SCOPING
PHASE

- Funding Plan
- Frame Expectations

Mission
To provide a safe space for community recreation for all ages in Homer and to promote quality of life for all seasons.

Goals
To be a service hub for City programs and facility rentals, and offer quality programs by local instructors to enrich economic growth.

- Education Programs
- Recreation Programs
- Community Events
- Special Events
Decision Points lead to a Resolution of Council stating intent for next steps

**Considerations**
1. What is the Construction budget?
2. How will we right size the building?
3. What's the level of service?
   - (Operations + Maintenance)
4. What grants to pursue?
5. Timeframe?
### Capital Costs
20 yr bond

- How large a bond?
- How will we refine the project to fit the bond?

<table>
<thead>
<tr>
<th>Bond debt</th>
<th>Projected Debt Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1 M</td>
<td>80,000</td>
</tr>
<tr>
<td>$5 M</td>
<td>400,000</td>
</tr>
<tr>
<td>$10 M</td>
<td>800,000</td>
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<tr>
<td>$15 M</td>
<td>1,200,000</td>
</tr>
<tr>
<td>$20 M</td>
<td>1,600,000</td>
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</tbody>
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0.3% sales tax generates about $820,000 a year
**Increased Sales Tax Cap:**
- Increase the Cap from $500 to $1000
- 2017 estimate: $358,000
- Ordinance introduction at KPB in June?

**Bed Tax:**
- Requires KPB action
- Could require a Homer vote
- Could require City to collect the tax
- 2017 estimate 4% = $500,000-$580,000

**Survey Results (rounded results)**
- Property Tax 15%
- Sales Tax 24%
- Other Tax 10%
- Reappropriate current funding 29%
- Don’t fund 6%
- Not sure 16%

**Service Area:** requires a yes vote of residents in the service area.
Does fiscal reality match building & programming expectations?

It would be terrible to build a building and have it underutilized because we did not understand and plan enough for operations. We’ve never had a dedicated city rec facility of this scale and we have no track record for staffing or hours of operations... or the new opportunities we can’t foresee.

- Current Electric + Heating oil costs averaged $34,000/yr for both buildings over the past 5 years
- We already mow the lawn
- Janitorial and Building Maintenance would increase
Business Model & Plan
A facility will accommodate more programs, which requires additional personnel and operational support services.

Personnel
- Facility Manager
- Program Manager
- Program Assistant
- Operations Management:
  - Building Maintenance
  - Grounds Maintenance
**Facility Manager:** Schedules events; manages rental program for facility and City park sites, works to attract larger scale events to use facility; maintains overall calendar; Office management: administers contracts, collects and reports fees, maintains and develops user database; develops promotional materials for programs; coordinates marketing activities for programs through various media outlets.

**Program Manager:** Coordinates program schedule with instructors, liaison with schools and outside stakeholder groups such as the Friends of the Skate Park and other recreation entities with MOUs with the City; develops new user groups and instructors; collaborates with facility manager for overall cohesiveness.

**Program Assistant (2):** Assists Facility Manager and Recreation Program Manager as needed with program and event management; arranges set-up, tear-down and clean up before, during and after events; Office: processes user fees, maintains user database; ensures quality customer service at front desk.

**Operations Management:** Overall facility maintenance, janitorial service and grounds maintenance. Examine current plan and add for janitor and more facility maintenance time.
Where should staff put their time?

- **EPA Brownfield Grant**
  - Great opportunity on a few levels, but may not lead to complete design documents
  - Takes staff time + capacity
  - Requires RFP SOON for professional service

- **EDA**

- **Murkowski/Federal opportunities**
Timeframe

1 year
design
+
education
+
vote

2 years
construction

Estimate: Police station bond will be fully funded in 2025.
• The .3% sales tax will automatically sunset.
Discussion Points:

End Goal: Council Resolution outlining the answers to these questions.

What is the budget?
- What is the maximum bond, with the expectation of grant applications and other fundraising?

How will we right size the building?
- Public input via charrettes?

What's the level of service?
- How many hours per day, days per week?
- How many FTE’s added?

What grants to pursue?
- Pursue EPA Brownfields funding? Yes or no?

Timeframe?
- There are items such as moving staff in prep for demolishing the old buildings that take time/administration