of the Premises. During the term of this Sublease (not including any extensions or renewals thereof) the Sublessee shall not be required to pay any increased rent resulting from any such move required by City, even if the new premises are larger than or have a higher rental rate than the Premises.

(c) The Sublessee agrees that temporary inconveniences, such as noise, disturbances, traffic detours, moving, and the like, caused by or associated with the construction, remodeling, rebuilding, or relocation of the Premises or other portions of the Building shall not constitute a breach of quiet enjoyment of the Premises, nor shall they be grounds for an abatement of rental except in cases of interruption of the Sublessee's business or activities of longer than five (5) days in any calendar month in which case the rent shall be abated to the extent of 1/30th of the monthly rental per each day of interruption of the Sublessee's business or activity.

(d) In the event Sublessee is required to move to new premises, City will exert its best efforts to provide new premises comparable to the Premises but in the event Sublessee reasonably believes the move will have a substantially adverse effect on the activities or business of

the Sublessee conducted in the Premises, the Sublessee may terminate this Sublease by giving written notice of termination to the City within thirty (30) days after the City has given the Sublessee the foregoing notice that the Sublessee must move.

40. SPECIAL CONVENANTS. Special Covenants including renewal and rent adjustment provisions, if any, are set forth in Exhibit "B" attached hereto and incorporated by reference in this Sublease.

IN WITNESS WHEREOF, City and Sublessee have signed this Sublease as of the day and year first above written.

ATTEST:

**CITY:
CITY OF HOMER, ALASKA**

Jo Johnson, CMC, Deputy City Clerk

Walt Wrede, City Manager

**SUBLESSEE:
GRANT AVIATION, INC.**

Bruce McGlasson, President

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of November, 2011, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Walt Wrede, known to me to be the City Manager of the City of Homer, and he acknowledged to me that he was authorized to execute the foregoing document by authority granted him by the City of Homer for the uses and purposes therein set forth.

WITNESS my hand and notary seal the day and year first hereinabove written.

Notary Public in and for Alaska
My Commission Expires:

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of November, 2011, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Bruce McGlasson, known to me to be the President of Grant Aviation, Inc., and he acknowledged to me that he was authorized to execute the foregoing document by authority granted him by Grant Aviation, Inc. for the uses and purposes therein set forth.

WITNESS my hand and notary seal the day and year first hereinabove written.

Notary Public in and for Alaska
My Commission Expires:

EXHIBIT A
HOMER AIRPORT TERMINAL
AIR CARRIER/TICKET COUNTER SUBLEASE

The legal description of the Premises is as follows:

Office area #110 and ticket area #107 (directly in front of office area #110), baggage make-up area (enplaning) directly behind office area #110. Baggage make-up area (deplaning) #115. Total area consisting of 741 square feet, in the Homer Airport Terminal Building, Homer Airport located in Township 6S, Range 13W, Seward Meridian, Section 21, Homer Recording District, Homer, Alaska, all situated on Lot 5A, Block 800, HOMER AIRPORT TRACTS according to the official plats on file with the State of Alaska, Department of Transportation and Public Facilities, Division of Aviation.

The attached drawing depicts the Premises being subleased and common areas of the Building used in common with other sublessees and City.

2/0-

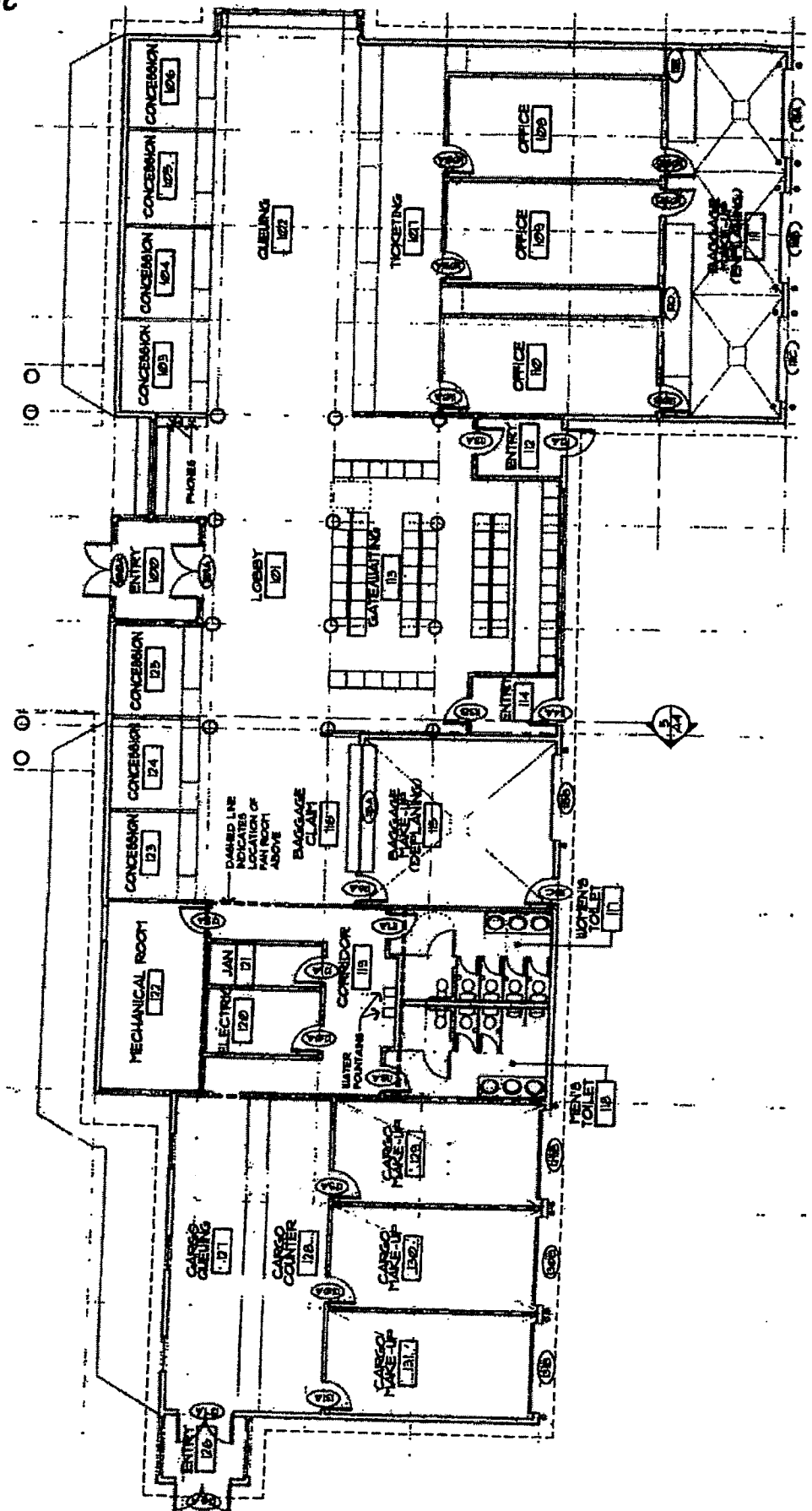


EXHIBIT B
HOMER AIRPORT TERMINAL
AIR CARRIER/TICKET COUNTER SUBLEASE
SPECIAL CONVENANTS

1. If agreed to by the City, Sublessee may renew this Sublease for two additional one (1 year periods ("Renewal Term")), on the following conditions and terms:

(a) Sublessee must give written notice to the Airport Terminal Manager of Sublessee's desire to renew the Sublease not more than 90 days and not less than 30 days prior to the last day of the term of the Sublease.

(b) The Airport Terminal Manager will, within 30 days of receipt of the request from Sublessee, advise the Sublessee whether the City agrees to the Renewal Term. In addition, the Airport Terminal Manager may, without a request from Sublessee, at any time less than 90 days before the last day of the term of the Sublease, notify the Sublessee that the City will not agree to a Renewal Term, if requested.

(c) Neither party is obligated to agree to a Renewal Term.

(d) If both parties agree to a Renewal Term, the parties shall confirm the same in a letter or other written documentation signed by both parties to the Sublease.

(e) Unless amendments are agreed to in a written amendment to this Sublease, the Renewal Term shall be on the same terms and conditions as set forth in this Sublease.

2. The annual rent provided for in paragraph 3 of the Sublease shall be adjusted annually on the first day of January 2013 as follows:

(a) The basis for computing the adjustment is the Consumer Price Index for All Urban Consumers, Anchorage, Alaska Area, All Items 2000-present = 100 ("CPI-U") as published by the United States Department of Labor, Bureau of Labor Statistics ("Index"). The Index published for the second half of the calendar year nearest, but preceding, the date of the commencement of the term of this Sublease is the "Beginning Index." The Index published for the second half of the calendar year nearest, but preceding, the Rent Adjustment Date is the "Extension Index." On the Rent Adjustment Date, the annual rent for the following year (until the next rent adjustment) shall be adjusted by increasing the initial annual rent stated in paragraph 3 of the Sublease by a percentage equal to the percentage of increase from the Beginning Index to the Extension Index. In no case shall the adjusted annual rent be less than the initial annual rent set forth in paragraph 3. Upon adjustment of the annual rent as provided in this Sublease, City shall promptly provide written notice to Sublessee stating the new annual rent, but its failure to do so will not relieve Sublessee of its obligation to pay the adjusted rent commencing as of the Rent Adjustment Date.

(b) If the Index is changed so the base year differs from that used as of the commencement of the term of this Sublease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

EXHIBIT B
HOMER AIRPORT TERMINAL
AIR CARRIER/TICKET COUNTER SUBLEASE
SPECIAL CONVENANTS
(continued)

3. In addition to the uses authorized in paragraph 4 of the Sublease, Sublessee is authorized to conduct aircraft fueling operations in conformance with the requirements of the Base Lease, as amended by Supplement No. 1. By conducting aircraft fueling operations, Sublessee, with respect to Sublessee's aircraft fueling operations, voluntarily assumes all responsibilities and liabilities assigned to the "Lessee" in Supplement No. 1, and further agrees to hold harmless, defend, and indemnify the City and DOT/PF from and against any and all losses, liabilities, damages, claims, costs, expenses and attorney fees, resulting from or arising out of Sublessee's aircraft fueling operations or its breach in performance of the obligations of the "Lessee" under Supplement No. 1, or both. Nothing contained in this paragraph shall be construed as any limitation of any other hold harmless, defense, or indemnity provision of the Lease, and in the case of any conflict between such provisions, the provision granting the greater protection to the City shall control.

**HOMER RECORDING DISTRICT
MEMORANDUM OF SUBLEASE**

CITY OF HOMER ("City"), whose mailing address is 491 East Pioneer Avenue, Homer, Alaska 99603, and Grant Aviation, Inc., ("Sublessee"), whose mailing address is P.O. Box 92200 Anchorage, Alaska 99509, entered a Sublease dated November __, 2011 ("the Sublease").

1. **Leased Premises.** Under the terms of the Sublease, City leases to Sublessee the premises consisting of 741 square feet of space as more fully described and/or depicted on Exhibit "A" attached hereto, located in the Homer Airport Terminal Building located on Lot 5A, Block 800, HOMER AIRPORT TRACTS, Homer Recording District, State of Alaska, according to the official plats on file with the State of Alaska, Department of Transportation and Public Facilities, Division of Aviation.

2. **Term of Lease.** The term of the Sublease commences on October 1, 2011 and terminates on September 30, 2014, with two (1) year options to renew.

IN WITNESS WHEREOF, the parties to Sublease set their hands and seals the dates set forth below.

ATTEST:

**CITY:
CITY OF HOMER**

Jo Johnson, CMC, City Clerk

Walt Wrede, City Manager

**SUBLESSEE:
GRANT AVIATION, INC.**

Date: _____

Bruce McGlasson, President

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of November 2011, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Walt Wrede, known to me to be the City Manager of the City of Homer, and he acknowledged to me that he was authorized to execute the foregoing document by authority granted him by the City of Homer for the uses and purposes therein set forth.

WITNESS my hand and notary seal the day and year first hereinabove written.

Notary Public in and for Alaska
My Commission Expires:

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of November, 2011, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Bruce McGlasson, known to me to be the President of Grant Aviation, Inc., and he acknowledged to me that he was authorized to execute the foregoing document by authority granted him by Grant Aviation, Inc. for the uses and purposes therein set forth.

WITNESS my hand and notary seal the day and year first hereinabove written.

Notary Public in and for Alaska
My Commission Expires:

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Lease Committee

RESOLUTION 11-104

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING A NEW LEASE FOR THE PIER ONE THEATRE FOR A TERM OF FIVE YEARS AND A RENTAL RATE OF ONE DOLLAR PER YEAR AND FINDING THAT IT IS IN THE PUBLIC INTEREST TO AWARD THE LEASE WITHOUT A COMPETITIVE BIDDING PROCESS AND AT LESS THAN FAIR MARKET RENT.

WHEREAS, The City lease with the Pier One Theatre expires on December 9, 2011 and the Theatre has submitted a proposal for a new lease with the same term and rent as the current lease; and

WHEREAS, The Lease Committee considered this proposal at a Special Meeting on November 10, 2011; and

WHEREAS, When reviewing the Pier One Proposal, the Committee relied on the proposal evaluation criteria contained in Sections 6.2 (B), 7.2 (A) (4) and 11.2 (F) of the Lease Policies; and

WHEREAS, The Lease Committee recommends that a new lease be granted to the Pier One Theatre for a term of five years and a rental rate of \$1.00 per year subject to review by the Planning Department and the State Fire Marshall; and

WHEREAS, The Lease Committee recommends further that a new lease for less than fair market value and without a competitive bidding process is justified for the reasons outlined in the staff report.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves a new lease for the Pier One Theatre for a term of five years and a rental rate of \$1.00 per year, subject to Planning Department and Fire Marshall approval, and authorizes the City Manager to execute the appropriate documents.

BE IT FURTHER RESOLVED that the Council finds that it is in the best interest of the community to approve a lease without a competitive bidding process under Section 11.2 (F) of the Lease Policies for the following reasons:

- Pier One Theatre has been an excellent tenant and has performed well under the terms of the lease.
- Pier One has made improvements to the building, including improvements requested by the Fire Marshall.
- The proposed use of the property is compatible with adjacent uses.
- The proposed use is consistent with the Spit Comprehensive Plan, the Comprehensive Economic Development Strategy, and Resolution 98-36(A).
- There are substantial economic, social, cultural, and educational benefits which derive from this use.
- The lease term is short and the City can terminate with 90 days notice.
- There are few if any alternative uses of the building.
- The City has yet to develop a long term plan for the property and is therefore not ready to issue an RFP.

BE IT FURTHER RESOLVED that the Council finds that it is in the public interest to approve a lease for less than fair market rent under Section 7.2 (A) (4) for the following reasons:

- History / tradition: The City has leased this building for \$1.00 per year for decades. The Council has consistently determined that it was in the public interest to do so.
- The building was an old harbor building that was ready for destruction. The Theatre salvaged it and made various improvements to make it suitable for its present use. The City has little investment in the building.
- The Theatre is operated by volunteers and has a very limited budget and financial resources. It cannot afford to pay rent at this time.
- The economic, social, cultural, and educational benefits derived from the Theatre's activities are substantial.

PASSED AND ADOPTED by the Homer City Council this 28th day of November, 2011.

CITY OF HOMER

MARY E. WYTHER, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Rent \$1.000 per year. No utility costs and minimal maintenance costs.

MEMORANDUM 11-149

TO: Mayor Hornaday and Homer City Council

FROM: Walt Wrede

DATE: November 19, 2011

SUBJECT: Pier One Theatre Lease Application

Introduction

The City lease with the Pier One Theatre is set to expire on December 9, 2011. The Theatre leases the building and a small portion of land immediately adjacent to it for parking. The term of the current lease is five years and the rent is \$1.00 per year. The Theatre is responsible for maintenance and repair and pays for all utilities. The building is not plumbed and the theatre patrons use the City restroom next to the Nick Dudiak Fishing Lagoon.

The Pier One Theatre submitted an application for a new lease with the same term and rent as the lease currently in place. No significant capital improvements or new uses use of the facility are proposed. The Theatre basically wants to continue on as they have in the past. The application was determined to be complete and responsive by the City staff and the Lease Committee took this application under consideration at a special meeting on November 10, 2011. The staff report and the meeting minutes are attached for your information.

Committee Findings:

The Committee reviewed the application using the proposal evaluation criteria contained in Section 6.2 (B) of the Property Management Policies and Procedures (Lease Policies). The Committee also reviewed the proposal pursuant to the requirements contained in Section 11.2 (F) (exceptions to the competitive bidding process) and Section 7.2 (A) (4) (leases for less than fair market rent).

After review and discussion, the Committee approved motions recommending that the City Council award a new five year lease at a rent of one dollar per year to the Pier One Theatre pending review by Planning and the State Fire Marshall and that doing so without a competitive bidding process and at less than fair market value was justified and in the public interest for the reasons stated in the staff report. Those reasons are:

Section 11.2 (F) (competitive bidding process.) The Committee found that a new lease for the Pier One Theatre without a competitive bidding process was justified because:

- Pier One Theatre has been an excellent tenant and has performed well under the lease
- Pier One has made improvements to the building and has been responsive to requests by the State Fire Marshall
- The use is compatible with adjacent land uses
- The use is consistent with the Spit Comprehensive Plan, the Comprehensive Economic Development Strategy, and Resolution 36(A).
- There are significant economic, social, cultural, and educational benefits which derive from this use.
- The lease term is short and the City can terminate with 90 days notice
- There are few if any alternative uses of the building
- The City has yet to develop a long term plan for that property and therefore is not ready to issue an RFP.

Section 7.2 (A) (4) (fair market rent). The Committee found that leasing the building and land to Pier One Theatre at less than fair market rent was justified and in the public interest for the following reasons:

- History / tradition. The City has leased this building for \$1.00 per year for decades. The Council has consistently determined that it was in the public interest to do so.
- The building was an old harbor building that was ready for destruction. The Theatre salvaged it and modified and improved it. The City has almost no investment in this building.
- The Theatre has a very limited budget and assets and would find it difficult to pay rent.
- The economic, social, cultural, and education benefits derived from the Theatre's activities are substantial.

RECOMMENDATION: Approve a new five year lease at \$1.00 per year subject to Planning and Fire Marshall review.

MEMORANDUM

TO: Lease Committee

FROM: Walt Wrede

DATE: November 4, 2011

SUBJECT: Staff Report / Pier One Theatre Lease Application

Introduction

Pier One Theatre has submitted a request for a new lease for the City owned building it currently occupies and for use of surround land for theatre related parking. The request is for a five year lease for \$1.00 per year; similar to the agreement that is about to expire.

Section 5.2 (A) of the Property Management Policy and Procedures (Lease Policies) provides the criteria to determine if a lease application is complete and responsive to the Request for Proposals. Terry Felde has reviewed the application from this perspective and her report is attached. Terry concludes that the application is substantially complete but additional supplemental information will need to be submitted before a lease can be finalized.

Proposal Evaluation

Section 6.2 (B) of the Lease Policies contains the evaluation criteria by which proposals are to be scored. It should be noted that these criteria are designed to measure proposals for leases that are commercial in nature. Although this is a proposed lease for a non-profit organization, some of the criteria still apply and are useful in the evaluation process. In addition, there are other criteria elsewhere in the Lease Policies that are directly applicable to non-profits. Those criteria are discussed in the next section.

Following is a discussion of the criteria as they pertain to this application:

Compatibility with neighboring uses and consistency with applicable land use regulations including the Comprehensive Plan. At the present time, this proposal appears generally to be consistent with applicable land use regulations and neighboring uses. The newly adopted Homer Spit Comprehensive Plan contains a future land use concept that suggests a good use for this parcel might be a public park which contained facilities for festivals and public gatherings. Back in 1989 the City Council adopted Resolution 98-36 (A) which reserved the land adjacent to the fishing lagoon for public recreational purposes and it specifically mentions the Pier One Theatre.

The Theatre is a seasonal use and it currently is compatible with other uses in the area including public camping, recreation, and limited, sporadic, marine industrial and commercial uses. There has been a good deal of public debate about the best long term use of this property. The City Council requested that the staff produce a land use plan for the property before it makes major decisions about future leasing or development. A short term five year lease seems appropriate from that perspective.

It should be noted that the parcel in question is presently zoned Marine Industrial. A community theatre is not specifically allowed either as a permitted (HCC 21.30.020) or a conditional use (HCC 21.30.030). This may change as the Planning Commission works its way through the process of implementing the new Spit Comprehensive Plan. The Theatre has been at its present location for a long time and the City Council clearly supported that use at the

present location. At the time this report was written, I was not aware that the Theatre had ever requested Planning Commission acceptance of a nonconforming use. This application should be referred to the Planning Department for further review and comment about zoning, and for review of the proposed parking plan.

The development plan including all proposed phases and timetables.

The Theatre does not propose a major new development plan. There are no new buildings or facility expansions anticipated.

The proposed capital investment. There are no significant capital investments proposed. However, it should be noted that the Theatre has made investments over the years as the need arises and funding becomes available. For example, roof damage has been repaired and the entire building has been repainted. Many of the investments were directed at bringing the building up to code. The director noted in his initial consultation with the staff that he had a letter from the Fire Marshall and that the Theatre had addressed the areas of concern. At the time this was written, the letter had not yet been produced. I think it would be prudent for the City to require a Fire Marshall inspection before a lease is finalized. The building was inspected by a team of City staff and found to be pretty sound from a structural perspective. The bottom line is that although the building could use improvements, the Theatre has gradually been making investments which have improved the facility and made it safer for the public.

Experience of the applicant in the proposed business or venture.

The Pier One Theatre has been operating at this location for decades. The facility is well managed and the City finds Pier One Theatre to be a very cooperative and responsible tenant.

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

The Theatre has provided a Financial Report which shows assets, liabilities, and fund balance. The staff has concluded that the organization has the financial capacity to maintain the facility and continue to operate it as it currently does.

The number of employees anticipated.

No specific information is provided about employees however, it is this reviewer's understanding that all work performed for the Theatre is done on a volunteer basis.

The proposed rental rate

The proposed rental rate is \$1.00 per year. This is the same rental rate that has been in place for all prior leases. The rent covers the building and the adjacent land required for parking. Utilities are paid for by the leasee. The leasee has also covered repairs and maintenance. Restrooms are provided by the City at the public restrooms next to the Nick Dudiak Fishing Lagoon.

The Lease Committee discussed rental rates for non-profits at prior meetings but there was no consensus or direction provided at that time. The Committee may make a recommendation to the City about the rental rate. The Council will make the final decision (see below).

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

The proposal contains an attachment dated October 5, 2011 which indirectly addresses economic impacts. Although we have no hard empirical evidence of economic impacts, it seems safe to assume that the Pier One Theatre brings many people into town who then spend money in restaurants, hotels, local shops, and other recreational opportunities. This helps local businesses, preserves or creates jobs, and generates sales tax revenues. It should be noted that supporting and stimulating the arts and music sector of the local economy is a major focus of the recently adopted Homer Comprehensive Economic Development Strategy (CEDS).

Other long term social and economic development.

The Pier One Theatre makes a significant contribution to the social, cultural, and educational fabric of the community. The staff was particularly impressed with how many young people are involved in the Youth Theatre Programs. Arts and music are a significant part of the economic and social make-up of Homer. The Pier One Theatre is one of the community's most noteworthy facilities in this respect. The City Council has consistently provided financial support for local non-profits and recognizes the benefits they bring to the community.

Other Considerations:

This lease application requests that a new lease be awarded to the current tenant whose lease has expired. In general, it is the policy of the City that equal opportunities should be provided for the public to compete to lease City public property. The Lease Committee is expected to offer all properties upon which leases have expired to the public through the RFP/competitive bidding process. (11.2 (E). There can be exceptions however.

Section 11.2 (F) states in relevant part:

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 lease agreement with the current lessee. 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:

- The lessee's past capital investment and binding commitment to future capital investment
- The lessee's financial condition and prior lease history
- The number of persons employed and the prospects for future employment
- Tax revenues and other financial benefits to the City of Homer anticipated in the future if the lease is renewed.
- 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
- Other opportunities for use of the property that may provide greater benefits to the City of Homer
- Other social, policy, and economic considerations as determined by the Council.

Discussion: This list of criteria was developed primarily to address commercial activities on City leased land. It does not lend itself well to evaluation of non-profit uses of City land. However, the City Council will still be required to make a finding that it is in the public interest to lease this property to the current tenant without going through the RFP process. If the Committee recommends going this route it will need to be clear in its recommendation why it is in the public interest to do so.

I would suggest that the main arguments for doing so are the prior lease history and performance of the current tenant, the compatibility with current uses in the area, the economic, social, cultural, and educational benefits associated with this use, consistency with the Homer Spit Comprehensive Plan, the Comprehensive Economic Development Strategy, and Resolution 89-36 (A), and the short term nature of the proposed lease.

In general, it is the policy of the City to lease land and buildings at no less than "fair market rent." This proposal requests that the rent be \$1.00 per year. The Council may make exceptions to the fair market rent policy under certain circumstances. Section 7.2 (A) (4) states as follows:

The Council may approve a lease of City land for less than fair market rent, minimum rent, or uniform rental rate only if the motion approving the lease contains a finding that the lease is for a valuable public purpose or use, and a statement identifying such public purpose or use.

Discussion: The City Council has historically made this building available for \$1.00 per year. The reasons include the Council's support for the Theatre and the benefits it provides and the fact that the building itself probably could not be used for much else. This building was old, excess, property that was used at the port when it was acquired by the Pier One Theatre. The City was prepared to destroy it. All improvements were made by the Theatre. In short, they made something out of what was essentially an abandoned building.

As noted above, this Committee has had preliminary discussions about rent for non-profits and about the criteria that should be used for judging non-profit applications. The discussion was preliminary and no action has been taken. The Committee can make whatever recommendation it wants to the Council regarding rent. While the City could use additional revenues and this is potentially valuable commercial land that could be used for other purposes, I am of the opinion that continuing on with \$1.00 per year is appropriate. This recommendation is based upon the short term nature of the proposed lease, the lack of identified demand for the property (the land and the building) at present, and the fact that a long term land use plan has yet to be developed. The community received significant benefits at very little cost.

RECOMMENDATION: A new five year lease at \$1.00 per year with the stipulation that zoning permits and Fire Marshall approval is obtained.



**CITY OF HOMER
PROPERTY MANAGEMENT
LEASE APPLICATION CHECKLIST**

Applicant Name: Pier One Theatre

Date Application Received: 5/24/2011

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
--	------------------------------------	-------------------------------------	--

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:

Check #10803 for \$30.00

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

YES	NO	N/A	INCOMPLETE
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NOTES:

The proposed use is continuation of live theatre.

4. A specific time schedule and benchmarks for development

YES	NO	N/A	INCOMPLETE
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NOTES:

The proposal is for continued use of the building that already exists, and there are no plans for any further development.

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.

YES	NO	N/A	INCOMPLETE
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NOTES:

Proposed parking plan would need to be reviewed and approved by Planning.

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

YES	NO	N/A	INCOMPLETE
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NOTES:

The proposal does not indicate a lease rate offer, so it is assumed the applicant desires the same terms of \$1/year. The proposal does not address reasons that the proposed use or purpose should be considered a valuable public purpose and in the public interest to be exempted from the requirement that properties be leased at no less than "fair market rent".

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

N/A Development Plan

☒ Insurance

N/A Proposed Subleases

N/A Environmental Information

☐ Agency approvals and permits – *Need documentation of Fire Marshal approval*

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

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

☒ Corporation information and a copy of the Articles of Incorporation and Bylaws

☒ Certificate of good standing issued by the entity's state of 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).

YES	NO	N/A	INCOMPLETE
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NOTES:

Applicant will need to provide documentation of Fire Marshal approval.

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

YES	NO	N/A	INCOMPLETE
-----	----	-----	------------

NOTES:

Applicant's lease term and options for renewal have expired and this proposal has been submitted in accordance with 11.2(f) of the City of Homer Property Management Policy and Procedures without solicitation or request for proposals from the City. In order to approve a new lease outside of the competitive bidding process, it must be determined that it is in the public interest to do so.

☒ Application review completed by Lucy Loble on 8/10/11
(date)

Lease Committee

Homer City Hall

491 East Pioneer Avenue

Homer, AK 99603

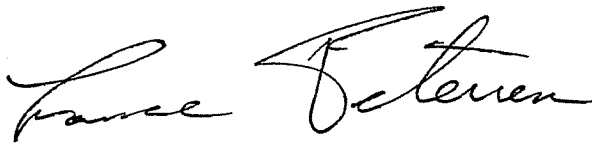
May 24, 2011

Dear Lease Committee;

This is the cover letter for Pier One Theatre, Inc.'s application to renew the lease for Pier One Theatre on the Homer Spit.

Because the continued partnership between the City of Homer and Pier One Theatre, Inc. serves the public good, we request the lease contain the same terms as it has in the past about the length and cost of the lease.

Thanks for your consideration,



Lance Petersen

City of Homer
Lease Application/Assignment Form

Directions:

1. Please type.
2. Please submit this application form to the City Manager'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.

Applicant Name:	Pier One Theatre, Inc.
EIN Social Security No.	23-7448364
Mailing Address:	PO BOX 894
City, State, ZIP code:	Homer, AK 99603-0894
Business Telephone No.	235-7333
Representative's Name:	Lance Petersen
Mailing Address:	PO BOX 894
City, State, ZIP code:	Homer, AK 99603-0894
Business Telephone No.	235-7333
Property Location:	Homer Spit Near Fishing Lagoon
Legal Description:	Tract 1-A
Type of Business to be placed on property:	Already There: Live Theatre (Non-profit)
Size of Buildings to be placed or leased:	32' X 80'
Duration of Lease requested:	5 years
Options to re-new:	yes
Special lease requirements:	
Number of parking spaces required, per code:	1 space per 5 seats: MAX audience is 100, so Code requires 20 spaces.

**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 checked="" type="checkbox"/> Placement and size of buildings, storage units, miscellaneous structures planned – to scale, please.</p> <p><input type="checkbox"/> Water and sewer lines – location of septic tanks, if needed. NA</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 <i>already in use</i>	<p><input type="checkbox"/> <u>List the time schedule from project initiation to project completion, including major project milestones.</u></p> <table border="0"> <thead> <tr> <th align="left">Dates</th> <th align="left">Tasks</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table> <p>For each building, indicate:</p> <table border="0"> <thead> <tr> <th align="left">Building Use</th> <th align="left">Dimensions and square footage</th> </tr> </thead> <tbody> <tr> <td><i>Live Theatre</i></td> <td><i>32' X 80'</i></td> </tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table>	Dates	Tasks	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	Building Use	Dimensions and square footage	<i>Live Theatre</i>	<i>32' X 80'</i>	_____	_____	_____	_____
Dates	Tasks																					
_____	_____																					
_____	_____																					
_____	_____																					
_____	_____																					
_____	_____																					
Building Use	Dimensions and square footage																					
<i>Live Theatre</i>	<i>32' X 80'</i>																					
_____	_____																					
_____	_____																					
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 NA	<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 NA	<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 NA	<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><u>All applicable fees must be submitted prior to the preparation and/or execution of a lease.</u></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><u>Please indicate lessee's type of business entity:</u></p> <p><input type="checkbox"/> Sole or individual proprietorship.</p> <p><input type="checkbox"/> Partnership.</p> <p><input checked="" 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 checked="" 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</p> <p><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 checked="" 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?</p> <p><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 checked="" 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?</p> <p><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	<p><input type="checkbox"/> <u>If the applicant is a partnership, please provide the following:</u></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</p> <p>Where _____ When _____</p> <p>Has partnership done business in Alaska? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Where _____ When _____</p> <p>Name, address, and partnership share. If partner is a corporation, please complete corporation statement.</p> <p>Limited/ <u>General</u> <u>Name</u> <u>Address</u> <u>Share %</u></p>

NA

Please attach a copy of your partnership agreement.

10. Corporation Statement

☒ If the applicant is a corporation, please provide the following:

Date of Incorporation: May 1, 1974

State of Incorporation: Alaska

Is the Corporation authorized to do business in Alaska?

☐ No ☒ Yes. Is so, as of what Date? May 1, 1974

Corporation is held? ☐ Publicly ☒ Privately If publicly held, how and where is the stock traded? _____

Officers & Principal Stockholders [10%+]:

Name	Title	Address	Share
William Bell	President	P.O. Box 894 Homer, AK	99603
Maynard Smith	Vice-President	Box 3099	" " "
Barbara Petersen	Secretary	P.O. Box 894	" " "
Laura Norton	Trustee	1292 Beluga Ct.	" " "
Lance Petersen	Treasurer	P.O. Box 894	" " "

☒ Please furnish a copy of Articles of Incorporation and By-laws.

Please furnish name and title of officer authorized by Articles and/or By-laws to execute contracts and other corporate commitments.

Name	Title
Lance Petersen	Treasurer

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: Virginia Wise
 Firm: FNBA
 Title: Customer Service Representative
 Address: 3655 Heath Street Homer, AK
 Telephone: 235-5800
 Nature of business association with Applicant: Represents primary financial institution

Name: Saunders McNeil
 Firm: Alaska State Council on The Arts
 Title: Community and Native Arts Director
 Address: 161 Klevin St. Suite 102 Anchorage, AK 99508-1506
 Telephone: 907-269-6603
 Nature of business association with Applicant: Reviews and grants Funding from State of Alaska and National Endowment for the Arts

Name: Bruce Turkington
 Firm: Spensard Builder Supply
 Title: Manager
 Address: 3978 Lake St. Homer, AK 99663
 Telephone: 235-8506
 Nature of business association with Applicant: Bldg Supplies, Paint, hardware - Credit Account

Name: Joe Gallagher
 Firm: HEA
 Title: Administrator
 Address: 3977 Lake Street Homer, AK 99603
 Telephone: 235-8551
 Nature of business association with Applicant: Supplies electricity and grants for youth theatre

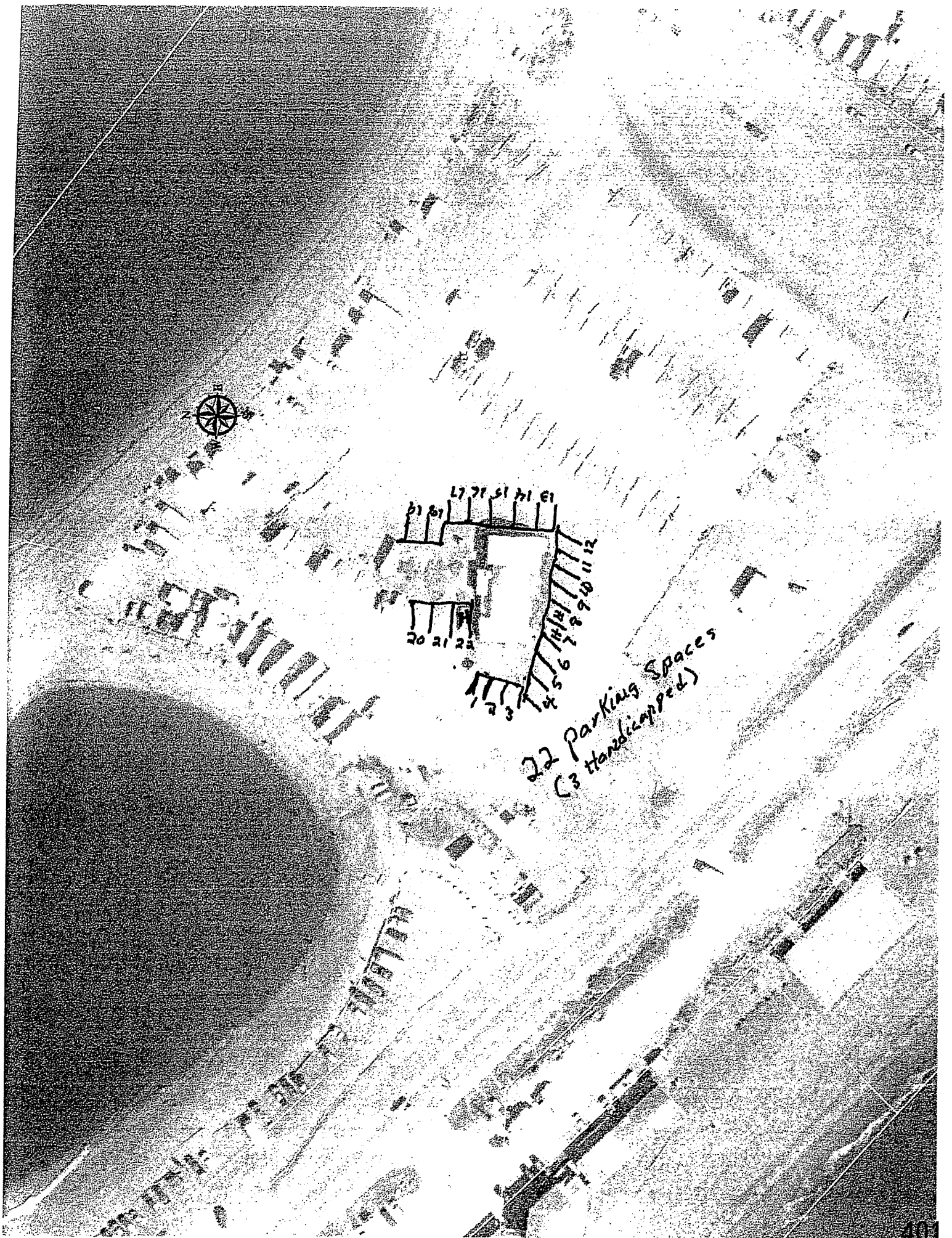
I hereby certify that the above information is true and correct to the best of my knowledge.

Signature:

Harold Peterson

Date:

5-24-2011



22 Parking Spaces
(3 Handicapped)

PLAT APPROVAL

THIS PLAT WAS APPROVED BY THE CIVIL ENGINEERING PLANNING COMMISSION AT THE MEETING OF 11-13-93.

DATE: 11-13-93

BY: *Richard Thompson*
 ATTORNEY AT LAW

NOTES

1. MAPS OF BOUNDARY IN THE CITY OF HOMER COORDINATE SYSTEM, AS SHOWN IN PLAT 87-030 AND "CITY OF HOMER AND BOUNDARY OF SURVEY".
2. NO KNOWLEDGE OF THE CITY OF HOMER COORDINATE SYSTEM, AS SHOWN IN PLAT 87-030 AND "CITY OF HOMER AND BOUNDARY OF SURVEY".
3. THESE LOTS SHALL BE SAVED BY CITY SEWER AND WATER, AND ON-SITE WATER ON WATER-WATER SYSTEMS ARE PERMITTED.
4. NO OTHER ACCESS TO STATE MAINTAINED RIGHTS OF WAY IS PERMITTED UNLESS APPROVED BY THE STATE OF ALASKA DEPARTMENT OF TRANSPORTATION.

LEGEND

1. INTERSECTIONS ARE TO BE INDICATED IN USE
2. INTERSECTIONS 5'0" FROM WITHIN CITY CAN BE USED THIS SURVEY
3. INTERSECTIONS 5'0" FROM WITHIN CITY CAN BE USED THIS SURVEY

TRACT TWO

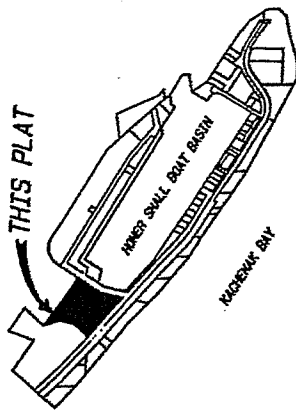
SURVEYOR'S CERTIFICATE

DATE 12/11/93 REGISTRATION NO. 7538-S

Stephen C. Smith
 REGISTERED LAND SURVEYOR



THIS PLAT



VICINITY MAP

SCALE: 1" = 1200' LOCATED WITHIN THE CITY OF HOMER

CERTIFICATE OF OWNERSHIP

I HEREBY CERTIFY THAT I AM THE OWNER OF THE REAL PROPERTY SHOWN AND DESCRIBED HEREIN, AND THAT THIS PLAT OF SUBDIVISION, AND BY MY FIRST COVENANT, DEEDS, ALL RIGHTS OF WAY AND EASEMENTS TO PUBLIC, AND ALL EASEMENTS TO THE HIRE SHOWN HEREIN.

CITY OF HOMER
 BY: *Richard L. Leland*
 CITY MANAGER
 HOMER, ALASKA 99603

NOTARY'S ACKNOWLEDGEMENT

SUBSCRIBED AND SIGNED TO BEFORE ME THIS 11th DAY OF DECEMBER, 1993.

FOR: *Richard L. Leland*
 HOMER, ALASKA 99603



HOMER RECORDING DISTRICT

THE FISHIN' HOLE NO. 2
 A REPLAT OF TRACT ONE, THE FISHIN' HOLE
 ACCORDING TO PLAT NO. 92-39, HAD
 LOCATED WITHIN THE SE1/4 S.35, T6S, R13N,
 SENARD MERIDIAN, ALASKA AND
 WITHIN THE CITY OF HOMER

CONTAINING 11.667 ACRES

HERNDON & THOMPSON, INC.
 STEPHEN C. SMITH, PLS
 41745 BEAR CREEK DRIVE
 HOMER, ALASKA 99603
 907-235-8741

DRAWN BY: SCS COMP BY: SCS JOB #92-12
 DATE: 4/12/93 SCALE: 1" = 100' SHEET #1 OF 3

DO NOT SET OUT TO
 LOCATE THIS PLAT
 UNTIL THE PLAT IS
 RECORDED

35° 00' 00" N
 11° 00' 00" E
 11.667 AC.

10' WIDE
 UTILITY EASEMENT

10' WIDE
 UTILITY EASEMENT

10' WIDE
 UTILITY EASEMENT

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10' WIDE
 UTILITY EASEMENT

LINE TABLE

LINE	BEARING	DISTANCE	CURVE DATA
1-1	S 87° 17' 12" E	100.00	
1-2	S 87° 17' 12" E	100.00	
1-3	S 87° 17' 12" E	100.00	
1-4	S 87° 17' 12" E	100.00	
1-5	S 87° 17' 12" E	100.00	
1-6	S 87° 17' 12" E	100.00	
1-7	S 87° 17' 12" E	100.00	
1-8	S 87° 17' 12" E	100.00	
1-9	S 87° 17' 12" E	100.00	
1-10	S 87° 17' 12" E	100.00	
1-11	S 87° 17' 12" E	100.00	
1-12	S 87° 17' 12" E	100.00	
1-13	S 87° 17' 12" E	100.00	
1-14	S 87° 17' 12" E	100.00	
1-15	S 87° 17' 12" E	100.00	
1-16	S 87° 17' 12" E	100.00	
1-17	S 87° 17' 12" E	100.00	
1-18	S 87° 17' 12" E	100.00	
1-19	S 87° 17' 12" E	100.00	
1-20	S 87° 17' 12" E	100.00	

CURVE TABLE

LINE	BEARING	DISTANCE	CURVE DATA
1-1	S 87° 17' 12" E	100.00	
1-2	S 87° 17' 12" E	100.00	
1-3	S 87° 17' 12" E	100.00	
1-4	S 87° 17' 12" E	100.00	
1-5	S 87° 17' 12" E	100.00	
1-6	S 87° 17' 12" E	100.00	
1-7	S 87° 17' 12" E	100.00	
1-8	S 87° 17' 12" E	100.00	
1-9	S 87° 17' 12" E	100.00	
1-10	S 87° 17' 12" E	100.00	
1-11	S 87° 17' 12" E	100.00	
1-12	S 87° 17' 12" E	100.00	
1-13	S 87° 17' 12" E	100.00	
1-14	S 87° 17' 12" E	100.00	
1-15	S 87° 17' 12" E	100.00	
1-16	S 87° 17' 12" E	100.00	
1-17	S 87° 17' 12" E	100.00	
1-18	S 87° 17' 12" E	100.00	
1-19	S 87° 17' 12" E	100.00	
1-20	S 87° 17' 12" E	100.00	

CERTIFICATE OF APPROVAL BY THE ALASKA

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

RECEIVED DEPARTMENT OF ENVIRONMENTAL CONSERVATION, DISTRICT 1-5, NOTIFICATION TREATMENT AND DISPOSAL, EXISTING JUST MEET THE REQUIREMENTS OF THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION.

THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION APPROVES THIS SUBDIVISION FOR PLATTING.

SIGNATURE: *Richard Thompson* DATE: 12-11-93

TITLE: *Attorney at Law*

SIGNATURE: *Stephen C. Smith* DATE: 12-11-93

TITLE: *Surveyor*

SIGNATURE: *Richard Thompson* DATE: 12-11-93

TITLE: *Attorney at Law*

SIGNATURE: *Stephen C. Smith* DATE: 12-11-93

TITLE: *Surveyor*

SHEETS NO. 2 & 3 ARE SIGNATURE SHEETS ONLY

KPB FILE NO. 93-034

SCALE: 1" = 100'

RIGHT-OF-WAY
 DEDICATED BY THIS PLAT
 20' UTILITY EASEMENT
 CENTERED ON EXISTING
 REA FACILITIES

STERLING HIGHWAY (HOMER SPIT ROAD)

TRACT 1-A
 11.265 AC.

TRACT 1-B
 6.000 S.F.

TRACT 1-C
 7.000 S.F.

TRACT 1-D
 11.265 AC.

TRACT 1-E
 11.265 AC.

TRACT 1-F
 11.265 AC.

TRACT 1-G
 11.265 AC.

TRACT 1-H
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TRACT 1-I
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TRACT 1-J
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TRACT 1-L
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TRACT 1-N
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TRACT 1-O
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TRACT 1-P
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TRACT 1-X
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TRACT 1-Y
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TRACT 1-Z
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TRACT 1-AA
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TRACT 1-AB
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TRACT 1-AC
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TRACT 1-AD
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TRACT 1-AE
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TRACT 1-AJ
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TRACT 1-AK
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TRACT 1-AY
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TRACT 1-AZ
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TRACT 1-BA
 11.265 AC.

TRACT 1-BB
 11.265 AC.

TRACT 1-BB

COMMERCIAL LINES POLICY
COMMON POLICY RENEWAL DECLARATIONS
GREAT DIVIDE INSURANCE COMPANY
A North Dakota Stock Corporation

THIS RENEWS
POLICY NUMBER: **GC028288-11**

Named Insured and Mailing Address

(No., Street, Town or City, County, State, Zip Code)

Pier One Theatre, Inc

PO Box 894

Homer

AK 99603 -

Agent and Mailing Address

(No., Street, Town or City, County, State, Zip Code)

The Insurance Center

2525 Gambell St. Suite 305

Anchorage, AK 99503

Agency No. 05401 - 02

Policy

Period: From 03/10/2011 to 03/10/2012 at 12:01 A.M. Standard Time at your mailing address shown above

Business Description: Non-profit Theatre

Tax State AK

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE WILL PROVIDE YOU THE INSURANCE STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED.
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

		PREMIUM
Commercial General Liability Coverage Part		\$ 600.00
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
TOTAL ADVANCE PREMIUM		\$ 600.00
Tax & Fee Schedule		
Policy Fee	\$ 50.00	
TOTAL TAXES & FEES		\$ 50.00
TOTAL		\$ 650.00

The following changes apply to the renewal of this policy (if no entry appears below, there have been no changes):

☐ Policy forms deleted:

☒ Policy forms added: see form S902 (12/98)

☒ Policy forms amended: see form S902 (12/98)

All other Terms, Conditions, Forms and Endorsements remain unchanged.

Agent: Wells Fargo-Homer

Countersigned: Anchorage, AK
02/22/2011 BRANDY

By 
Countersignature or Authorized Representative, whichever is applicable

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

POLICY NUMBER: GC028288-11

☐ Extension of Declarations is attached.

Effective Date: 03/10/2011 12:01 A.M. Standard Time

LIMITS OF INSURANCE ☐ If box is checked, refer to form S132 Amendment of Limits of Insurance.

General Aggregate Limit (Other Than Products/Completed Operations)	\$ 1,000,000	
Products/Completed Operations Aggregate Limit	\$ INCLUDED	
Personal and Advertising Injury Limit	\$ 1,000,000	Any One Person Or Organization
Each Occurrence Limit	\$ 1,000,000	
Damage To Premises Rented To You Limit	\$ 100,000	Any One Premises
Medical Expense Limit	\$ 5,000	Any One Person

RETROACTIVE DATE (CG 00 02 ONLY)

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" which occurs before the Retroactive Date, if any, shown here: _____ (Enter Date or "NONE" if no Retroactive Date applies)

BUSINESS DESCRIPTION AND LOCATION OF PREMISES

BUSINESS DESCRIPTION: Non-profit Theatre

LOCATION OF ALL PREMISES YOU OWN, RENT, OR OCCUPY:

☐ Location address is same as mailing address.

1. 3858 Homer Spit Road
Homer AK 99603-
- 2.

Additional locations (if any) will be shown on form S170, Commercial General Liability Coverage Part Declarations Extension.

LOCATION OF JOB SITE (If Designated Projects are to be Scheduled):

CODE # -	CLASSIFICATION	*	PREMIUM BASIS	RATE		ADVANCE PREMIUM
				Prem/Ops	Prod/Comp Ops	
49185 - Theaters NOC - NFP "Products/Completed Operations are subject to the General Aggregate Limit"		M	3,500	127.270	INCLUDED	500 MP INCLUDED
49950 - Additional Insured - All Other		t	1	100.000		100

*** PREMIUM BASIS SYMBOLS** + = Products/Completed Operations are subject to the General Aggregate Limit

a = Area (per 1,000 sq. ft. of area)	o = Total Operating Expenditures (per \$1,000 Total Operating Expenditures)	s = Gross Sales (per \$1,000 of Gross Sales)
c = Total Cost (per \$1,000 of Total Cost)	p = Payroll (per \$1,000 of Payroll)	t = See Classification
m = Admissions (per 1,000 Admissions)	u = Units (per unit)	

PREMIUM FOR THIS COVERAGE PART \$ 600

FORMS AND ENDORSEMENTS (other than applicable Forms and Endorsements shown elsewhere in the policy)

Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue:
Refer to Schedule of Forms and Endorsements

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.
Includes copyrighted material of Insurance Services Office, Inc. with its permission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 20 11 01 96

ADDITIONAL INSURED-MANAGERS OR LESSORS OF PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

1. Designation of Premises (Part Leased to You):
3858 Homer Spit Road
Homer, AK 99603
2. Name of Person or Organization (Additional Insured):
City of Homer
491 East Pioneer Avenue
Homer, AK 99603
3. Additional Premium: \$

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person or organization shown in the Schedule.

Amended By-Laws
Of
PIER ONE THEATRE, INC.
(Formerly Homer Community Summer Theatre, Inc.)

Adopted 6-12-82
Effective 7-1-82

Article I
Name

The name of the corporation is: PIER ONE THEATRE, INC.

Article II
Purpose

The purpose for which this corporation is organized and formed is to produce and promote the Performing Arts through:

1. Sponsoring performances;
2. Stimulating public interest and awareness;
3. Providing practical training; and
4. Awarding scholarships for training and/or courses of study.

Article III
Offices

The principal office of the corporation in the State of Alaska shall be located in the city of Homer. The corporation may have such other offices, either within or without the State of Alaska, as the Board of Trustees may designate or as the business of the corporation may require from time to time.

The registered office of the corporation required by the Alaska Business Corporation Act to be maintained in the State of Alaska may be, but need not be, identical with the principal office in the State of Alaska, and the address of the registered office may be changed from time to time by the Board of Trustees

Article IV
Membership

The Board of Trustees shall constitute the membership of the corporation. Membership in the corporation must be renewed annually, subject to such terms, membership fees, and restrictions as may be determined by the Board of Trustees from time to time.

Article V
Board of Trustees

Section 1. Purpose, Powers, and Duties.

The Board of Trustees has the general power to 1) control and manage the affairs, funds, and property of the Corporation; and 2) disburse the Corporation's monies and dispose of its property in fulfillment of its Corporate purpose: provided, however, that the fundamental and basic purposes of the Corporation, as expressed in the Articles of Incorporation and in Article II of the By-Laws, shall not thereby be amended or changed, and provided further, that the Board of Trustees shall not permit any part of the net earnings or capital of the Corporation to inure to the benefit of any private individual.

The Board may appoint an Artistic Director and a Managing Director, who shall be responsible to the Board for the artistic, administrative, and business management of the Corporation. The Board may further delegate authority to committees, Trustees, or other individuals as it deems necessary to accomplish the Corporate purpose.

Section 2. Number.

The number of Trustees, which shall be not less than five (5), shall be fixed from time to time by the Trustees then serving in office.

Section 3. Election, Term of Office.

Trustees shall normally be elected at the annual meeting of the Corporation by a majority vote of the Trustees then serving in office. Trustees shall be elected to office for a term of five years, or until their successors are duly elected and qualified, except in the case of their earlier death, resignation, or removal from office. A Trustee may be elected to consecutive terms.

Section 4. Ex Officio Trustees.

From time to time, by majority vote of the Trustees then serving in office, the Board may designate ex officio Trustees with vote or ex officio Trustees without vote and determine the length of term to be served, not to exceed one year. Ex officio Trustees with vote shall be counted in determining whether or not a quorum is present at a meeting. Ex officio Trustees without vote shall not be counted in determining the presence of a quorum.

Section 5. Resignation and Removal of Trustees.

Any Trustee may resign by giving written notice of his or her resignation to the Board or to the President or Secretary of the Corporation. Such resignation shall take effect at the time

Section 5, continued.

specified in such notice and the acceptance of such resignation shall not be necessary to make it effective. Any Trustee may be removed, with or without cause, by a two-thirds vote of all Trustees then serving in office.

Section 6. Vacancies.

Vacancies in the Board, however arising, shall be filled by a majority vote of all Trustees then serving in office at any regular meeting of the Board or at a special meeting of the Board called for that purpose.

Article VI
Meetings

Section 1. Annual Meeting.

The annual meeting of the Corporation shall be held on the fourth day of the month of July in each year, or on such other date as may be fixed by the Board of Trustees.

Section 2. Regular Meeting.

The frequency and dates of regular meetings of the Board of Trustees shall be fixed by the Board of Trustees, normally at its annual meeting.

Section 3. Special Meetings.

Special meetings of the Board may be called by the President or Vice President of the Board or shall be called at the request of any three voting Trustees of the Board.

Section 4. Place of Meetings.

Meetings of the Board may be held at the principal offices of the Corporation or at any other place within or without the State of Alaska. The notice of the meeting shall include the place and time of the meeting.

Section 5. Notice of Meetings.

Written notice of the time and place of the annual and regular meetings shall be sent to each Trustee at least ten days, but not more than thirty days, prior to the date of such meetings. Written notice of special meetings shall be sent to each Trustee not less than four days prior to the date of such meeting or by telegraph or telephone not less than two days prior to the date of such meeting.

Section 6. Waiver.

Notwithstanding the provisions of any of the fore-going sections, a meeting of the Board may be held at such time or place within or without the State of Alaska as the Board shall designate and any action may be taken thereat, if notice thereof is waived in writing by every Trustee having the right to vote at the meeting.

Section 7. Quorum.

A majority of the Trustees then serving in office shall constitute a quorum for all meetings of the Board.

In the absence of a quorum, a majority of the Trustees present may, without giving notice other than announcement at the meeting, adjourn the meeting from time to time until a quorum is obtained. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 8. Voting.

At any meeting of the Board, every voting Trustee present in person shall be entitled to one vote and, except as otherwise provided by law or by these By-Laws, the act of a majority of the Trustees present in person at any meeting at which a quorum is present shall be the act of the Board.

Section 9. Presumption of Assent.

A Trustee of the Corporation who is present at a meeting of the Board at which action on any Corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof. Such right to dissent shall not apply to a Trustee who voted in favor of such action.

Section 10. Compensation.

By action of the Board, the Trustees may be paid their expenses, if any, at attendance at each meeting of the Board, and may be paid a fixed sum for attendance at each meeting of the Board, or a stated salary as Trustee. No such payment shall preclude any Trustee from serving the Corporation in any other capacity and receiving compensation therefor.

Article VII
Officers

Section 1. Principal Officers.

The principal officers of the Corporation shall be a President, a Vice President, a Treasurer, and a Secretary. The President, Vice President, and Treasurer shall be elected from among the Trustees then serving in office. The Board, at any meeting, may elect or appoint additional officers or engage agents and employees and determine their terms of office and compensation, if any, as it may deem advisable.

Section 2. Election and Term of Office.

The officers of the Corporation shall normally be elected at the annual meeting of the Board, but may be elected at any meeting of the Board at which a quorum is present, by a vote of the majority of the Trustees present in person at the meeting. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

Section 3. Removal of Officers.

Any officer may be removed, with or without cause, at any time at any Board meeting at which a quorum is present by a vote of two-thirds of the Trustees present in person at the meeting.

Section 4. Vacancies.

Vacancies among the officers, however arising, shall be filled by a majority vote of Trustees present at any regular or special meeting of the Board at which there is a quorum present.

Section 5. President.

The President shall preside at all meetings of the Board and generally do and perform all acts incident to the office of President, and shall have such additional powers and duties as may from time to time be assigned to him or her by the Board. As the chief executive officer of the Corporation, the President shall have the authority to commit the Board to an action or actions between Board meetings, subject to the review of the Board at the next meeting.

Section 6. Vice President.

In the absence (or inability to act) of the President, the Vice President shall exercise the powers and perform the duties of President. The Vice President shall also generally assist the

Section 6, continued.

President and shall have such other powers and perform such other duties as may from time to time be designated by the President or the Board.

Section 7. Treasurer.

The Treasurer shall act under the supervision of the Board and shall have charge and custody of, and be responsible for, all the funds of the Corporation and shall keep, or cause to be kept, accurate and adequate records of the assets, liabilities, and transactions of the Corporation. He or she shall deposit, or cause to be deposited, all monies and other valuable effects of the Corporation in the name of and to the credit of the Corporation in such banks, trust companies, or other depositories as may be designated from time to time by the Board. He or she shall disburse, or cause to be disbursed, the funds of the Corporation based upon proper vouchers for such disbursement. In general, he or she shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned by the President or the Board.

Section 8. Secretary.

The Secretary shall act as secretary of, and keep the minutes of all meetings of, the Board in one or more books provided for that purpose and shall see that minutes of the meetings of the Board are distributed promptly to all members of the Board. He or she shall have charge of the books, records, and papers of the Corporation relating to its organization as a corporation and shall see that all reports, statements, and other documents required by law are properly kept or filed, except to the extent that the same are to be kept or filed by the Treasurer. In general, he or she shall perform all the duties incident to the office of Secretary and such other duties as may from time to time be assigned by the President or by the Board.

Section 9. Bonding.

Any officer or employee of the Corporation shall, if required by the Board, give such security for the faithful performance of his or her duties as the Board may require.

Section 10. Compensation.

By action of the Board, officers of the Corporation may be paid a salary for performance of official duties for the Corporation. No officer shall be prevented from receiving such salary by reason of the fact that he is also a Trustee of the Corporation.

Article VIII
Committees

Section 1.

The Board may, at any meeting of the Board, designate advisory standing and/or ad hoc committees of the Board.

Section 2. Membership.

Each committee shall consist of at least three persons, at least one of whom shall be a Trustee of the Corporation. The chairman of each committee shall be appointed by the President of the Board.

Article IX
Miscellaneous

Section 1. Fiscal Year.

The fiscal year of the Corporation shall begin on the first day of ~~July~~ ^{January} and end on the thirty-first day of ~~June~~ ^{December} in each year, commencing with ~~July~~ ^{January} 1, 1982.

Section 2. Contracts, Checks, Bank Accounts, Etc.

The Board is authorized to select such banks or depositories as it shall deem proper for the funds of the Corporation. The Board shall determine who, if anyone, in addition to the President and the Treasurer, shall be authorized from time to time on the Corporation's behalf to sign checks, drafts, or other orders for the payment of money, acceptances, notes, or other evidences of indebtedness, to enter into contracts or to execute and deliver other documents and instruments.

Section 3. Scholarship Awards.

From time to time, as the financial resources of the Corporation permit, and shall be prescribed by the Board, the Corporation shall, by appropriate action of the Board, award scholarships for training and/or study in the performing arts. Scholarship applicants shall fulfill requirements as determined from time to time by the Board.

Article X
Amendments

These By-Laws may be altered, amended, or repealed in whole or in part at any duly organized meeting of the Board of Trustees of the Corporation, by a two-thirds majority vote of the Trustees then serving in office.

ARTICLES OF INCORPORATION
OF
HOMER COMMUNITY SUMMER THEATRE, INC.
A Non-Profit Organization

FILED FOR RECORD
DEPARTMENT OF COMMERCE
STATE OF ALASKA

MAY 1 1974

We, the undersigned adult persons of the age of twenty-one (21) years or more, residents of the State of Alaska, acting as incorporators of a non-profit corporation under the Alaska Business Corporation Act, Sec. 10.20.010, adopt the following Articles of Incorporation for said corporation:

FIRST: The name of the non-profit corporation is HOMER COMMUNITY SUMMER THEATRE, INC.

SECOND: The period of its duration is perpetual.

THIRD: Said corporation is organized exclusively for charitable and educational purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law). Specifically, the organization shall produce and promote the Performing Arts through sponsoring performances in the Performing Arts; stimulating public interest and awareness in the Performing Arts; providing practical training in the Performing Arts; and awarding scholarships for training and/or courses of study in the Performing Arts.

FOURTH: The principal place of business for the corporation will be located at Homer, Alaska, and the agent for service of process will be Mr. Lance Petersen, Box 809, Homer, Alaska 99603.

FIFTH: No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and

to make payments and distributions in furtherance of the purposes set forth in Article Third hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

SIXTH: Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law). as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed of by the Court of Common Pleas of the Borough in which the principal office of the corporation is then located, exclusively for such

purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

SEVENTH: A person may become a member of this non-profit organization by the payment of annual dues in the sum of five dollars (\$5.00). A current member in said organization is one who has paid the annual dues aforementioned, thereby entitling said member to voting rights and eligibility to hold office in this organization. The membership in the corporation will be open to the members of the public who submit an application to the corporation for approval by the current members as provided by the By-Laws duly enacted to carry out the purposes and objectives of said corporation enumerated above in Article Third.

EIGHTH: The highest amount of indebtedness or liability to which the corporation may be subject is Fifty thousand dollars (\$50,000.00).

NINTH: The corporation officers will be those of President, Vice-President, Secretary, and Treasurer who shall be elected for office on July 4, 1974.

TENTH: The number of directors constituting the initial board of directors of said corporation is three, and the names and addresses of the persons who are to serve as directors until the first election of the officers and directors are:

Mr. Lance Petersen, Box 809, Homer, Alaska.

Mr. Richard Dixon, Box 596, Homer, Alaska.

Mrs. Barbara Petersen, Box 809, Homer, Alaska

ARTICLES OF INCORPORATION

Page 4

DATED at Homer, Alaska this 23rd day of April, 1974.

Lance Petersen

Richard M. Dixon

Barbara L. Petersen

STATE OF ALASKA)
(ss.
Third Judicial District)

I, Gail M. Gibson, a notary public, hereby
certify that on the 23rd day of April, 1974, personally appeared before
me, LANCE PETERSEN, RICHARD DIXON, and BARBARA PETERSEN, who being by me
first duly sworn, severally declared that they are the persons who signed
the foregoing document as incorporators, and that the statements therein
contained are true.

Gail M. Gibson

Notary Public in and for Alaska

My commission expires: May 14, 1977

Online Public Notices

Department of Commerce

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Alaska Corporations, Business and Professional Licensing

Search

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- Orders
- ✓ Order Good Standing
- Name Registration
- ✓ Register a Business
- Name Online
- ✓ Renew a Business Name

Date: 7/29/2011

Filed Documents

(Click above to view filed documents that are available.)

Print Blank Biennial Report

(To view the report, you must have Acrobat Reader installed.)

Entity Name History

Name	Name Type
PIER ONE THEATRE, INC,	Legal

Nonprofit Corporation Information

AK Entity #:	13110D
Status:	Active - Good Standing
Entity Effective Date:	05/01/1974
Primary NAICS Code:	6100: Schools and Libraries
Home State:	AK
Principal Office Address:	PO BOX 894 HOMER AK 99603
Expiration Date:	Perpetual
Last Biennial Report Filed Date:	8/13/2010
Last Biennial Report Filed:	2010

Registered Agent

Agent Name:	LANCE PETERSEN
Office Address:	592 Ocean Dr Loop Homer AK 99603
Mailing Address:	BOX 894 HOMER AK 99603
Principal Office Address:	PO BOX 894 HOMER AK 99603

Officers, Directors, 5% or more Shareholders, Members or Managers

Name: Lance Petersen
Address: PO Box 894
Homer AK 99603-0894
Title: Vice President
Owner Pct: 0

Name: Lance Petersen
Address: PO Box 894
Homer AK 99603-0894
Title: Director
Owner Pct: 0

Name: William H Bell
Address: PO Box 894
Homer AK 99603
Title: President
Owner Pct: 0

Name: William H Bell
Address: PO Box 894
Homer AK 99603
Title: Director
Owner Pct: 0

Name: Aurora G Neal
Address: 3684 Kechemark Dr
Homer AK 99603-3368
Title: Secretary
Owner Pct: 0

Name: Aurora G Neal
Address: 3684 Kechemark Dr
Homer AK 99603-3368
Title: Director
Owner Pct: 0

Name: Barbara Petersen
Address: PO Box 894
Homer AK 99603
Title: Treasurer

Owner Pct:	0
Name:	Barbara Petersen
Address:	PO Box 894 Homer AK 99603
Title:	Director
Owner Pct:	0

Officers & Directors

E-mail the Corporations Staff (907) 465-2550

Online Public Notices

Commerce

find

State of Alaska > Commerce > Professional Licensing > Business License Search

License Detail

LicNum: 164835
Business Name: PIER ONE THEATRE
Address: PO BOX 894
HOMER AK 99603
Status: ACTIVE
Original Issue: 01/15/1993
Current Issue: 11/01/2010
Expiration: 12/31/2012
Business Type: CORPORATION
Tobacco Endorsements: 0
Line Of Business: Arts, Entertainment and Recreation
Primary Activity: 711110
Secondary Activity:
Note:
Owners: PIER ONE THEATRE, INC.
PIER ONE THEATRE Home Page.

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

City of Homer Lease info: statistics for Summer of 2011

October 5, 2011

To: Walt Wrede, City Manager

From: Lance Petersen, Artistic Director, Pier One Theatre Inc.

Hi, Walt....

Per our conversation today, here are some statistics and accomplishments for the recently completed Summer Season of Pier One Theatre on the Homer Spit, 2011.

There were 16 different performances, with a total of 55 different events.

Total audience: 4000 (this has been consistent over time.) Of that audience, 19% were Senior Citizens and 12% Youths.

Local residents (Lower Kenai Peninsula) made up 68% Of the audience.

Other Alaskans visiting Homer made up 22 % of the audience.

Visitors from other states and countries made up 10% of the audience.

Approximately 210 Homer area volunteers helped to pop popcorn, pass out programs, and sell tickets.

Approximately 60 young people were involved in Youth Theatre Programs.

Major building maintenance:

Repair roof damage (asphalt shingles blown off) from the windstorm of December, 2010.

Repaint entire building (3 coats of paint, costing some \$1700.00.)

CITY OF HOMER
HOMER, ALASKA

RESOLUTION 89-36(a)

A RESOLUTION OF THE HOMER CITY COUNCIL RESERVING LAND
AROUND THE LAGOON ON THE SPIT FOR PUBLIC RECREATIONAL
PURPOSES.

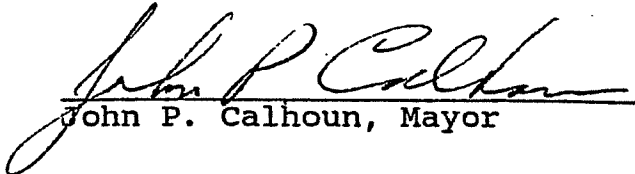
WHEREAS, the City of Homer has adopted the Interim Spit Plan
which includes the designation of recreation/parking in the
vicinity of the lagoon fishing hole on the Spit as well as Pier 1
Theatre; and

WHEREAS, the Parks and Recreation Commission at a special
meeting held March 31, 1989 recommended that the City Council
reserve the land in the vicinity of the lagoon and Pier 1 Theatre
as indicated in the Interim Spit Plan for recreation/parking.

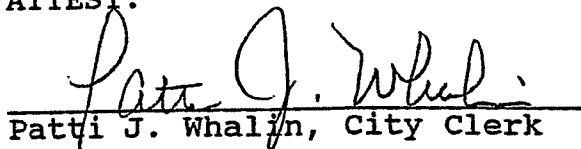
NOW, THEREFORE, BE IT RESOLVED by the Common Council of the
City of Homer, Alaska that the recreational/parking designation
as indicated in the Spit Interim Plan is hereby acknowledge and
continued for such period of time as sport fishing in the lagoon
and the summer theatre activities at that location continue.

DATED at Homer, Alaska this 10th day of April, 1989.

CITY OF HOMER


John P. Calhoun, Mayor

ATTEST:


Patti J. Whalen, City Clerk

Session 11-07 A Special Meeting of the Lease Committee was called to order at 3:05 pm on November 10, 2011 by Vice Chair Terry Yager at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMITTEEMEMBERS YAGER, HAWKINS, ABBOUD, MAURAS,
AND ZIMMERMAN

ABSENT: COMMITTEE MEMBER NEECE

STAFF: DEPUTY CITY CLERK I RENEE KRAUSE
ADMINISTRATIVE ASSISTANT TERRY FELDE
CITY MANAGER WALT WREDE

APPROVAL OF THE AGENDA

Vice Chair Yager requested a motion to approve the agenda.

MAURAS/ABBOUD – MOVED TO APPROVE THE AGENDA.

There was no discussion.

The agenda was approved by consensus of the Committee.

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

There was no public present.

APPROVAL OF THE MINUTES

There were no minutes for approval.

VISITORS

There were no visitors scheduled.

STAFF & COUNCIL REPORTS/COMMITTEE REPORTS/BOROUGH REPORTS

A. Staff Report – Updates and Status Report

Ms. Felde updated the committee on outstanding issues as follows:

- Alaska Custom Seafoods
 - discussed outstanding paperwork required to complete this lease
- Appraisals Completed
 - There were five completed and additional meetings will be setup with the potential lessees Alaskan Coastal Freight and Fortune Sea
- Snug Harbor lease is completed and being reviewed by Lessee
 - Snug Harbor is in process of completing the conceptual site plan for submittal to Planning Dept.
- Homer Spit Campground Lease is completed and being reviewed by lessee.
 - They are working on getting a survey completed.
- Dock Side Two
 - In process of completing staff review of lease proposal and getting this prepared for the next committee meeting.

Mr. Wrede provided an update on the HERC building as follows:

- Spoke with the School District – they do not want the building back
- inquired if the School District would be willing to expend the upfront monies to bring Fireweed Academy into the building.
- Fireweed Academy has indicated that they would be willing to pay rent and discussions included current rents they pay now and the utilities cost plus upfront costs estimates to make the building usable by the academy.
- Boys and Girls Club advocacy group in the process of finding a solution and raising money.
 - It is anticipated that the group will be approaching the Council.
 - The deadline date is when the City Hall Staff relocates back to city hall which is Christmas or before. There is some maintenance that will be required even when the building is closed due to structural issues such as snow loads, etc.

Comments from members of the committee regarding participation by the parents in a manner that they are paying their fair share of the costs would assist in providing the service. The community is small and it should not be expected that the community pay for the service used by the few. Additional options are to use the building for the Community Recreation and parks and Recreation Department. Space could be rented out to other entities. It was noted that the original restrictions put on the building can be amended by the borough assembly. They may decide to request an amendment to allow the city to sell the building and use those funds for a public purpose. This option appealed to the Borough Mayor.

There was a brief discussion on other possibilities that the facility could be used for such as a trade school. It was noted that the economy has affected a number of entities including state, federal and private outlets. Many budgets are cut and other possible options are not feasible. There are still a number of options available.

There was no further discussion.

PUBLIC HEARING

There were no public hearings scheduled.

PENDING BUSINESS

- A. Additional Guidelines for Reviewing Proposals Submitted by Non-Profit Organizations for Lease on City Owned Property

Mr. Hawkins requested this item on the agenda at the regular meeting in July. Vice Chair Yager requested clarification on the reason for bringing this item to the committee since he was not at the last meeting.

Members of the committee stated their understanding of the concern in leasing to non-profits and that there are no specific guidelines or criteria established to review proposals submitted by a non-profit.

The following recommendations were made on the evaluation process or criteria for non-profits:

- Structure the lease prices based on a percentage of the total income for the non-profit
 - This would remove the politically charged atmosphere that occurs around non-profits
 - determine the fair percentage amount to charge all non-profits

Comments in opposition were noted that the City Council should direct the committee on what they would like to see. It was noted that the committee was advisory to the council and if they do not make a recommendation then the council has to make the decision with no input representing the good of the community and to look out for the city interests.

- Establish a point system

Mr. Wrede stated that there seems to be two issues before the committee one is the current criteria is based on commercial activities and he noted some criteria that was recommended at the last meeting and these criteria or other could be recommended to use. The second is the money issue and the committee could recommend that council determine a rate to charge them based on the criteria.

Discussion ensued on making amendments to the lease policies and how this would proceed.

MAURAS/ZIMMERMAN - MOVED TO DIRECT STAFF TO DRAFT AN AMENDMENT TO CHAPTER SIX OF THE LEASE POLICIES REGARDING A SEPARATE CRITERIA FOR EVALUATING PROPOSALS FROM NON-PROFITS USING THE BULLETED RECOMMENDATIONS FROM THE MINUTES OF THE JULY 14, 2011 MEETING.

Those bulleted items were:

1. Activity days on site
2. Persons Served – per year or month
3. Revenues to the City from the non-profit whether via Head Tax, Rent or percentage of profits
4. Indirect Commerce – How will this affect the City?
5. Partnerships with Other Non-profits or Businesses
6. How many volunteers – such as actors
7. Profit vs. Non-Profit – benefits versus revenue loss to the city
Such as property taxes.

There was a brief discussion on whether non-profits had to pay the property taxes and comment from Lance Petersen whether they paid property tax on property owned that is not used in the endeavors of the non-profits where the Pier One Theater does not pay property taxes on the Spit property since it is used wholly in the pursuit of the non-profit endeavor.

There was no further discussion.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

A. Elections of Chair and Vice Chair of the Committee

Mr. Hawkins moved to open discussion and nominated Mr. Yager as Chair.

Mr. Zimmerman seconded.

Mr. Yager asked if there were any other nominations. There were none.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mr. Abboud nominated Mr. Zimmerman as vice chair. Mr. Hawkins seconded.

There were no additional nominations.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

The Chair and Vice Chair were congratulated and comments were made that they could decline the appointment if they chose. There was a brief period of quiet but Chair Yager and Vice Chair Zimmerman accepted their roles.

B. Draft Resolution 11-XX Establishing the 2012 Regular Meeting Schedule.

ABBOUD/MAURAS – MOVED TO APPROVE THE MEETING SCHEDULE AS PROPOSED.

There was a brief discussion on changing the January 12, 2012 meeting to January 26, 2012 at 3:00 p.m.

ABBOUD/ZIMMERMAN – MOVED TO AMEND THE JANUARY MEETING DATE TO JANUARY 26, 2012 AT 3:00 P.M.

There was no discussion.

VOTE. (Amendment) YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE. (Main) YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

There was no further discussion.

C. Pier One Lease Proposal

Vice Chair Yager brought to item to the floor for discussion.

Mr. Wrede summarized the review performed by Ms. Felde and has concluded that there would be some zoning permits needed and approval from the Fire Marshall. He went on to summarize his review and recommendations. A few of the points made:

- This has not been let for the request for proposal process.
- This is a request for less than fair market value lease.
- The use is compatible for the area.
- There are no plans for major new development by the lessee.
- There is no significant capital investments proposed.
- The applicant has been at the location for decades.
- It has been determined that the organization has the financial capacity to maintain the facility and continue operations.
- There are no employees, actors are volunteers.
- The rental rate is \$1.00 per year for five year. Utilities are paid for by the lessee. Restroom facilities are provided by the city.
- The theater does stimulate and add to the economic impact to the city.
- The theater has provided significant contribution towards the social, cultural and educational fabric of the community.
- Short term lease of 5 yrs allows time to determine the best use of the property
- Zoning Permits required
- If the fire Marshall does not approve then who bears the cost of the improvements
 - If it is determined unsafe would the city uphold this decision?

There was a brief disclosure on the amount of work and improvements that were undertaken to make the building safe and in compliance with the State Fire Marshall requirements. The current lessee has been in the building since 1987 when the first production was held. There was noted that it would be acceptable to the lessee to include a 90 day notice to cancel the lease by the city. The Lessee did direct the committee's attention to the Resolution 89-36(A) which stated that as long as there was sport fishing in the lagoon and the summer theater activities continued at the location that the land was to be used for recreational/parking purposes. He informed the committee on a form that must be completed and submitted to the IRS that indicates public support for the organization, and this form also shows a line item in-kind valuation from the city to the non-profit. A non-profit must prove that they received support from the community. The lessee recommended that they require a potential non-profit lessee submit the complete 990 form with the lease application. Mr. Petersen briefly reviewed the 990 form information with the committee.

There was a brief discussion on submitting the recommendation to council and making a motion and clarification on zoning review on parking was made.

ZIMMERMAN/ - MOVED TO RECOMMEND THAT THE \$1.00 PER YEAR LEASE FOR FIVE YEARS BE ACCEPTED CONTAINING THE STAFF RECOMMENDATIONS AND ADDRESS THE CONCERNS AS NOTED REGARDING ZONING REVIEW AND FIRE MARSHALL APPROVAL.

HAWKINS/ - PROPOSED TO OFFER A FRIENDLY AMENDMENT TO INCLUDE THE CLAUSE ALLOWING THE CITY OUT OF THE LEASE IF A BETTER USE WAS OFFERED DURING THE FIVE YEAR LEASE PERIOD.

There was no discussion on the amended motion.

The Clerk read the amended motion into the record

ZIMMERMAN/MAURAS - MOVED TO RECOMMEND A FIVE YEAR LEASE AT 1.00 PER YEAR WITH THE STIPULATION THAT A ZONING REVIEW AND FIRE MARSHAL APPROVAL IS OBTAINED AND INCLUDE A CLAUSE TO ALLOW THE CITY TO BREAK THE LEASE WITH A 90 DAY NOTICE.

There was no further discussion.

VOTE. (Amended) NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

MAURAS/ZIMMERMAN - MOVED THAT THE LEASE COMMITTEE FINDS THAT THIS PROPERTY SHOULD BE LEASED TO PIER ONE THEATER WITHOUT THE REQUEST FOR PROPOSAL PROCESS AND AT LESS THAN FAIR MARKET VALUE FOR THE REASONS STATED IN THE MEMORANDUM.

There was a brief discussion by the committee on the reasons to list in the memorandum.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

There was no further discussion.

INFORMATIONAL MATERIALS

- A. Ordinance 11-25, Amending Homer City Code 18.08.120, Sublease, Regarding the Charging of Additional Rent for Subleases of City Property

- B. Resolution 11-041, Approving and Adopting a New Amended Standard Ground Lease Document and Authorizing the Amendment of the City of Homer Property Management Policy and Procedures Manual to Conform to the Amended Standard Ground Lease Document.
- C. Amended Ground Lease and Security Agreement
- D. Lease Expiration Updated as of 5/23/11

There was no discussion on the informational materials.

COMMENTS OF THE AUDIENCE

Lance Petersen was really glad that the lease committee went through the work to have really specific guidelines on how to approach the city for a lease; much of the time the lease process has been murky and mysterious and this now makes it possible for an applicant to find the information and it is all lined out and if you add the non-profit chapter and criteria it will make it more transparent and open for the public.

COMMENTS OF THE CITY STAFF

There were no comments from Staff.

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

There were no councilmembers present.

COMMENTS OF THE CHAIR

The Chair had no comments.

COMMENTS OF THE COMMITTEE

There were no comments from the committee members.

ADJOURN

There being no further business before the Lease Committee, Chair Yager adjourned the meeting at 4:23 p.m. The next regular Lease Committee meeting is scheduled for 3:00 p.m. January 26, 2012 at City Hall, Cowles Council Chambers, 491 E. Pioneer Avenue, Homer, Alaska.

RENEE KRAUSE, CMC, DEPUTY CITY CLERK I

Approved: _____

Howard/Lewis

WHEREAS, The Homer Boys and Girls Club has requested that they be able to remain in the facility at least until the end of the current school year and has offered to contribute \$750 per month to offset the cost of utilities; and

WHEREAS, The City will have to keep the building heated minimally even if it is unoccupied because of the flat roof and other considerations.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council finds that it is in the best interest of the City to enter into another short term lease with the Homer Boys and Girls Club and to work cooperatively with the Homer Boys and Girls Club Task Force and provide it with more time to complete its work.

BE IT FURTHER RESOLVED that the Council authorizes the City Manager to enter into a short term lease with the Homer Boys and Girls Club and to extend its occupancy of the lower level of the HERC building. The term of the lease shall expire on May 31, 2012 and the rent shall be \$750 per month.

PASSED AND ADOPTED by the Homer City Council this 28th day of November, 2011.

CITY OF HOMER

MARY E. WYTHER, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: \$14,000 in additional expenditures for utility costs to be paid for by new revenues and a fund transfer: \$3,750 in rent and a \$10,250 transfer from GF Reserves (Fund Balance).

CITY OF HOMER
HOMER, ALASKA

Lewis

RESOLUTION 11-078(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
AUTHORIZING THE CITY MANAGER TO ENTER INTO A
SHORT TERM LEASE WITH THE BOYS AND GIRLS CLUB TO
EXTEND ITS OCCUPANCY OF THE LOWER LEVEL OF THE
OLD INTERMEDIATE SCHOOL UNTIL DECEMBER 31, 2011.

WHEREAS, The City of Homer recently solicited proposals to lease all or a portion of the old
Homer Intermediate School and a proposal was submitted by the Boys and Girls Club; and

WHEREAS, The Lease Committee found that the proposal was incomplete and requested that the
City Manager work with the Boys and Girls Club to address some of the issues and obtain missing
information, an effort that is currently in progress; and

WHEREAS, The Boys and Girls Club has been looking for alternative locations knowing that its
current agreement with the City would lapse on May 31, 2011 and that the City was looking for new
tenants or uses for the facility; and

WHEREAS, No other suitable locations have been found to date and the local chapter of the
Boys and Girls Club will likely close this fall if a venue cannot be found; and

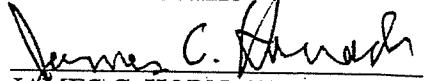
WHEREAS, The City currently has no prospective tenants for the facility until at least September
2012 and parts of the City administration are temporarily housed there, thus requiring that the building be
maintained and heated to more than "warm" status; and

WHEREAS, There are a number of scenarios and ideas circulating about the future use of the
building that incorporate a continued presence by the Boys and Girls Club.

NOW, THEREFORE, BE IT RESOLVED, That the Homer City Council hereby authorizes the
City Manager to enter into a short term lease with the Boys and Girls Club and extend its occupancy of
the lower level of the old intermediate school until December 31, 2011.

PASSED AND ADOPTED by the Homer City Council this 25th day of July, 2011.

CITY OF HOMER


JAMES C. HORNADAY, MAYOR

ATTEST:


JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Utility fees to be determined

**CITY OF HOMER
HOMER, ALASKA**

Roberts/ Transportation
Advisory Committee

RESOLUTION 11-106

A RESOLUTION OF THE HOMER CITY COUNCIL
DIRECTING THE CITY MANAGER TO DEVELOP A
BUDGET, SCOPE, AND SCHEDULE FOR THE WADDELL
WAY ROAD IMPROVEMENT PROJECT.

WHEREAS, The Transportation Advisory Committee is tasked with advising the Homer City Council on transportation issues; and

WHEREAS, Homer Accelerated Roads and Trails Program (HART) funding has been designated by voters to be utilized for road improvement; and

WHEREAS, No road Local Improvement District (LID) has been completed in the past four years; and

WHEREAS, The Homer City Council has approved the 2005 Homer Area Transportation Plan; and

WHEREAS, The Transportation Plan includes modeled road extensions; and

WHEREAS, Waddell Way between Lake Street and Heath Street is one of the modeled extensions; and

WHEREAS, There is adequate funding in the HART account to complete this modeled road improvement.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council authorizes the City Manager to develop a budget, scope, and schedule for the Waddell Way road improvement project.

PASSED AND ADOPTED by the Homer City Council this 28th day of November, 2011.

CITY OF HOMER

MARY E. WYTHER, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: To be determined.

**CITY OF HOMER
HOMER, ALASKA**

City Manager/
Public Works Director

RESOLUTION 11-107

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE CITY MANAGER TO APPLY FOR AND ACCEPT SPECIAL ACT APPROPRIATIONS PROJECT (SAAP) FUNDS IN THE FORM OF A GRANT (45% MATCHING REQUIREMENT) IN THE AMOUNT OF \$485,000 FOR THE PURPOSE OF COMPLETING THE KACHEMAK DRIVE (PHASE II) WATER & SEWER IMPROVEMENTS PROJECT.

WHEREAS, The City has been identified as a recipient of a Special Act Appropriations Project (SAAP) congressional appropriation for use is completing a water and/or wastewater infrastructure project; and

WHEREAS, The City has been offered a SAAP grant in the amount of \$485,000; and

WHEREAS, Projects that have already been started are eligible for reimbursement under the grant conditions; if contract procurement is in compliance with Federal Regulations (40 CFR Part 31) and have a complete NEPA environmental review; and

WHEREAS, The Kachemak Drive (Phase II) Water & Sewer Improvement Project appears to meet procurement and environmental review requirements; and

WHEREAS, EPA is expected to determine that the project is eligible to be funded by the SAAP grant; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, authorizes the City Manager to make a formal EPA SAAP grant application and execute a grant agreement for the completion of the Kachemak Drive (Phase II) Water & Sewer Improvements Project in the amount of \$485,000, 45% of which will be matched with Homer Accelerated Water and Sewer Program (HAWSP) funds; previously authorized for use on this project.

PASSED AND ADOPTED by the Homer City Council this 28th day of November, 2011.

CITY OF HOMER

MARY E. WYTHE, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A



CITY OF HOMER

PUBLIC WORKS

3575 HEATH STREET HOMER, AK 99603

TELEPHONE (907)235-3170

FACSIMILE (907)235-3145

MEMORANDUM 11-153

TO: Walt Wrede, City Manager

FROM: Carey Meyer, Public Works Director

DATE: November 16, 2011

RE: **EPA Special Act Appropriations Project (SAAP) Grant
Recommendation to Utilize Available Funding
Kachemak Drive (Phase II) Water & Sewer Project**

EPA has indicated that federal grant monies are available to the City of Homer for use in completing a water/wastewater project. The amount of available funding is \$485,000. These funds require a 45% matching contribution.

Projects that have already been started are eligible for reimbursement under the grant conditions; if contract procurement is in compliance with Federal Regulations (40 CFR Part 31) and have a complete NEPA environmental review.

The Kachemak Drive (Phase II) Water & Sewer Improvements Project appears to meet procurement and environmental review requirements. EPA is expected to determine that the project is eligible to be funded by the SAAP grant.

The grant is expected to cover a portion of the City's costs associated with the project. The portion of the \$3.5 million project that the City is responsible for exceeds \$1.0 million. The Council has previously authorized the expenditure of Homer Accelerated Water and Sewer Program (HAWSP) funds to cover the City's share of the project. The required SAAP grant matching contribution would come from these HAWSP funds; the \$485,000 grant would be used to cover the City's cost of construction.

Recommendations: The City Council pass a resolution authorizing the City Manager to apply for the EPA SAAP grant and execute a grant agreement for the Kachemak Drive (Phase II) Water & Sewer Improvements project.

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 11-108

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
FINDING THE NEED TO CREATE THE CRITTENDEN DRIVE
RECONSTRUCTION AND PAVING LOCAL IMPROVEMENT
DISTRICT (LID) AND SETTING A PUBLIC HEARING FOR
JANUARY 23, 2012.

WHEREAS, The owners of property fronting Crittenden Drive signed the application for road reconstruction and paving improvements at the required level of at least 50% thereby forwarding this LID to the petition phase; and

WHEREAS, A neighborhood meeting was held on August 9, 2011 at 5:00 p.m. regarding the requested improvements and one property owner and staff were in attendance; and

WHEREAS, Property owners signing the petition equal \$1,725,800.00 in property value or 78%;
and

WHEREAS, The Homer City Council finds the need to create the Crittenden Road Reconstruction and Paving LID pursuant to HCC 17.04.030; and

WHEREAS, The deadline for this LID Petition was October 28, 2011.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds the need to create the Crittenden Road Reconstruction and Paving Local Improvement District and sets the date for public hearing as January 23, 2012 during the Regular City Council meeting that begins at 6 p.m. for the purpose of hearing protests against the formation of said improvement district.

BE IT FURTHER RESOLVED by the City Council that should the rest of the property owners, excluding the governmental agencies, sign the petition between now and the public hearing that the Council may agree to waive the 60 day objection period provided that the involved property owners agree thereto in writing by signing a waiver to that effect.

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 28th day of November, 2011.

CITY OF HOMER

MARY E. WYTHE, MAYOR PRO TEMPORE

ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

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
(907) 235-3130
(907) 235-8121
ext: 2224, 2226, or 2227
Fax: (907) 235-3143
Email: clerk@ci.homer.ak.us

August 29, 2011

Dear Property Owner,

A proposal for road improvements was initiated in your neighborhood. To form a local improvement district (LID) at least fifty percent (50%) of property owners of record were required. There was a sufficient enough amount of interested property owners to proceed to the next step. We have compiled a list of property owners within the boundaries of the Crittenden Drive improvement district, including your parcel(s).

This is the second step, the Petition Phase, in the LID process. Your signature on the Property Owner Petition for Road Improvements in the Crittenden Drive area is your request that a Homer Accelerated Roads and Trails (HART) Reconstruction Improvement Area for road improvements be created.

If you are not interested in the road improvements you do not need to sign the Property Owner Petition. Your lack of signature indicates that you are not in favor of the LID.

If it is your intent to favor the improvement district, please sign and date the area indicated on the Property Owner Petition and return only the signed page to the Clerk's office by October 28, 2011. We will determine the sufficiency of the petition by the percentage of property value worth of signatures. At least fifty percent or more in value of property to be benefited by the improvement must have property owner of record signatures to be sufficient.

If you have questions concerning the LID process, please feel free to contact the Clerk's Office for assistance.

Best regards,

Melissa Jacobsen, CMC
Deputy City Clerk

PROPERTY OWNER PETITION

Requested by Michael J. Warburton Address: 3500 Crittenden Dr, Homer, AK 99603 Date: June 8/9/11
District Name: Crittenden Drive Improvement Requested: Road Reconstruction and Paving

We, the undersigned owners of real property fronting Crittenden Drive within the City of Homer, Alaska, request that a Homer Accelerated Roads and Trails Program (HART) Reconstruction Improvement Area be created to include the properties listed below. We understand that this program is locally funded through the $\frac{3}{4}$ of 1 percent sales tax and property owner contributions and that property owner share for road reconstruction is \$30 per front foot and paving is \$17 per front foot. Any corner lots will be assessed only the length of the longest side pursuant to Homer City Code 17.04.160 and the Homer Accelerated Roads and Trails Policy Manual. We represent the owners of at least 50% or more in value* of the property to be benefited by these improvements. **If you have any questions please contact Jo Johnson, Homer City Clerk at 235-3130 or email clerk@ci.homer.ak.us**

*Total property owner assessments equal: \$2,198,500.00 50% equals: \$1,099,250.00

If you are in favor of these improvements please sign and date in the appropriate slot.
In Witness Whereof, we have set our hands. **The deadline for responding is 10/28/11**

Signature owner(s) of Record/Date Signed	OWNER/ADDRESS	LEGAL DESCRIPTION PARCEL NO.	ASSESSED PROPERTY VALUE	APPROXIMATE ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT
	Clayton & Joan Ellington PO Box 833 Homer, AK 99603	Lot 8-A1, Webber Subdivision 175-183-24	\$409,800	137.7 x \$47 per front foot = \$6471.90
	William D. Kaehr PO Box 688 Homer, AK 99603	Lot 10-A, Webber Subdivision No. 7 175-183-10	\$156,300	160.66 x \$47 per front foot = \$7551.02
	Kyoko Haseo C/O PO Box 1972 Soldotna, AK 99669	Lot 9 Block 2, Webber Subdivision 175-182-09	\$26,200	150.76 x \$47 per front foot = \$7085.72
	Virginia M. Harris 3945 Balchen Dr. Anchorage, AK 99517	Lot 10 Block 2, Webber Subdivision 175-182-10	\$36,700	150.76 x \$47 per front foot = \$7085.72
	Michael J. Warburton 3500 Crittenden Rd. Homer, AK 99603	Lot 2, Webber Subdivision No. 6 175-184-05	\$405,200	387.90 x \$47 per front foot = \$18231.30
		Tract 1-A, Webber Subdivision No. 8 175-184-07	\$427,100	155 x \$47 per front foot = \$7285.00
		Lot 3, Webber Subdivision No. 6 175-184-06	\$737,200	~160 x \$47 per front foot = \$7520.00

17510069

17510070

17518324
137.7'

17518310
160.66'

17518403

17518407
387.90

WADDELL ST.

17518209
150.76'

17518405
155'

17518210
150.76'

PORTION OF
PARCEL
17518406
~160'

17519014

PROPERTY OWNER PETITION

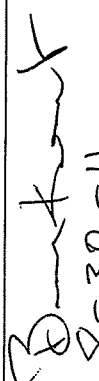
AUG 30 2011 PM 02:15

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 8-30-11	Clayton & Joan Ellington PO Box 833 Homer, AK 99603	Lot 8-A1, Webber Subdivision 175-183-24	\$409,800	137.7 x \$47 per front foot = \$6471.90
	William D. Kaehr PO Box 688 Homer, AK 99603	Lot 10-A, Webber Subdivision No. 7 175-183-10	\$156,300	160.66 x \$47 per front foot = \$7551.02
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8/29/11 mj

PROPERTY OWNER PETITION


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COMMENTS OF THE AUDIENCE
COMMENTS OF THE CITY ATTORNEY
COMMENTS OF THE CITY CLERK
COMMENTS OF THE CITY MANAGER
COMMENTS OF THE MAYOR
COMMENTS OF THE CITY COUNCIL
ADJOURNMENT

