

CALL TO ORDER, PLEDGE OF ALLEGIANCE

Session 26-06, a Regular Meeting of the City Council of Homer, Alaska was called to order on February 23, 2026 by Mayor Lord at 6 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, PARSONS

ABSENT: COUNCILMEMBER VENUTI

STAFF: CITY MANAGER JACOBSEN
CITY CLERK WOODRUFF
PUBLIC WORKS DIRECTOR KORT
FINANCE DIRECTOR FISCHER
CHIEF TECHNOLOGY OFFICER JIRSA

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

Mayor Lord read the supplemental items: Under **Ordinances** item A, Ordinance 26-16 amending City Code title 4, Elections, we have public comment received. Under **New Business** item A, Memorandum CC-25-050 on Possible Direct Collection of Sales Tax by Airbnb, we have public comment received.

ERICKSON/ADERHOLD MOVED TO AMEND THE AGENDA UNDER VISITORS TO ADD LEGISLATIVE UPDATE, REPRESENTATIVE SARAH VANCE

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ERICKSON/ADERHOLD MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

Karin Marks, City Resident provided comment on Memorandum CC-26-050 regarding short term rentals and sales tax. She noted that regulation of business should be conducted in separate ordinance, and that zoning code should be used only to define and zone for a business type.

Mary Griswold, City Resident addressed Ordinance 26-16 regarding elections. She spoke in support of retaining the existing method for calculating percentages for election results.

Heath Smith, City Resident, echoed Mary's comments, saying he couldn't have said it better himself. He called out the practice of bullet voting, where a voter picks only one candidate in a race where they could have voted for two. He said he would like to find a way to encourage voters to use all of their votes.

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 Special Meeting and Regular Meeting Minutes of February 9, 2026. Recommend Approval.
- b. Ordinance 26-14, An Ordinance of the City Council of Homer, Alaska, Amending the FY26 Capital Budget by Appropriating the Amount of \$1,553.56 from the Land Fund for the Purchase of a Tax Foreclosure Property and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Community Development Director. Recommended Dates Introduction February 23, 2026, Public Hearing and Second Reading March 9, 2026.

Memorandum CC-26-046 from Community Development Director as backup.

- c. Ordinance 26-15, An Ordinance of the City Council of Homer, Alaska, Amending the FY26 Capital Budget by Appropriating \$25,000 From the Port Reserves Fund for the Purchase of Additional Timber to Repair the Spare Deep Water Dock Fender. Port Director/City Manager. Recommended Dates Introduction February 23, 2026, Public Hearing and Second Reading March 9, 2026.

Memorandum CC-26-047 from Port Director as backup.

- d. Resolution 26-017, a Resolution of the City Council of Homer, Alaska, Confirming the City Manager's Appointment of Michael Scanlon as Chief of Police for the City of Homer Effective No Later than March 19, 2026. Recommend Adoption.

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

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Lord offered congratulations to incoming Police Chief Scanlon and thanked City Manager Jacobsen for her efforts in the hiring process.

VISITORS

a. Legislative Update, Representative Sarah Vance

Representative Sarah Vance provided an update on the State House's activities, including:

- The Supplemental Budget, and the need to fund match for important DOT projects as well as disaster money for Western Alaska.
- House Bill 47, which would criminalize AI-generated child sexual abuse material
- House Bill 355, which would include agricultural cooperatives in the revolving loan fund and exempt them from workman's comp requirements
- House Bill 356, which would allow small boat fishermen to process their catch without oversight from the Department of Environmental Conservation
- A crypto fraud bill that would regulate crypto ATMs

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

a. Worksession Report

The worksession focused on water/wastewater rates and narrowed down the range of options for a rate structure change to a proposed minimum usage fee. Staff will provide additional information on how that proposed fee will impact different user groups.

b. Committee of the Whole Report

At the Committee of the Whole Council welcomed new Police Chief Michael Scanlon. Outgoing Chief Robl thanked the City and said he was able to live his dreams here in Homer. He has lots of plans for family, boating, and wilderness and we look forward to seeing him around. It was nice to hear a little about incoming Chief Scanlon, who's from Bellingham, WA and has been in the police force since 1993. He retired from Bellingham and moved to Homer in October of 2023. We thank our City manager for finding us a very qualified chief.

Council discussed and where the borough stands on direct collection of sales tax by Airbnb and what the City can do to work with Airbnb to collect City sales taxes directly or to otherwise improve compliance with sales tax reporting. The Borough has found that in some communities that have required that Short Term Rentals (STRs) register with the city that the STRs become compliant with paying sales tax.

Council talked about the election ordinance. The big thing is that with the November election date for the borough, in our code we need to make the changes to update that. The ordinance 26-16 is about making sure that the dates and the verbiage inside that ordinance is correct going forward. Finally, Council finished the water/wastewater rate conversation with Elizabeth from finance.

c. Mayor's Report

Mayor Lord shared that she was in Juneau a few weeks ago, though not with her City hat on. Liquid Natural Gas, the budget, rural health transformation project, and pension questions were the largest conversations taking up a lot of the air in the building. The budget is a huge question mark, and funding services in the State of Alaska is a challenge. She clarified that legislative updates will be provided in the last meeting of each month during the legislative session alternating between Homer's two legislators, Representative Vance and Senator Stevens.

Winter Carnival was great, Mayor Lord and her family got to ride in the fire truck and there were very few people on the North side of the road, while half the town was on the South side of Pioneer Avenue. She thanked the Chamber for putting that event on.

Last week Mayor Lord had the opportunity to meet with the chairs of the City's advisory bodies, and it is her intent to do those on a quarterly basis. It can be a fairly casual conversation because the chairs do not collectively make decisions so there are no Open Meetings Act considerations. It's a chance to talk about running meetings and how things are going.

Melissa and Rachel met with members of the Kachemak Swim Club as a part of ongoing conversations with Borough Mayor Micciche. Mayor Lord fully anticipates that the Kenai Peninsula Borough School District (KPBSD) will not fund pools this year, because the budget is short by \$8.5 million. She is still trying to figure out what is the conversation for the City to have, and some work is still to be done with the Borough Mayor and the KPBSD Superintendent Clayton Holland.

d. Borough Report

e. Conversation with a Councilmember – Venuti

f. Economic Development Advisory Commission

Commissioner Jonathan Young said that the EDC is very excited for Title 21. He hopes that as it starts to become more of a reality that EDC will be able to help the City and work towards any goal that Council wants them to be a part of. Internally they are looking towards some things related to short term rentals, but they understand that Title 21 is the #1 priority.

g. Library Advisory Board Report

Board Member Deb Curtis reported on the LAB's February Meeting. Library Director Dave Berry shared the 2025 annual report from the library. It was beautifully done, and a tribute to how much our library does for our community. Marcia Kuszmaul reported that a fundraising letter went out at the end of 2025 which led to some significant donations. The board is

working hard on the 20th anniversary celebrations for the Library building. A recent KBBI Coffee Table talk discussed the history of the library and the transition to the current location. There will be another Coffee Table discussion that will look towards the next 20 years. Deb, who is the Librarian for Homer High, will work with Homer High Students to learn more about what they want to see in the next 20 years. Members of the Friends of the Homer Library joined them at the last meeting to discuss events that they will be collaborating on. The bookmobile will join at the library during the summer movie screenings. There will be a big event in September to celebrate the anniversary. The LAB reviewed the 2026 strategic plan and goals, and the board is full of caring people. They have planned a worksession to watch a video related to board members training. Approved the 2026 bylaws which were reviewed in January. The LAB talked a lot about a library donation account managed by the City. Three ideas were considered: Leave as it is, transfer balance into the Library Endowment fund, or open a non-endowed fund with the Homer Foundation. Board members requested more information and will discuss it at the next meeting.

h. Planning Advisory Commission Report

Commissioner Heath Smith reported that the Planning Commission did not have a regular meeting but did have a worksession, which was a follow up to the previous work session looking at Title 21. It has been time well spent looking at what has been examined by staff and Agnew::Beck. The preliminary draft of Title 21 will include ideas to get the general sense of how the public feels about the propositions, and that feedback will come back into what the next draft looks like.

i. Parks, Arts, Recreation and Culture Advisory Commission Report

Commissioner Ingrid Harrald noted that PARCAC did not meet in January due to a winter storm. At the February meeting PARCAC saw a presentation from Zach Kudla from the Homer Softball Association, which has just formed a 501(c)7. They talked about the softball association as a space where student athletes end up when they have left high school. One person described moving to Homer and deciding to stay because of the softball community that they found. It demonstrates the importance of our parks and how they maintain this sense of community that we are all so appreciative of. Softball worked very hard with the City staff to maintain Jack Gist park and the ballfields. The City has to have partnerships with these organizations, we cannot do it alone. Parks Coordinator Chad Felice has been working hard on sanding roads and handling falling trees. Community Rec expressed thanks for the funding for the HERC floors, and appreciate having the multi use community rec center as a top priority.

Parks staff has been working on policies and procedures, they are in final draft form and all the different liability forms have been compiled into one document that can be a one-stop-shop. The adopt-a-park program has been a gray area, now there is a beautiful template that will be online and easy to access. It looks wonderful, we hope that once that's finalized it will be something where people will run out and adopt parks. PARCAC also discussed the City art collection—Former City Clerk Renee would let PARCAC know when things needed to happen related to the City's art. PARCAC wanted to put out to staff that it's an important part of the city and the collection needs some love and attention, even if it's just one person who has

that on their radar. Just finished the strategic plan, but then realized that it's something to review quarterly or biannually. PARCAC also had discussions about the potential to have Woodard Creek Park as a public space.

j. ADA Advisory Board Report

Board member Pat Case reported on the February meeting. The ADA Advisory Board hadn't met in a couple of months and is still looking for a City staff liaison. Board members were able to voice opinion on strategic goals, would like to see language on ADA compliance evolve to also include all ages and abilities and best practice. The world is looking at things in another way now, not just black and white but also seeing the grey area. We do the best we can for who needs it. The ADA Advisory Board Would like to collaborate more with the other boards, and would like to see projects run by the ADA board rather than retrofitted after the fact. Pleased to hear that the City has budgeted for a door opener for the door into the council chambers, and that they are fixing the elevator. The Chamber of Commerce will start doing their luncheons in the Kannery which is wheelchair accessible. It seems like things are going in the right direction in that way. It's for everybody, it's not just for those with disabilities. One year since the passing of Joyanna Geisler, and this will be the last report from Pat who is stepping down from the board when his term ends.

PUBLIC HEARING(S)

- a. Ordinance 26-12, An Ordinance of the City Council of Homer, Alaska, Amending the FY26 Capital Budget by Reappropriating the FY23 State of Alaska Community Assistance Program Payment in the Amount of \$44,946.55 for Information Technology Capital Projects. City Manager/Chief Technology Officer. Introduction February 9, 2026, Public Hearing and Second Reading February 23, 2026.

Memorandum CC-26-040 from Chief Technology Officer as backup.

Mayor Lord opened the Public Hearing. There were no comments and the hearing was closed.

ERICKSON/ADERHOLD MOVED TO ADOPT ORDINANCE 26-12 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- a. Ordinance 26-13, an Ordinance of the City Council of Homer, Alaska Authorizing the City Manager to Negotiate and Execute a Equipment Purchase Agreement with Mack Services to Allow for the Purchase of a 2026 Dump Truck and Amending the FY26 Capital Budget for a Current Year Payment of \$75,085.84 from the General Fund Fleet Capital Asset Repair and

Maintenance Allowance (CARMA) Fund and Related Matters. City Manager/Public Works Director. Introduction February 9, 2026, Public Hearing and Second Reading February 23, 2026.

Memorandum CC-26-041 from Public Works Director as backup.

Mayor Lord opened the Public Hearing.

Scott Adams, City resident, noted that a truck at 75,000 a year for 5 years at \$450,000 is a great deal.

There being no further comments, the hearing was closed.

ERICKSON/ADERHOLD MOVED TO ADOPT ORDINANCE 26-13 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Mayor Lord noted that the purchase is over 4 years for a total cost of \$277,380.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

- a. Ordinance 26-16, an Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 4, Elections Sections 4.01.040 Date of Election, 4.01.100 Expense, 4.10.010 Declaration of Candidacy, 4.10.050 Prohibitions, 4.20.020 Voting Procedure at the Polls, 4.30.020 Eligibility, 4.30.060 Issuance of Ballot By Mail or in Person, 4.35.010 Review of Election Documents by Canvass Board, and 4.40.020 Runoff Election – Date and Notice. City Clerk. Recommended Dates Introduction February 23, 2026, Public Hearing and Second Reading March 9, 2026.

Memorandum CC-26-048 from City Clerk as backup.

Memorandum CC-26-049 from Councilmember Davis as backup.

ERICKSON/ADERHOLD MOVED TO INTRODUCE ORDINANCE 26-16 BY READING OF TITLE ONLY.

ADERHOLD/PARSONS MOVED TO AMEND ON LINE 85 UNDER 4.10.50 PROHIBITIONS TO REMOVE “BOARD MEMBER” AND ADD “MEMBER OF THE LIBRARY ADVISORY BOARD”.

Discussion noted that City Code related to the ADA Advisory Board specifies that there will be a City Council Person on that board. Changing the language would end up with code in conflict with itself.

VOTE (amendment). NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Discussion noted that the main question of the ordinance is whether the Council wants to change the City's election date from October to November to align with the Borough Elections. Council has received some comments related to how results are calculated when electing two at-large seats. Those comments are appreciated, but the real impetus for the changes to this section of code is the movement of the election date, so certainly interested in public comment on all aspects of this ordinance and in particular the date change.

Potential challenges with retaining the October date would include increased cost, that Homer would be the only municipality retaining that date, and it would decrease voter turnout. Not everyone is as excited as local governance as Council is.

With respect to the calculation of election results, had wondered whether this might be a good time to look at the confusing way that we report our election results. There will be no amendments introduced tonight to address that potential change.

VOTE (introduction of ordinance as amended). NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

a. City Manager's Report

City Manager Jacobsen stated that no written report was included in the packet since she was out of the office traveling to Juneau with Council and other staff members. She will have a more robust report at the next meeting, including the schedule of events for the Library's 20th anniversary celebration, and information regarding the options for the HERC building as far as the hazardous materials are concerned.

b. Monthly FY26 YTD Report

PENDING BUSINESS

NEW BUSINESS

a. Memorandum CC-26-050 from Councilmember Davis, Update on Possible Direct Collection of Sales Tax by Airbnb.

Councilmember Davis spoke regarding his memorandum, saying that when councilmembers have spoken with the Airbnb representatives attending the Alaska Municipal League Conference, they have said that they have a program where they can collect City and Borough sales tax at the point of collection, like Amazon does. The Borough has chosen not to participate for various reasons, including that the many jurisdictions inside the borough have rates that vary geographically and seasonally. They did say that the City's portion of sales tax is the City's, and that the borough collects it as a service to the City, but they made it clear that the City could pursue direct collection of Sales tax for City tax only. The borough also mentioned their sales tax compliance software. Over time it is

able to identify the STR hosts or owners that are non-compliant, either because they are not compliant at all or because they are not collecting the correct amount. The one city in the borough that has a high rate of compliance is Seward, and that is because the City of Seward requires that STR owners register with the City. As a result they have almost perfect compliance, and the City of Soldotna is also moving over to that model. This would be a separate item but it's something that the City might want to revisit.

Discussion included general support for exploring the proposal for registration of short term rentals, and a note that it's going to take a lot of staff time specifically from the team that is currently busy with Title 21. Several members of EDC have expressed interest in taking up the short term rental conversation. Would City Council like to provide direction to the EDC to start tackling this once the process of editing Title 21 is complete?

The mechanics of how the sales tax collection would work were outlined: a minority of STR owners voluntarily have Airbnb collect the City and Borough sales taxes, and then AirBNB sends the tax to the owners and they remit both City and Borough sales taxes to the Borough. If the City required Airbnb to collect City tax, owners would most likely opt-in to ask Airbnb to also collect borough tax and then they would remit the Borough's portion of the tax to the Borough. The City does not collect tax and does not have any structure set up to collect taxes, and managing the collection of those taxes remitted to Airbnb could be expensive. There are a number of Short Term Rental providers besides Airbnb, and the landscape could change. Free market is not helping us here. Corrections may be made, but at what cost and what time scale?

It is important that Short Term Rentals have a good level playing field inside and outside the City of Homer. That 3% sales tax collected by the borough goes to our schools. Hopefully people will do the right thing. One of the biggest things that we heard in Juneau is that there is no money. We're going to go back into where we're having to be reliant on ourselves. Does Council want to consider whether the City should become a Home Rule city to facilitate the creation of a Bed tax?

There should be political will behind any proposed change so that staff time is used efficiently. This would be a great place for the EDC to look at potential policy for the City.

RESOLUTIONS

COMMENTS OF THE AUDIENCE

Pat Case, City Resident, said that it has been almost 4 years since he had a group of City staff and Councilmembers convened at the corner of the Library and Heath Street who acknowledged the need for a crosswalk at that intersection.. Over the last 4 years the City has spent \$8 million on sidewalks and has put in no crosswalks. This is a safety issue. The Transportation plan got a lot of community input saying that they wanted crosswalks. The state engineers from the DOT agreed that there were good locations for crosswalks on East End Road and the City is not helping to move those projects forward. He thanked the Homer Foundation for making a \$5,000 grant to the Independent Living Center's TRAILS program.

Heath Smith, City Resident, thanked Council, and acknowledged that the landscape keeps changing which means that priorities move around. There are a lot of costs associated with some things that don't make them feasible on the timelines that other people would like. Chief Robl is retiring, for the second time, and it's great to see people that are committed to our community. There are more people than are ever seen in the Council chambers that serve our community, but there are very few people who are willing to step up and serve in a public way and make difficult decisions to make things happen. He encouraged Council to assign specific work to EDC to make Council's job easier in the end.

Jonathan Young, City Resident, noted that he was not representing EDC with his comments. He acknowledged that whenever STRs are discussed, he gets glances, or a wag of the finger. He's passionate about the topic, and he feels when he listens to the conversations, he hears talk of regulation. He said that he is not opposed to regulation, and that the Council should look at the outcome that we're wanting and how do we get to it. Sometimes we don't have the same outcome when we're talking about regulation. Passionate about locals who come here, can draw money into the economy through tourism and keep money recirculating. The EDC has the time, the talent, and passionate individuals to do their homework, to propose multiple different avenues for Council to look into, and just give Council direct data to make decisions. He knows that regulation is going to happen, and he just wants it to be done as appropriately as possible.

Scott Adams, City resident, discussed 'dark houses' and that they may belong to people who come up for three months or snowbirds who go outside up to 180 days a year because that's what's allowed. He was told that if he had a lot that wasn't developed, he needs to sell it so someone else could develop it. A recent Planning Commission worksession discussed increasing maximum height for buildings to 50' now that the fire department has ladder trucks. Homer does not need national standards, it is a jewel of Alaska, and it does not need to be turned into something else. You should keep some of Homer's charm. Go USA hockey.

COMMENTS OF THE CITY ATTORNEY

COMMENTS OF THE CITY CLERK

COMMENTS OF THE CITY MANAGER

The City Manager commented that the City is looking for a firefighter, a heavy equipment operator and a Port Administrative Secretary.

COMMENTS OF THE MAYOR

COMMENTS OF THE CITY COUNCIL

Councilmember Hansen commented that she had a great trip to Juneau, it was a long travel time but it was great.

Councilmember Erickson noted that she was also thankful to get to Juneau. She met our new lobbyist Miles who is working with Chris and Reggie, impressed with his knowledge and working with him. SNOMADS fun run is this weekend then the Homer Epic. Stay warm and enjoy the sun.

Councilmember Davis mentioned that a lot of people are aware that the Mariner Theater has been closed for a while. The school choir has been working on the high school musical to present next month. They officially will be able to sing in the theater next month for that event.

Councilmember Aderhold noted that she was also able to go to Juneau, and that there's lots going on down there. It was a very good week, and she really appreciates what our lobbyists do for us.

Councilmember Parsons offered thanks to boards and commissioners, noting that in the reports Council saw what shining stars they are tonight. He thanked City Clerk Woodruff and Finance Director Fischer for their presentations. He noted that City Manager Jacobsen staffed the ADA board meeting and it was like she didn't miss a beat. He thanked all of the people who wrote in and who spoke so eloquently for their comments tonight. He specifically thanked Pat Case for his service on the ADA board, and noted that he liked the public comment he made at the end of the meeting.

ADJOURNMENT

There being no further business to come before the council, Mayor Lord adjourned the meeting at 7:32 p.m. Next Regular Meeting is Monday, March 9, 2026, at 6 p.m., Worksession at 4:00 p.m., Committee of the whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.