



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

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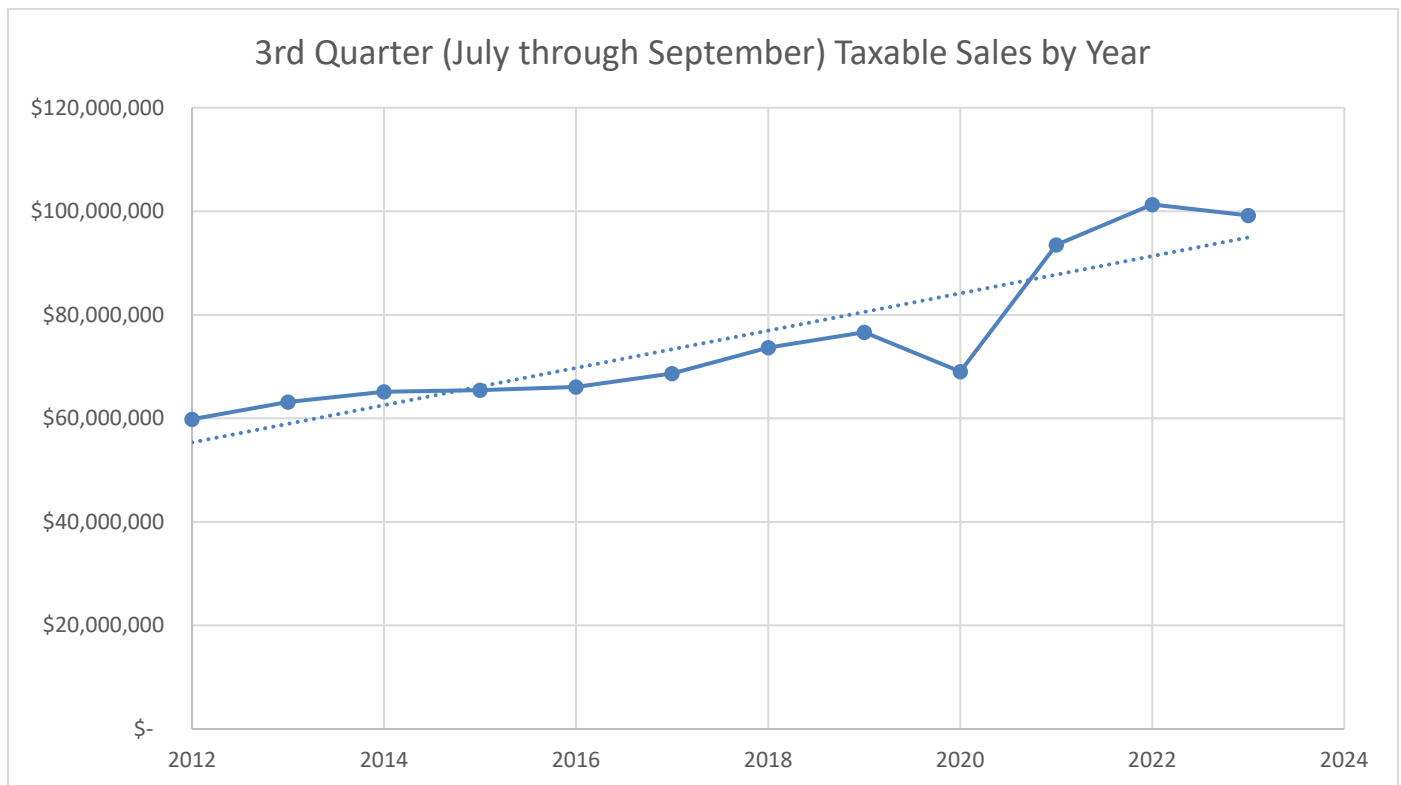
(f) 907-235-3148

Memorandum

TO: Mayor Castner and Homer City Council
FROM: Rob Dumouchel, City Manager
DATE: November 21, 2023
SUBJECT: City Manager's Report for November 27, 2023 Council Meeting

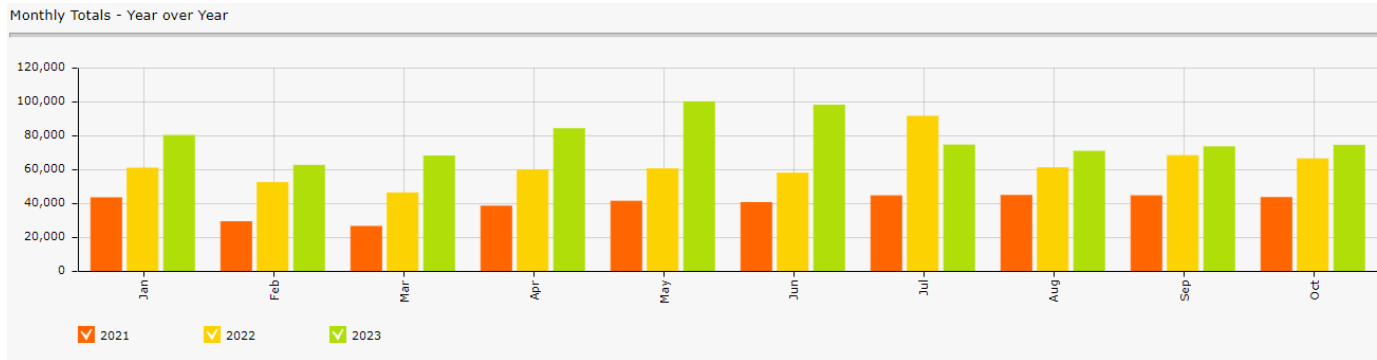
First Quarter Sales Tax Update

The 2023 summer season saw small decreases in taxable revenues when compared to the year prior. You may remember that the fourth quarter of FY23 (April 2023 through June 2023) experienced an approximately 4.8% decline in taxable sales that many have attributed to the poor weather we experienced this summer. The first quarter of fiscal year 2024 (July 2023 through September 2023) was relatively better than Q4 FY23, but still approximately 2% behind the taxable sales of the year prior. It's worth mentioning that despite the small decline, it is still the second best quarter of all time behind only Q1 FY23.



The Q1 FY24 performance puts us approximately \$101k behind FY23 in revenues (~\$63k to the General Fund, the rest split between HART, HAWSP, and the Police Station). The good news is that, as mentioned in a prior manager's report, other streams of income are pacing ahead of our expectations. Property taxes are expected to beat our budgeted numbers (\$4.4M expected based on KPB assessor's office data versus \$4.1M budgeted

for FY24) and the remote seller's sales tax revenues are continuing to show growth (June through October revenue reports from ARSSTC show \$293k in revenue which is 67% of the \$435k budgeted for FY24).



2021 to 2023 Year over year graph of remote sales tax revenues for January through October

Lighthouse Village Development Project

The City's Planning Division received permit applications related to a proposed development to take place across three parcels near the base of the Homer Spit (1563 Homer Spit Road and 1491 Bay Avenue). The project proposes development of a hotel, employee housing, and triplex residential units. The following applications have been submitted for the Lighthouse Village Development project:

- Conditional Use Permit (CUP) 23-08 for Planned Unit Development (Homer City Code 21.24.030 (f)); the application includes the following:
 - CUP application for a Planned Unit Development
 - Development plans
 - Traffic impact analysis
 - Preliminary stormwater report
- Application to rezone one parcel (1491 Bay Avenue) from Rural Residential (RR) to General Commercial 1 (GC1) zone district.
- Proposal to vacate the B Street right-of-way within the Bayview Subdivision NO. 6 (HM 94-51), located in the SW1/4 SEC. 21, T. 6 S., 13 W., S.M.
- Proposed subdivision, Bayview Subdivision Lighthouse Village Replat, Preliminary Plat

These applications are scheduled for the Planning Commission's regular meeting on December 6th. The applications are currently available for public review in the Clerk's Office lobby and the agenda packet will be published on December 1, 2023. The site plan overview is attached to this report.

Short Term Rental Ordinance Update

Following the introduction of Ordinance 23-61 which would create a short term rental (STR) program, we've already had some positive stakeholder engagement experiences. The Economic Development Commission had a well-attended meeting featuring a fair amount of constructive public comment on the draft ordinance. Economic Development Manager Julie Engebretsen and I were also able to meet with representatives from the Homer Bed and Breakfast Association to discuss the proposal. Julie will also be speaking at a Guiding Growth event soon. More opportunities are on the way for public engagement on the topic, but we're off to a great start.

Attachments:

December Employee Anniversaries

FY24 Q1 Financials
Homer Harbor Expansion Monthly Report
Lighthouse Village Development Site Plan



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Memorandum

TO: MAYOR CASTNER AND CITY COUNCIL
FROM: Andrea Browning
DATE: November 27, 2023
SUBJECT: December Employee Anniversaries

I would like to take the time to thank the following employees for the dedication, commitment and service they have provided the City and taxpayers of Homer over the years.

Mark Robl	Police	39	Years
Bryan Hawkins	Port	24	Years
Todd Cook	Public Works	14	Years
Sean Perry	Police	9	Years
Mike Zelinski	Public Works	9	Years
Josh Mershon	Port	4	Years
Regina Johanos	Library	3	Years
Jenna Luchaco	Public Works	2	Years
Del Masterhan	Port	2	Years
Matt Dominguez	IT	1	Year

General Fund
Expenditure Report
Actuals through September 2023
25% Fiscal Year Elapsed

Current Fiscal Analysis

	FY24		FY24 Q1	
	ADOPTED		ACTUAL	
	BUDGET		\$	%
Revenues				
Property Taxes	\$ 4,115,085	\$ 2,402,479	58%	
Sales and Use Taxes	8,939,282	2,510,608	28%	
Permits and Licenses	43,797	11,705	27%	
Fines and Forfeitures	10,303	90	1%	
Use of Money	0	51,141		
Intergovernmental	746,338	2,513	0%	
Charges for Services	396,890	189,618	48%	
Other Revenues	-	52,617		
Airport	198,448	54,135	27%	
Operating Transfers	1,728,989	-	0%	
Total Revenues	\$ 16,179,131	\$ 5,274,906	33%	
Expenditures & Transfers				
Administration	\$ 2,288,320	\$ 474,407	21%	
Clerks/Council	927,024	182,410	20%	
Planning	387,478	71,555	18%	
Library	1,079,132	274,341	25%	
Finance	898,578	187,993	21%	
Fire	1,881,175	448,434	24%	
Police	4,282,603	1,123,435	26%	
Public Works	3,512,438	807,157	23%	
Airport	229,618	41,779	18%	
City Hall, HERC	179,040	45,624	25%	
Non-Departmental	179,000	79,000	44%	
Total Operating Expenditures	\$ 15,844,405	\$ 3,736,135	24%	
Transfer to Other Funds				
Leave Cash Out	\$ 221,360	\$ -	0%	
Other	103,366	-	0%	
Total Transfer to Other Funds	\$ 324,725	\$ -	0%	
Transfer to CARMA				
General Fund Fleet CARMA	\$ -	\$ -	0%	
General Fund CARMA	-	-	0%	
Seawall CARMA	10,000	-	0%	
Total Transfer to CARMA Funds	\$ 10,000	\$ -	0%	
Total Expenditures & Transfers	\$ 16,179,131	\$ 3,736,135	23%	
Net Revenues Over (Under) Expenditures	\$ 0	\$ 1,538,771		

These numbers are preliminary and are subject change

Water and Sewer Fund
Expenditure Report
Actuals through September 2023
25% Fiscal Year Elapsed

Current Fiscal Analysis

	FY24		FY24 Q1	
	ADOPTED		ACTUAL	
	BUDGET		\$	%
Revenues				
Water Fund	\$ 2,369,005	\$ 738,522	31%	
Sewer Fund	1,948,388	632,372	32%	
Total Revenues	\$ 4,317,393	\$ 1,370,894	32%	
Expenditures & Transfers				
<u>Water</u>				
Administration	\$ 309,507	\$ 101,539	33%	
Treatment Plant	684,568	184,108	27%	
System Testing	33,000	6,269	19%	
Pump Stations	115,707	21,220	18%	
Distribution System	372,744	90,517	24%	
Reservoir	19,025	2,223	12%	
Meters	285,597	15,105	5%	
Hydrants	214,533	52,457	24%	
<u>Sewer</u>				
Administration	\$ 303,612	\$ 102,932	34%	
Plant Operations	836,304	175,972	21%	
System Testing	18,000	2,927	16%	
Lift Stations	216,060	47,077	22%	
Collection System	306,884	60,079	20%	
Total Operating Expenditures	\$ 3,715,541	\$ 862,426	23%	
Transfer to Other Funds				
Leave Cash Out	\$ 15,769	\$ -	0%	
GF Admin Fees	-	-	0%	
Other	22,945	-	0%	
Total Transfer to Other Funds	\$ 38,714	\$ -	0%	
Transfers to CARMA				
Water	\$ 309,001	\$ -	0%	
Sewer	254,138	-	0%	
Total Transfer to CARMA Funds	\$ 563,138	\$ -	0%	
Total Expenditures & Transfers	\$ 4,317,393	\$ 862,426	20%	
Net Revenues Over(Under) Expenditures	\$ 0	\$ 508,468		

These numbers are preliminary and are subject change

Port and Harbor Fund
Expenditure Report
Actuals through September 2023
25% Fiscal Year Elapsed

Current Fiscal Analysis

	FY24		FY24 Q1	
	ADOPTED		ACTUAL	
	BUDGET		\$	%
Revenues				
Administration	\$ 614,164	\$ 231,070	38%	
Harbor	3,961,361	2,225,313	56%	
Pioneer Dock	307,804	107,807	35%	
Fish Dock	578,477	332,034	57%	
Deep Water Dock	182,426	32,144	18%	
Outfall Line	4,800	-	0%	
Fish Grinder	7,390	6,463	87%	
Load and Launch Ramp	130,000	58,972	45%	
Total Revenues	\$ 5,786,422	\$ 2,993,801	52%	
Expenditures & Transfers				
Administration	\$ 1,143,305	\$ 353,573	31%	
Harbor	1,609,487	403,890	25%	
Pioneer Dock	86,345	22,838	26%	
Fish Dock	747,966	164,732	22%	
Deep Water Dock	104,705	22,786	22%	
Outfall Line	13,500	1,470	11%	
Fish Grinder	27,682	19,020	69%	
Harbor Maintenance	533,783	126,168	24%	
Main Dock Maintenance	51,393	12,540	24%	
Deep Water Dock Maintenance	61,893	13,939	23%	
Load and Launch Ramp	138,815	39,226	28%	
Total Operating Expenditures	\$ 4,518,876	\$ 1,180,182	26%	
Transfer to Other Funds				
Leave Cash Out	\$ 73,867	\$ -	0%	
GF Admin Fees	-	-	0%	
Debt Service	0	-	0%	
Other	375,092	-	0%	
Total Transfer to Other Funds	\$ 448,959	\$ -	0%	
Transfers to Reserves				
Harbor	\$ 818,588	\$ -	0%	
Load and Launch Ramp	-	-	0%	
Total Transfer to Reserves	\$ 818,588	\$ -	0%	
Total Expenditures & Transfers	\$ 5,786,422	\$ 1,180,182	20%	
Net Revenues Over(Under) Expenditures	\$ 0	\$ 1,813,619		

These numbers are preliminary and are subject change



MEMORANDUM

Homer Harbor Expansion Study Monthly Written Update

Item Type: Informational Memorandum
Prepared For: Mayor and City Council
Date: November 21, 2023
From: Jenny Carroll, Special Projects and Communications Coordinator
Through: Rob Dumouchel, City Manager and Bryan Hawkins, Port Director

Purpose: This memorandum provides the Homer Harbor Expansion Study monthly written update to Homer City Council per Resolution 23-037.

The U.S. Army Corps of Engineers (USACE) Project Development Team (PDT) finalized and provided the City with the Project Management Plan (PMP), which defines study costs and timeline for deliverables. The PMP is provided as backup to a *Resolution Regarding the Homer Harbor Expansion Additional Funding and Management Plan*, which will be considered by City Council at the November 27, 2023 Regular City Council meeting. Please note that the USACE Pacific Ocean Division recommended that the PMP adhere to the initially set milestone dates for the study, despite being aware that they won't be met due to the Federal funding gap. The milestone dates in the PMP will be updated once continuation funding is secured. In the interim, these dates will underscore the necessity of securing continuation Federal funding to fulfill USACE deliverables up the USACE chain of command.

The PDT has slowed their work pace on the HHE study. The scheduled team meetings are now once per month rather than weekly. During this work reduction period, the USACE PDT:

- held Environmental Stakeholder Working Group meeting on September 28, 2023;
- is coordinating with USACE's Engineer Research & Development Center's Ecological Modeling Team to organize and conduct a two-day Ecological Modeling Workshop;
- is working on vertical team approval for the Homer Small Boat Harbor Vessel Economic Survey;
- is coordinating with agencies and making preparations to be ready for environmental field work and proposed geotechnical work.

HDR – Owner Representative: HDR activities will slow down parallel to the USACE. Since the last report, they:

- compiled and submitted a cost estimate for proposed geotechnical work to the USACE;

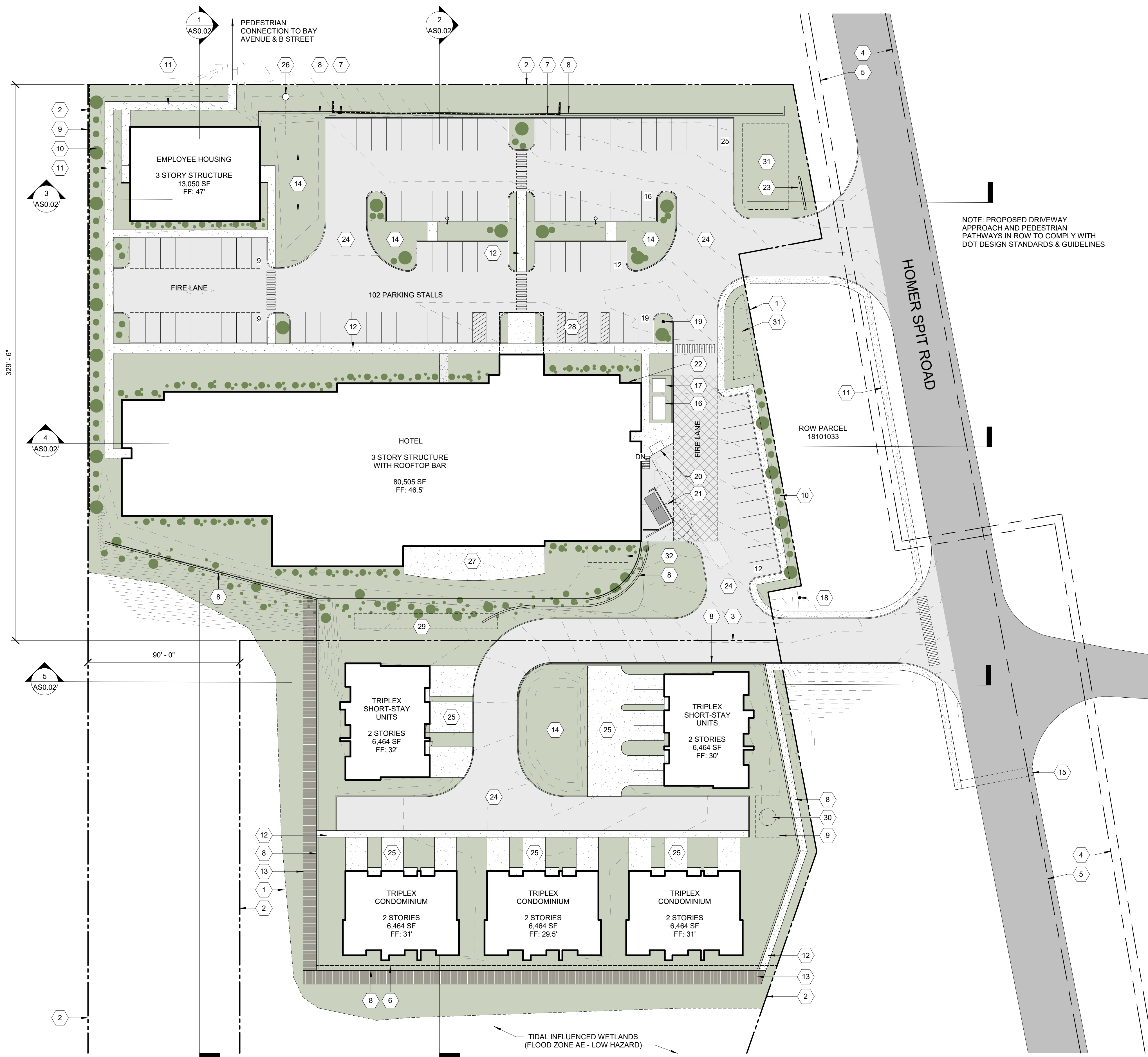
- continued to advance the Coastal Numerical Modeling (waves, tides/storm surge, sediment transport) of existing (baseline) conditions. Plan to complete baseline conditions analysis by the end of year;
- met with the Port & Harbor Advisory Commission to review the HHE Communications Plan;
- assist City staff to implement Communications Plan and continue to maintain and update [HHE website](#).

City of Homer:

- City staff prepared informational materials for the October 23 Committee of the Whole Council discussion of HHE next steps;
- Two HHE Council ‘champions’, Storm Hansen and Rachel Lord were assigned;
- At Council direction, staff prepared a draft Resolution regarding HHE next steps for review and editing by the Mayor and Council champions;
- City staff worked with the Mayor and Council champions to address a request from Governor Dunleavy’s office to formally request additional State HHE General Investigation matching funds in the Governor’s FY25 budget. The finalized request letter was provided as backup documentation to [Memorandum CC-23-254, submitted by Councilmembers Hansen and Lord for the November 13, 2023 City Council meeting](#).
- Communications/outreach: Information and updates about the study are being disseminated through the City's monthly newsletter and the Homer Harbor Expansion website. Email notifications were sent to inform mailing list subscribers about opportunities to provide public input during City Council meetings addressing the HHE General Investigation. The pace of social media outreach has temporarily slowed down due to staff turnover in the City Manager's office.

RECOMMENDATION:

Informational Only.



NOTE: PROPOSED DRIVEWAY APPROACH AND PEDESTRIAN PATHWAYS IN ROW TO COMPLY WITH DOT DESIGN STANDARDS & GUIDELINES

GENERAL NOTES

- EXISTING LOTS TO BE DEVELOPED:**
 LOT 163
 LOT 164-A
 LOT 164-B
 VACATED B-STREET ROW
- TOTAL SITE AREA:**
 6.95 ACRES
- PROPOSED BUILDABLE AREA TO BE DEVELOPED:**
 186,437 SF / 4.28 ACRES
- PROPOSED STRUCTURE SQUARE FOOTAGE:**
 EMPLOYEE HOUSING: 13,050 SF
 HOTEL: 80,505 SF
 TRIPLEX UNITS: (5) 6,464 SF
 TOTAL SF OF DEVELOPMENT: 125,875 SF
- CITY OF HOMER ZONING CODE:**
 ZONE: GENERAL COMMERCIAL 1 (GC1)
 BUILDING SETBACKS: 20' FROM ROW / 5' FROM OTHER LOTS
 LOCATED IN OVERLAY ZONE DISTRICT: NO
 LOCATED IN WETLAND LOCATION: NO
 LOCATED IN FLOOD ZONE: YES (AE, LOW HAZARD)
 LANDSCAPING REQUIREMENTS INCLUDE RIGHT-OF-WAY LANDSCAPED BUFFER ZONES.
- PUBLIC UTILITIES**
 PUBLIC WATER AND SEWER IS PROVIDED TO SITE (CITY OF HOMER PUBLIC WORKS)
 POWER IS PROVIDED TO SITE. 3-PHASE UPGRADE WILL BE REQUIRED (HOMER ELECTRIC ASSOCIATION)
- PARKING REQUIREMENTS:**
 NORTH LOT PARKING REQUIRED PER HCC 21.55.090:
 HOTEL - ONE PER GUEST ROOM @ 85 ROOMS = 85 STALLS
 DORMITORY - 1 PER TWO BEDS @ 40 BEDS = 20 STALLS
 NORTH LOT PARKING PROVIDED: TOTAL 102 STALLS
 SOUTH LOT PARKING REQUIRED PER HCC 21.55.090:
 DWELLINGS: TWO PER DWELLING UNIT (A REQUIRED PARKING SPACE MAY BE IN A GARAGE OR CARPORT IF THE STRUCTURE IS AT LEAST 12' WIDE, 20' LONG AND 8' HIGH) = 30 STALLS
 SOUTH LOT PARKING PROVIDED: TOTAL 30 STALLS

KEYNOTES

- 1 APPROXIMATE LIMITS OF CONSTRUCTION
- 2 PROPERTY LINE
- 3 PROPOSED PROPERTY LINE
- 4 EXISTING PUBLIC SEWER LINE
- 5 EXISTING PUBLIC WATER LINE
- 6 ARMY CORPS OF ENGINEERS PERMIT LINE
- 7 EXISTING RETAINING WALL
- 8 RETAINING WALL
- 9 SIGHT OBSCURING FENCE
- 10 LANDSCAPE BUFFER
- 11 PEDESTRIAN PATHWAY
- 12 CONCRETE SIDEWALK
- 13 PEDESTRIAN BOARDWALK
- 14 SWALE. SEE STORMWATER PLAN
- 15 EXISTING PEDESTRIAN CROSSWALK
- 16 GENERATOR
- 17 PAD MOUNT TRANSFORMER
- 18 EXISTING FIRE HYDRANT
- 19 FIRE HYDRANT
- 20 LOADING DOCK
- 21 TRASH ENCLOSURE
- 22 FDC CONNECTION POINT
- 23 MONUMENT SIGN
- 24 ASPHALT SURFACE
- 25 CONCRETE DRIVE AISLE
- 26 STORM / SEWER MANHOLE
- 27 CONCRETE PATIO
- 28 ACCESSIBLE PARKING STALLS
- 29 BELOW-GRADE STORMWATER STORAGE STRUCTURE
- 30 SANITARY SEWER LIFT STATION
- 31 SNOW REMOVAL AREA
- 32 BELOW-GRADE GREASE INTERCEPTOR

1 || ARCHITECTURAL SITE PLAN
 AS0.01 SCALE: 1/32" = 1'-0"

No.	Date	Description



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LIGHTHOUSE VILLAGE DEVELOPMENT
 DOYON, LIMITED
 1563 & 1663 HOMER SPIT ROAD, HOMER, AK
 ARCHITECTURAL SITE PLAN

Job No: 867-001
 Date: 11.15.2023
 Designed LRE
 Drawn LRE
 Checked LRE

AS0.01