



SUPPLEMENTAL PACKET

City Council Regular Meeting

Monday, February 26, 2024

City Hall Cowles Council Chambers In-Person & Via Zoom Webinar

Homer City Hall

491 E. Pioneer Avenue
Homer, Alaska 99603
www.cityofhomer-ak.gov

<https://cityofhomer.zoom.us>
Dial: 346-248-7799 or 669-900-6833;
(Toll Free) 888-788-0099 or 877-853-5247

CONSENT AGENDA

Homer City Council Unapproved Regular Meeting Minutes of February 26, 2024. City Clerk.

- Copy of Minutes Page 2

Resolution 24-028, A Resolution of the City Council of Homer, Alaska Amending the City of Homer Fee Schedule under Library Fees. City Manager/Library Director.

- Minutes Excerpt from Library Advisory Board as backup. Page 15

ANNOUNCEMENTS REPORTS AND PRESENTATIONS

Finance Champions Report

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COMMENTS OF THE AUDIENCE

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Session 24-04 a Regular Meeting of the City Council of Homer, Alaska was called to order on February 26, 2024 by Mayor Pro Tem Lord at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS ADERHOLD, DAVIS, ERICKSON, HANSEN, LORD, VENUTI

TELEPHONIC: MAYOR CASTNER

STAFF: CITY MANAGER DUMOUCHEL
CITY CLERK JACOBSEN
SPECIAL PROJECTS & COMMUNICATIONS DIRECTOR CARROLL
ECONOMIC DEVELOPMENT MANAGER ENGBRETSSEN
FINANCE DIRECTOR FISCHER
PORT DIRECTOR HAWKINS
CHIEF TECHNOLOGY OFFICER JIRSA
PUBLIC WORKS DIRECTOR KORT
CITY ATTORNEY GATTI

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual)

Mayor Pro Tem Lord announced changes and supplemental items – **CONSENT AGENDA** Change Resolution 24-024 Authorizing a Task Order to Coble Geophysical for Beluga Slough Infrastructure Project to Resolution 24-026 to correct a number duplication; **CITY MANAGER'S REPORT** City Manager's written report, the Finance Monthly report for January 2024, and Juneau Visit Re-cap from J&H Consulting. Laydown items include update Police Station Debt Service Fund information and information for the Blessing of the Fleet event in May.

ADERHOLD/VENUTI MOVED TO ADOPT THE AGENDA

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- a. Homer City Council Unapproved Regular Meeting Minutes of February 12, 2024. City Clerk. Recommend adoption.
- b. Memorandum CC-24-055 from Mayor Castner re: Appointment of Jessica Williams to the Parks Art Recreation and Culture Advisory Commission. Recommend approval.
- c. Ordinance 24-16, An Ordinance of the City Council of Homer, Alaska Amending the FY24 Capital Budget by Accepting and Appropriating a Dingell-Johnson Sport Fish Restoration Act Grant from the Alaska Department of Fish and Game in the Amount of \$41,950 for Phase I of the Fish Grinding Building Replacement Project. City Manager/Port Director. Recommended dates Introduction February 26, 2024, Public Hearing and Second Reading March 11, 2024.

Memorandum CC-24-051 from Port Director as backup.

- d. Resolution 24-024 **26**, A Resolution of the City Council of Homer, Alaska Authorizing Issuance of a Change Order to Coble Geophysical Services, LLC, in the Amount of \$34,505 to Continue Work on the Beluga Slough Green Infrastructure Project and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager. Recommend adoption.

Memorandum CC-24-052 from Project Technician as backup.

- e. Resolution 24-025, A Resolution of the City Council of Homer, Alaska Awarding a Sole Source Contract to Galaxy Welding in an Amount not to Exceed \$10,667.50 for the Fabrication of a Port Fish Carcass Trailer and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Port Director. Recommend adoption.

Memorandum CC-24-054 from Port Director as backup.

City Clerk Jacobsen read the consent agenda and recommendations.

ADERHOLD/VENUTI MOVED TO ADOPT THE RECOMMENDATIONS OF THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

- a. Legislative Update - Representative Sarah Vance (10 minutes)

Representative Sarah Vance reported on the recent week long floor session regarding education and that the House passed SB140, the education funding package, and the Senate concurred with that vote. The base student allocation that passed was \$680 per student and other components of the bill allow for 100% funding of correspondence schools, increase to transportation, additional reading

improvement program funding, and support for charter schools. Now the bill will go to the Governor. She reported the House passed HB148 improvements to the Alaska Performance Scholarship eligibility, HB143 advanced recycling and facilities, and HB129 voter registration, and those bills are headed to the Senate or appropriate committees. She has two bills coming to the floor soon that are part of her package to help protect children against exploitation. One is HB265 that changes the term child pornography to read child sexual exploitation material. Pornography is a legal adult but children cannot consent to pornography so this language is in alignment with what's happening to these children. The other is HB264 that makes a requirement of a consistent screening methodology of children for exploitation when they come into the state system or runaway shelters.

b. Community Youth Advocates - Sofia Loboy, Ashe Dias, and Ginny Espenshade (10 minutes)

Sofia Loboy, Junior at Homer High School and Youth Liaison for the Southern Kenai Peninsula Resilience Coalition presented. She highlighted the lack of low cost safe spaces for teens and obstacles to youth looking for out of school care in Homer, and emphasized the importance of socializing for children and teens. The lack of priority for inexpensive and safe spaces in Homer has resulted in a culture where students are more susceptible to peer pressure, bullying, and illegal activities. Homer citizens pride themselves in their tight-knit action oriented community, yet continue to fail to support the next generation. In consideration of a rec center it's important to prioritize creating spaces for teens that they want to use. She encouraged considering the voices of the youth in the decision making process. She announced the upcoming launch of a website created with the Coalition and Youth Court called "Where can I Homer?" the address is www.wherecanihomer.org and it will serve as a central database for families and organizations that identifies after school activities that fit their needs.

Ginny Espenshade gave a brief overview of progress on the website and shared they are looking for more teens to be involved. In response to questions she explained SPARC received grants to host Friday Night at the SPARC, the funds are to pay for Friday night activities that are free to teens until June 14th and any group or agency can sign up to host an event. Groups can contact her directly or email sparchomer@gmail.com Regarding the Resilience Program project, teens can get more information at kpycalaska@gmail.com or through the Southern Kenai Peninsula Resilience Coalition.

c. Nine Star Education and Employment Services (10 minutes)

Johnny Bishop, UAF BSW Practicum Student, and Rhapsody Soderberg, Youth Employment Specialist reported to Council. Ms. Bishop shared Nine Star's mission that through education and employment services help Alaskans get a job, keep a job, and advance on the job. Their programs are exclusive to out of school youth who have dropped out or graduated but face barriers to employment or educational advancement, have required id, and are aged 16-24. Nine Star is largely funded through the Workforce Innovation and Opportunities Act (WIOA) a 2014 federal bill, and from state grants. Nine Star has resources also, such as Cyberlynx, which is a high school completion program they partner with. They offer career counselling, resume building, and assist with job searches. Through their internship program enrollees can get paid while gaining experience, job skills, and build a positive work ethic, and also assist individuals in determining a career pathway.

ANNOUNCEMENTS / PRESENTATIONS / REPORTS (5 Minute limit per report)

a. Worksession Report

City Manager Dumouchel reported Council discussed Ordinance 23-61 and 23-61(S) regarding short term rentals, and heard comments from the public. The recommendation from staff is to approve the substitution and postpone for further action.

b. Committee of the Whole Report

Council Member Aderhold reported Council continued discussion on Ordinance 23-61 and 23-61(S) and heard additional public comments.

c. Mayor's Report

Mayor Castner reported on his trip to Juneau for the AML Winter Legislative Conference with Council Member Hansen, the City Manager and Port Director. The intent of the effort was to work toward state match for the Harbor Expansion General Investigation. They didn't get great news about the state of affairs for the capital budget and Representative Vance is going to try to get the match we're looking for. They were talking about a general obligation bond, but he doesn't think that will fit for a study. There was good discussion with Department of Transportation Commissioner Anderson and he has a meeting set up with DOT in Anchorage regarding the Diamond Creek Underpass.

d. Borough Report

Assembly Member Kelly Cooper reported they continue their budget work, it's quite a process and they'll be having hearings in the next few months. The Borough is working with Agnew::Beck on a tourism and economic development public relations campaign and there is an agreement in place to promote tourism for cities as well. The Borough now has a land surveyor on staff which will be really helpful, and they're getting ready to do their land outcry auction. They're working on amendments to Borough code regarding public notice, they're running into some hurdles from the limited days of publication in a local newspaper. Notices will continue to publish in the newspaper with more notices online and copies at various Borough offices.

Council Member Davis noted a comment at an earlier meeting about the ability for Airbnb to remit sales tax on stays directly to the Borough and asked if that's something the Borough could look into doing. Assembly Member Cooper acknowledge the request. In discussion about remitting sales tax, she noted the Borough is working on a new website.

e. Economic Development Advisory Commission

Chair Marks reported on the Commission's work on recommendations regarding Ordinance 23-61 and short term rentals. They finalized their 2024/25 strategic plan, and discussed a winter survey of businesses. They decided the survey would be better served by the steering committee and Comp Plan programming.

- f. Parks Art Recreation and Culture Advisory Commission
- g. Planning Commission
- h. Library Advisory Board

Chair Kate Finn reported on their work session where they discussed fundraising goals and the endowment fund. At their regular meeting they reviewed bylaws and discussed their strategic plan and goals. In addition to setting fundraising targets, the LAB's goals include conducting a needs survey for the library, drafting a strategic plan, supporting the city wide Comprehensive Plan, and amending there schedule regarding library loan photocopying. She recognized the Friends of the Library for their work on the Big Read event.

- i. Comprehensive Plan Steering Committee

Chair Kathy Carssow reported the committee is made up of Mel Kim from the Economic Development Advisory Commission, Charles Barnwell from the Planning Commission, Council Members Davis and Erickson, and she is the city resident member. The committee met twice in February and focused on the work plan with emphasis on the first assigned goal to assist with and refinement of execution of the public outreach process. They will meet every two weeks through May and additionally as needed to assist with public outreach events. She reviewed some of the upcoming outreach efforts over the next two months.

PUBLIC HEARING(S)

- a. Ordinance 23-61, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 5 to add Chapter 5.48 Short Term Rentals. Aderhold/Davis. Introduction November 13, 2023, Referred to Economic Development Advisory Commission and Planning Commission, Public Hearing and Second Reading February 26, 2024.

Memorandum CC-23-260 from City Manager as backup.

Ordinance 23-61(S), An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 5 **8** to add Chapter **5.48 8.05** Short Term Rentals. Aderhold Davis.

Memorandum CC-24-053 from Economic Development Manager as backup.

Mayor Pro Tem Lord opened the public hearing.

Scott Adams, city resident, commented the public perception around short term rentals has been positive and a way for resident to enhance their income. He shared scenarios of short term rentals and information from a memorandum from 2022. A lot of local people own these units and it's expensive to live in Homer.

Lizzy Young commented she and her husband are locals trying to make it work with their short term rentals. The ordinance as presented isn't addressing the housing issue and is making it more difficult for her family to live in Homer. She addressed how additional legislation and red tape make it more

difficult to run a business, and her experience with the quality of short term renters compared to long term renters.

Kate Finn, city resident, would like to know that short term rentals are being watched over by the owner of the house and taking responsibility for what happens on the property.

Johnathon Young, city resident, recapped his comments from the earlier meetings. He feels this ordinance is putting the cart before the horse, there are things that need to happen first, and suggested voting the ordinance down and working toward a solution for the short term renters and the City.

Kathy Carssow, city resident, expressed her concern regarding the quality of our neighborhoods and if we have businesses next door that are the hospitality industry, they aren't neighbors, they're a business, and allowing it would hurt the integrity of our neighborhoods. She cited city code that a bed and breakfast must be accessory to and in a dwelling occupied by the operator as the operator's primary residence. She recommends the ordinance pass as is, and only if it distinguishes that non-owner occupied B&B's or short term rentals are not allowed in residential zones, but those that exist to date be grandfathered in.

Marcia Kuszmaul, representing the Homer Bed and Breakfast (B&B) Association, shared history of B&B's in Homer and that the association wants a level playing field regarding licensing, insurance, payment of taxes, and other regulations. They believe the ordinance is premature for lack of better understating of the vision and role of short term rentals in the community. They also ask that regulations developed are consistent with the state regulations.

Brian Wilden, city resident, has provided long term and short term rental properties. He encouraged letting the free market do its thing. Less involvement by the government tends to be better in general.

Ginny Espenshade, city resident, is still learning how complex this issue is. A lot of input has been anecdotal, and if you're the one who can't find a place to live or the landlord who has a bad tenant, that's reality for you. The challenge is to sift through the anecdotal and come up with the facts. Whereas clauses shouldn't be conjecture or confuse correlation with causation. The answers should be defined by what's worked in other places and our common values. She admires them for taking a step back and getting back to work on it.

Jay McBride, city resident, commented he's lived in military and tourist cities where a lot of short term living happens. He has found short term people have been some of the best neighbors he's had. He shared some of his positive experience being around short term renters, and they are giving to our community even if they aren't here for a long term.

Karin Marks, city resident, shared that she's been fortunate to be part of the Economic Development Advisory Commission's work on this subject and other meetings related to the topic. She sees a tremendous amount of information and good suggestions. She encouraged that the Council postpone to put this package together.

Rika Mouw, city resident, concurs that this is a complex topic and that this ordinance isn't ready tonight. She also shares the concerns expressed about neighborhoods, and absentee owners. She feels that owners should be there, it makes a difference. She encouraged postponing and continuing the discussion.

Adrienne Sweeny, city resident, concurs this is not the right time to add additional regulations, it's taking away opportunities from people trying to make it in this town. Getting on board with the Borough and people paying tax at an equal level is the answer. She shared her positive experiences as a host and recommends voting no tonight and if revisiting it, to do it in the fall.

There were no further comments and the hearing was closed.

ADERHOLD/DAVIS MOVED TO ADOPT ORDINANCE 23-61 BY READING OF TITLE ONLY.

ADERHOLD/DAVIS MOVED TO SUBSTITUTE ORDINANCE 23-61(S) FOR 23-61.

Council Member Aderhold explained the substitute moves the changes from chapter 5 to chapter 8 in city code and takes in suggestions from discussion at the Economic Development Advisory Commission (EDC).

Council Member Davis added the intent of the substitute was to address valid issues raised by public testimony. The EDC asked Council to take this to the drawing board and he feels the substitute addresses that.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

In response to a question about the status of attorney review, Council Member Aderhold noted one of the reasons it's requested to postpone is for additional attorney review of the substituted ordinance.

Council Member Erickson expressed her feeling that this ordinance isn't ready yet, based on the public feedback. She agrees with the idea of voting this down and bringing it back in the fall as suggested in the public comments. She thinks there will be some major conversation with the Comprehensive Plan re-write that could help in the development of regulations.

Council Member Aderhold explained this came from the Council's 2022 visioning session and their discussion of housing issues and trying to understand the City's role in housing. They were hearing around the community that there are a lot of short term rentals, and there wasn't much data to guide them and for her, that was part of the reason for this ordinance. It's not intended to be negative, put people out of business, or say short term rentals are bad. She recognizes their benefits to people who have them as a way to live in Homer. The ordinance was developed from a good place of trying to understand and figure out what's needed to keep community cohesion. She supports postponing for a month, and appreciates all the people who have testified with their different and valid perspectives.

Council Member Davis commented the original ordinance language had reference to a housing crisis without saying what it was and that wasn't the intent. There have been comments from business owners that there's an issue with housing because they need staff during the summer and it's hard for those staff to find housing. There have also been comments that year round rentals can be in short supply. To him, the language in the substitute ordinance clarifies that it's not about taking away opportunities, or adding layers and layers of bureaucracy. It's saying that starting next year people who have short term rentals will be asked to register them with the City, self-certify that they're providing basic safety and fire protection, and are registered to pay sales tax with the Borough.

Mayor Pro Tem Lord appreciates the testimony that's come to them over the last few weeks and shared about some of the perspectives she's observed in the testimony. There is a reason for planning and zoning and she touched on some complexities of businesses in residential areas. In this substitute there are four pages of proposed new code, and what she keeps coming back to her in the amount of public testimony is that very little of the discussion has been on the substance of the proposed code, and that sets off alarm bells to her and what makes her feel they can't get to a different place in a month. She appreciated an earlier comment that if you don't know where you're going, it doesn't matter how you get there. She thinks this is a tough way to go about a fact finding mission, even though the intentions are good it might not be the use of city regulatory resources at this time.

ADERHOLD/DAVIS MOVED TO POSTPONE ORDINANCE 23-61(S) TO MARCH 26TH.

Council Member Davis commented the EDC discussed the first draft of the ordinance and asked that it go back to the drawing board and look at all the public comments that were made to ensure they're reflected before voting. He the substitute takes them a lot of the way there and he would like to work more with staff. Maybe four pages is too many to say they have to go to a City portal to register their business, and they can simplify language to clarify nothing is being taken away from short term rentals. He feels it can be accomplish by the second meeting in March.

VOTE (postponement): YES: ADERHOLD, DAVIS
NO: HANSEN, LORD, VENUTI, ERICKSON

Motion failed.

There were comments clarifying that the substitute ordinance was noticed and a vote could be taken tonight.

Council Member Aderhold pointed out that without the postponement this motion should be voted down this evening because it still requires legal review and it doesn't give the sponsors the opportunity to go back and address any of the comments. She's committed to continuing the conversation and how we move forward.

Question was raised why this came to Council before legal review was completed and City Manager Dumouchel explained that the matter was postponed to this date back in November. Some of the review we wanted to have earlier was slowed down largely because of the Doyon project and other

matters before the Planning Commission. The sponsors were able to work with staff to draft a substitute ordinance for this meeting. He noted that usually in these instances with postponement to a date certain and more time is needed, Council postpones to continue work.

VOTE: NO: LORD, ADERHOLD, DAVIS, HANSEN, ERICKSON, VENUTI

Motion failed.

- b. Ordinance 24-12, An Ordinance of the City Council of Homer, Alaska Amending the FY24 Capital Budget by Appropriating \$30,000 from the Port Reserves fund for the Purpose of Issuing a Task Order to HDR Engineering in an Amount not to Exceed \$30,000 for Professional and Technical Assistance with Submission of an FY2024 Port Infrastructure Development Program Grant Director. Introduction February 12, 2024 Public Hearing and Second Reading February 26, 2024.

Memorandum CC-24-039 from Port Director and Special Projects Coordinator as backup.

Mayo Pro Tem Lord opened the public hearing. There were no comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 24-12 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- c. Ordinance 24-13, An Ordinance of the City Council of Homer, Alaska Amending the FY24 Capital Budget by Appropriating \$7,350 from the Port Reserves fund for the Purpose of Issuing a Task Order to Alaska Harbors Consulting, LLC. in an Amount not to Exceed \$7,350 for Design and Cost Estimating Services in Support of the City's FY2024 Port Infrastructure Development Program Grant Application to Replace Float Systems 4 and 1 in the Small Boat Harbor. City Manager/Port Director. Introduction February 12, 2024 Public Hearing and Second Reading February 26, 2024.

Memorandum CC-24-040 from Port Director and Special Projects Coordinator as backup.

Mayo Pro Tem Lord opened the public hearing. There were no comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 24-13 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- d. Ordinance 24-14, An Ordinance of the City Council of Homer, Alaska Appropriating an Additional \$16,156 from the General Fund Capital Asset Repair and Maintenance Allowance (CARMA) Fund for a Bi-Directional Amplifier System for Homer Police Department and Microwave Links for Homer's Repeaters. City Manager. Introduction February 12, 2024 Public Hearing and Second Reading February 26, 2024.

Memorandum CC-24-046 from Police Chief as backup.

Mayor Pro Tem Lord opened the public hearing.

Scott Adams, city resident, expressed concern that it's taken so long to complete this project from 2021 and no it's costing the city more because of it.

There were no further comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 24-14 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

In response to questions from Council, City Manager Dumouchel explained in 2021 we were still dealing with supply chain issues and staffing challenges with only two people in IT so certain projects were put on the backburner. We've staffed up and are getting caught up, but similar to buying vehicles and thing like that, some of these things are a year or more out and require additional appropriations.

There brief discussion about the ticketing system IT is using to track items.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- e. Ordinance 24-15, An Ordinance of the City Council of Homer, Alaska Amending the FY24 Capital Budget by Accepting and Appropriating an FY22 State and Local Cybersecurity Grant (SLCGP) Award in the Amount of \$50,000 from the Alaska Division of Homeland Security and Emergency Management for the Completion of a Cybersecurity Risk Assessment. City Manager/Chief Technology Officer. Introduction February 12, 2024 Public Hearing and Second Reading February 26, 2024.

Memorandum CC-24-041 from Chief Technology Officer as backup.

Mayor Pro Tem Lord opened the public hearing. There were no comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 24-15 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There were brief comments in support accepting the grant and completing the assessment.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

a. City Manager's Report

City Manager Dumouchel reported on attending the AML Winter Conference and lobbying efforts with the Mayor, Council Member Hansen, and Port Director Hawkins where they met with DOT Commissioner Anderson, and District 7 Coast Guard Commander, Admiral Dean and both were positive meetings. There's a report from the J&H Consulting in the supplemental packet on their work. He reminded the movie Cruise Boom is playing at the Homer Theatre, noted the police station debt service information provided, and welcomed the new Public Works Director and City Engineer/Special Projects Coordinator.

Council Member Venuti said she's heard from builders that its taking longer to get permits and suggested a meet and greet with the new City Planner, Public Works Director, and City Engineers to discuss processes and challenges. City Manager Dumouchel acknowledged the suggestion and explained that Planning has been down a person for a while with some big projects in the works. The position had been filled and we're in route to getting things caught up.

b. Finance Report

- i. Police Station Debt Service Fund - Financial Reconciliation Update
- ii. Monthly Financial Report

Council Member Erickson thanked Finance for the reconciliation update for the police station debt service. Since we can't pay the bond off until May of 2030, she asked if we've set aside enough to pay for interest while we're holding the money? City Manager Dumouchel explained it's accounted for in report, and the numbers are based on ensuring they can meet the need.

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE

Greg Sutter and Pastor Greg McBride commented regarding the Blessing of the Fleet and Memorial Service being planned for May 22, 2024. There is a committee working on the event that has support from the Coast Guard. He noted the associations involved in the event.

Ginny Espenshade, city resident, is excited to learn about the Blessing of the Fleet and Memorial Service. She commented regarding their earlier presentation on the project to build the online calendar and resource directory, and teen night at the SPARC, both are attempts to knit together what we already have for our teens, but it doesn't mean we don't need more. As work on the Comprehensive Plan progresses she hopes they keep in mind the theory that safe and engaging places are important for kids now, and are important for their futures. She share about the Icelandic Prevention model for youth.

Kathy Carssow, city resident, commented about a past conversation with the City Manager regarding a problematic situation of a neighbor moving out of state and operating a B&B from the home. The zoning ordinance reads that a B&B must be accessory to and in a dwelling occupied by the operator as their primary residence. She questions if the neighbor moves again and turns it back into a B&B or short term rental will the code be enforced. And if not, what's the point of making regulations.

Scott Adams, city resident, thanked the Clerk's office staff for their work at the meetings. He noted the memorandum from 2022 related to short term rentals included the term side-hustle. Council approved the trailers for bathrooms at Jack Gist and Hornaday Parks, he requests they approve more funding to purchase trailers that are portable that could be used at other locations that may not have water and sewer hook-ups if needed in an emergency.

COMMENTS OF THE CITY ATTORNEY

Attorney Gatti had no comments.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen announced openings on the ADA Advisory Board, Port and Harbor Advisory Commission, and Library Advisory Board.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel announced job openings for a mechanic position and temporary recreation specialist.

COMMENTS OF THE MAYOR

Mayor Castner thanked Mayor Pro Tem Lord for running three very efficient meetings while he's telephonic tonight. He thanked the Boards and Commissions for their work and how effective they are in helping Council craft good public policy. He thanked Council for their work tonight creating policy and looks forward to more work on the short term rental matters.

COMMENTS OF THE CITY COUNCIL

Mayor Pro Tem Lord thanked Council for the opportunity to serve as Mayor Pro Tem, she hopes she was fair tonight, it's a different role to facilitate the movement of the meeting versus participating. She announced the school board meeting will be held March 5th in Homer, and she recognized Scout Troop 555, it was exciting to have them here for their Civics Merit Badge. She highlighted the

importance of the community involvement necessary in developing the Comprehensive Plan. There are some matters like increasing density in residential neighborhoods and short term rentals are complex issues that have ramifications and they warrant the amount of time and community engagement that will come through this process. She expressed appreciation for this community and shared about the outreach after the passing of her father in law, Steve Gibson.

Council Member Venuti commented regarding Robert Green and the services he provides at the Small Business Development Center Advisor here in Homer. She thanked the Police Department and The Center for their work in the community with citizens facing addiction.

Council Member Aderhold appreciated all the testimony tonight and the community engagement on Ordinance 23-61 and other matters in the City.

Council Member Davis agreed there was good discussion tonight.

Council Member Erickson thanked Charlie Anderson and Johnathon Young for their research regarding short term rentals. She shared about the Fun Run that happened this past weekend and the upcoming Epic event. The Basketball Regions is coming up and they're looking for helpers. She recently attended Conversations with a Council Member at the library and their main discussion topic was a Friends of Parks and Recreation group as we look forward to a Rec Center, and development of a group to consider creating a Friends group. She announced there will be a 2500 passenger ship coming to Homer on June 28th and number of those big ships are knocking on our door this year. She thinks it a hard conversation our town needs to have about the infrastructure and things involved in it. She encouraged listeners go watch Cruise Boom and have some serious dialogue.

Council Member Hansen thanked everyone from the new arrivals to those who have lived here for a long time for their comments tonight about short term rentals. It's good to hear the positive side from those who do it and she doesn't want to limit those options. She's shared about experiences with not so neighborly neighbors in the past and how great her new neighborhood is now. She's excited about the Blessing of the Fleet and Memorial Service. She was grateful for the opportunity to go to Juneau for the AML Winter Legislative Conference, it was a great learning experience and opportunity. She got to see Senator Sullivan, and enjoyed meeting up with people from other municipalities.

ADJOURN

There being no further business to come before the Council Mayor Pro Tem Lord adjourned the meeting at 9:05 p.m. The next Regular Meeting is Monday, March 11, 2024 at 6:00 p.m. and Committee of the Whole at 5:00 p.m. and Work Session at 4:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Melissa Jacobsen, MMC, City Clerk

Approved: _____

NEW BUSINESS

B. Memorandum LAB-24-002 from Library Director re: Review of Library Fees and Policies

Chair Finn introduced the item by reading of the title and deferred to Library Director Berry.

Library Director Berry reviewed Memorandum LAB-24-002 for the Board. He noted the actions of the Board last year with increasing the copy fees and that the interlibrary loan photocopying fees were overlooked and everything should be consistent. Staff is requesting only this corrective amendment.

Chair Finn requested a motion and second after hearing no comments or questions from the Board put forward.

KUSZMAUL/BAILY MOVED TO RECOMMEND INCREASING THE FEES FOR INTERLIBRARY LOAN PRINTING FROM \$0.15 PER PAGE TO \$0.25 PER PAGE TO MAKE COPY FEES CONSISTENT.

There was no discussion.

VOTE: NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.



MEMORANDUM

Finance Champion Report

Item Type: Informational Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: March 11, 2024
From: Council Members Davis and Lord

We continue to work on finance projects outlined in Resolution 23-120, and detailed in our January 15th report. Not too much happened in February, but we wanted to take a moment to update the Council on a few items:

Audit

- We are as frustrated as the rest of Council and the Mayor with the continued lack of the FY22 audit. Our understanding was that FY22 would be completed and to Council by the end of January. Clearly, that has not happened. Our understanding is that BDO requested additional information from the City regarding various leases and contracts. Our concerns include not only nearly two years elapsing without a completed audit, but also the internal financial procedures that are putting us in this situation. We asked Rob to include clear benchmarks for the three pending audits (FY22, FY23, FY24) in his City Manager's report this week. We have continued to ask for these clear metrics to understand how the next two years will be different from FY22. Our understanding:
 - **FY22** soon?
 - **FY23:** Porter & Allison was physically in Homer from March 3-8 helping Finance with FY23 audit preparation. We continue to have concerns about how long it takes Finance to go through and reconcile/close books and believe this should be happening on a monthly basis. We asked Rob for a date when the City of Homer's FY23 books would be closed and ready to roll for BDO to come in and do the audit. He didn't have one, but indicated he would provide something to the Council for this meeting. As a reminder, we are presently nine months past the end of the fiscal year.
 - **FY24:** We have an understanding that staff is planning to have the FY24 audit turned around in nine months. Previously we shared with the Council that, "*The city manager agreed to develop a timeline and provide aggressively realistic benchmarks for different stages of audit completion, including internal procedures on timeliness for closing out the City books. Staff needs to collaborate internally and with BDO to develop this timeline, and it is hoped that it will*

be included in a finance report at a Council meeting by the end of February.” We look forward to seeing feedback from the City Manager on this ASAP.

- Finance agreed to provide Council with an audit “cheat sheet” to assist with reading and understanding the audits & accompanying documents when they come out (similar to what BDO presents with the audit, but written down and kept as a reference).

Procurement Policy

- Staff provided us with a draft Procurement Policy Manual which we are reviewing and providing feedback on. We’ve asked for some additional materials, specifically around the “back end” of procurement (ie. timelines for receipts and invoices to be provided and recorded, project closeouts, etc). The first order of business for updating the Procurement Policy will be an Ordinance updating Homer City Code HCC 3.16

Investment Income Allocation

- The vast majority of the city's cash and investments – a total of nearly \$40 million (as of 12/31/23) – are held in investment accounts that generate a significant (and highly variable) amount of income. The Finance Department has a process for distributing unallocated interest income that aims to return the income proportionally to funds based on cash balance, but this process is not clearly defined in a written document or manual. One issue that Councilmember Davis flagged was that the police station debt service fund failed to receive a distribution of this interest income since its inception in 2019. The City Manager and Finance Director will be bringing to Council at our next meeting an ordinance to redistribute this interest income. Subsequently, they will present a new written policy laying out in detail how, going forward, investment income will be divided among the various City funds. Our current direction to them is to focus on proportional monthly allocation between General Fund, Utility Fund, Enterprise Fund, HART Roads, HART Trails, HAWSP, and Police Station Debt Service Fund.



MEMORANDUM

Future Audit Benchmarks

Item Type: Informational Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: 8MAR24
From: Rob Dumouchel, City Manager

Council Finance Champions Lord and Davis requested benchmarks for the completion of current and future audits and we work to show year over year decreases in time to completion (they will have a memo included in the March 11th meeting packet). Working with Finance, we have set some high level targets that are aggressive but achievable. Some dates may shift a bit when we engage with our third party vendors for each individual audit, but we are aiming to stay firm on the completion targets.

FY22 Audit

- Complete March 2024 (based on recent discussion with BDO staff)

FY23 Audit

- Porter & Allison complete financial statements March 2024 (their staff was in Homer City Hall the week of March 4th)
- Engage BDO April 2024 (contingent upon completion for FY22)
- Complete Audit July 2024

FY24 Audit

- Porter & Allison complete financial statements October 2024
- Engage Auditor November 2024
- Complete Audit March 2025

Finance will be able to work with me to set some targets for smaller tasks in between the higher level checkpoints once we begin working out our engagement with BDO for the FY23 audit. They don't enter into engagement discussions until the current audit is complete so this would likely be an April based task.

RECOMMENDATION: Informational Only.

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Submission information

Form: [Submit Written Testimony to City Council](#) [1]

Submitted by Visitor (not verified)

Wed, 03/06/2024 - 4:38pm

72.35.122.86

First Name Bill

Last Name McNew

Email billmcnew2017@gmail.com

Phone Number 19073505576

Are You A City or Non-City Resident? Non-City Resident

Which City Council Meeting do you want to participate in? Regular Meeting

Date of Meeting you want to participate in? Mon, 03/11

What type of comments will you be giving?

Comments of the Audience - Citizens may comment on any topic.

Written Testimony

Greetings, respectfully. My name is Bill McNew and I live in Eagle River, AK. After dreaming of living in Alaska most of my life, the Air Force finally moved my family to Alaska in April, 2002. After 28 years of service in 2005, I retired from the Air Force and then taught at Eagle River, HS. for 15 years before retiring fully in 2021 . During my almost 22 years in Alaska, I have visited the beautiful city of Homer many times starting in May, 2002. Typically, I bring out-of-state visiting family and friends to Homer Memorial Day weekend and the week after to fish/camp near the "fishing hole" on the spit. We would also fish for halibut out of my boat. I have probably stayed at the fishing hole "campground" 20+ times over the years.

Last year, I was not only shocked but extremely disappointed after driving from Eagle River and arriving on the Homer spit. The campground had been reduced as large boat maintenance took much of the area that had previously been available for camping. The campsites were also reduced significantly in size to cram as many RVs as possible in a relatively small area. The distance between campers was less than 5' in most cases and that made it crowded and uncomfortable.

In addition, the price to camp had been increased from \$20.00 to \$30.00 per night. Since we had

a motorhome and a truck camper, we paid \$60 for several nights. When I first stayed in these "campsites", the price was \$10, then \$15 per night. Parks and Rec obviously understood that this property had its limitations. Even at that price, the accommodations (restrooms), dump station was an extra charge) were the only improvements. The price for camping has tripled over the years and the accommodations have remained the same and actually got worse last year. Most of the campsites do not have fire rings or picnic tables and sites are not numbered. It's basically a parking lot conveniently located near the fishing hole and harbor. The other "campground" on the spit is even worse with no improvements.

Because of the experience we had last year, I questioned whether or not we would ever return. So today, I contacted the City of Homer, Parks and Recreation and shared my concerns with the goal of finding out if things would be different this year. I was informed that responsibility for the campgrounds on the spit were transferred to the Harbor/Port Authority last spring and they had very little time or resources to prepare for the transition. I then contacted the Harbor Master, Matt. For the record, both individuals I talked to today were very kind and professional.

Here's the bottom line for me as an Alaskan and long-time customer. Because of the transfer of authority from Parks and Rec to the Harbor/Port Authority, priorities have definitely changed and what I experienced last year was unacceptable. Unfortunately, Matt informed me that things would basically be the same as they were last year. That's very disappointing.

I am asking that you please look into this issue and consider investing to improve this very important resource for all users (residents and non-residents). At a minimum, the camping area needs to be expanded and the size of the campsites need to be increased.

Currently, it feels like there are competitive interests between the Harbor/Port Authority and the visitors who want an affordable place to camp on the Homer Spit. Parks and Rec seemed to be more concerned about the tourist industry/financial impact visitors had on the City of Homer whereas the Harbor/Port Authority is trying meet budget constraints. A resolution will not be easy and in the meantime, visitors are caught in the middle.

Thank you for your time and for what you do for the city of Homer.

Bill McNew
907-350-5576

Electronic Signature

William A. McNew

I understand that checking this box constitutes a legal signature confirming that I acknowledge and agree that I am the person identified above and that I acknowledge and agree to the above Terms of Acceptance.

Source URL: <https://www.cityofhomer-ak.gov/node/60081/submission/51774>

Links

[1] <https://www.cityofhomer-ak.gov/cityclerk/submit-written-testimony-city-council>