



## City of Homer

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## Office of the Mayor

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TO: HOMER CITY COUNCIL  
FROM: MAYOR WYTHE  
DATE: APRIL 9, 2014  
SUBJECT: SPRING REPRESENTATION

First, allow me to apologize for the lateness of this report. It has been a busy spring and opportunities to represent the community in a variety of ways have been many.

First, I had the privilege of speaking at the Kenai Peninsula Economic Development District's annual industry forum again. This year the forum was in Kenai. We spent two days hearing about a number of exciting prospects for the Peninsula in the coming few years including the gas line terminus in Nikiski. This forum provided an opportunity to highlight the work the City has done to make good on our "open for business" initiative by sharing the upgrades to the harbor and discussing the deep-water dock expansion and the potential for the new East harbor.

Walt and I also had the opportunity of providing a state of the City address for the Homer Chamber. Walt did a great job of presenting the financial state of the City and talked about the legislation to release the harbor from the critical habitat area, and I enjoyed sharing similar information to what was presented at the industry forum with our local business owners.

Copies of my notes for each of these events are attached for your reference. The presentations did not go exactly as the notes are printed, but this generally represents what I talked about.

In addition to these two opportunities, we made two trips to Juneau which appears at first blush to have been quite profitable for the City. On our first trip, Katie, Linda and I met with Senators Micciche and Stevens, Speaker Chennault and also with Representative Seaton. We shared information about the new format for our Capital Improvement Projects List and the top five projects included there. We also requested support for the bills being presented by Senator Micciche and Speaker Chennault regarding the removal of the harbor from the critical habitat area. Meetings with the Coast Guard and DOT were canceled in favor of sitting in on the House sessions the Bill was finalized. This was an interesting process to observe and we also had the honor of observing the swearing-in of the new Representative for Juneau.

Ultimately our representatives decided to just go with the Senate bill, which worked out quite well and moved rapidly through both the Senate and the House to be the first piece of legislation passed this year. Congratulations to Senator Micciche and many thanks to Speaker Chennault and Representative Seaton for their support were provided at our follow-up visit in February. We also thanked Senator Stevens for signing on in support.

Acting City Manager, Jo Johnson attended the second trip to Juneau with me. This was her first trip in this capacity and we had a great time. We were able to meet with Senators Micciche and Stevens again as well as Representative Seaton. While they would not provide any advance information regarding the capital budget initiative, Senator Micciche did say he did not think we would be disappointed. Indeed, after reviewing the proposed budget, it appears that Homer has made a good showing again this year.

In addition, on our second visit we were able to make the appointments with the Coast Guard and DOT, both of which were encouraging. The Coast Guard staff representatives that we met with were all new this time, but they were very familiar with Homer. We discussed the East Harbor project and were provided with some new recommendations for potentially garnering Coast Guard support for the project. While it is not probable that we will be able to get a long-term letter of commitment, Captain Jack Vogt did encourage us to pass a Resolution for our State and Federal delegation to carry forward stating the many benefits of our location, ice-free port and developing oil & gas industry in the Nikiski area as key indicating factors for continuing to maintain the Cutter and for proposing that one of the new Rapid Response Vessel be ported here. Including information about the savings for not having to dredge that may be possible with the new harbor was also recommended. Captain Vogt indicated that Homer is a preferred station by their crew members and is often selected as a retirement port of call. We knew this, but it is always nice to have confirmation. Notes on this will be passed to Walt and Katie.

Our meeting with Commissioner Kemp and his new Policy & Program Specialist, Tyson Gallagher, also proved to be encouraging. They will be taking a tour of the State road systems this summer and anticipate visiting Homer in May. The Commissioner also indicated that he enjoyed the tour last summer, but is looking forward to a less formal and closer look at the projects that have been completed, those proposed and specifically the Spit Road. Tyson will be in contact with Jo when they determine their travel schedule.

All told, with the passage of the legislation and nearly two million dollars of capital improvement funding, these two trips to Juneau appear to have been well worth the time and investment. Thank you again for the opportunity.

## 2014 Industry Forum

- Last year at the 2013 Industry Outlook Forum I had the privilege of addressing you in Homer and delivering the message that Homer is open for business. I am happy to report that Homer continues that message and has been working to improve our facilities in order to attract and retain the diverse economic factors that make up the fabric of our community.
- The Homer Port and Harbor is an important economic engine in Homer and this year work began to complete over 10 million dollars of facility and system improvements including:
  - replacing floats,
  - electrical systems, and
  - ramp 3, which a primary access point for harbor users.
  - Design work is also underway for an extension of the Deep Water Dock.
- The Homer port and harbor enjoys a diversity of uses from tourism and charter fishing, to commercial fishing and freight handling. The Port also provides an access point for research, and oil and gas support vessels.
- There are many current and potential City of Homer Port and Harbor service customers here today. Our harbor provides safe moorage and access to many local services including our excellent marine trades' professionals. Homer is also conveniently accessible by road and air.
- We want to make it absolutely clear; the Homer Port and Harbor is open for *your* business.
- In order to allow wider use of the deep water dock facilities, the City is working with Speaker Chennault and Senator Micciche on legislation to exempt the municipal lands associated with the Port and Harbor from the Kachemak Bay Critical Habitat area.

- This exemption will allow oil and gas drill rigs to moor at the Deep Water Dock and eliminate unrealistic permitting requirements for vessels that drop anchor or moor in the Port and Harbor for more than 14 days.
- We thank our Peninsula legislators for seeing the value to industry and the enhanced environmental safety for Kachemak Bay of allowing this exemption.
- 2013 was a banner construction season for Homer and we are gearing up for another one in 2014.
- Over 20 million dollars in State and Local infrastructure projects were completed in 2013 including:
  - repaving 23 miles of the sterling highway
  - building several new rest rooms and other facilities for cruise ship passengers and other visitors,
  - and construction of 65 miles of natural gas main line.
- 2014 will bring the completion of the natural gas service line build-out in Homer, but many natural gas meters are already spinning; although this years' warm weather will make it difficult to compare home heating costs from previous years.
- 2013 provided excellent summer weather which lured many visitors to Homer. We were pleased to count a number of our Alaskan neighbors in the numbers that chose the "Cosmic Hamlet by the Sea" as their vacation destination.
- The community is already gearing up for a greater advertising presence in 2014.
- Increased City funding to the Homer Chamber of Commerce was provided to help them expanded marketing efforts on our behalf.
- Homer continues to be a place where people want to live. My job is to make sure it is a place where people *can* live and make a living. The City of Homer will continue investing in our infrastructure and working to provide the support required for our diverse economic fabric of businesses to thrive. Homer is open for business and we look forward to doing business with you!

## **2014 State of the City – Homer Chamber**

- 2013 was the beginning of our “Homer is open for business” campaign. I am happy to report that the City has been working to improve our facilities in order to attract and retain the diverse economic factors that provide the economic basis for our community.
- The Homer Port and Harbor is an important economic engine and in 2013 over 10 million dollars of facility and system improvements were started that are slated for completion this year including:
  - replacing floats,
  - electrical systems, and
  - Ramp 3, which a primary access point for harbor users.
  - The Spit trail is being extended and a trail around the harbor will make this area walkable for visitors and locals alike.
  - Design work is also underway for an extension of the Deep Water Dock.
  - In 2015 we anticipate the completion of an update for the load/launch ramp.
- 2013 was a banner construction season for Homer and we are gearing up for another one in 2014.
- Over 20 million dollars in State and Local infrastructure projects were completed in 2013 including:
  - repaving 23 miles of the sterling highway
  - building several new rest rooms and other facilities that have long been on our improvements list,
  - and construction of 65 miles of natural gas main line.
- 2013 provided excellent summer weather which lured many visitors to Homer.
- With your help, through increased funding to expand marketing efforts, we are gearing up for a greater advertising presence in 2014.

- Another exciting advertising opportunity has recently presented itself. Homer has been invited to be the focal community in a publication called Alaska: North to the Future. This is an economic development book for Alaska. The Council has tentatively agreed to participate as the premiere community for the next edition.
- Katie Koester, our Community and Economic Development Coordinator, has been assigned to serve as liaison to the Chamber, so please share your ideas with her.
- Homer continues to be a place where people want to live. The Council's job is to make sure it is a place where people *can* live and make a living.
- The City of Homer will continue investing in our infrastructure and working to provide the support required for our diverse economy.
- The Council and I are committed to spreading the word that Homer is open for business and we appreciate the Chamber's support in this effort!