



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

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City Manager's Report

TO: Mayor Wythe and Homer City Council
FROM: Katie Koester, City Manager
DATE: April 20, 2016
SUBJECT: City Manager's Report – April 25., 2016

Tom Klinkner Steps Down as City of Homer Lead Attorney

After 8 years of service to the City of Homer, Tom Klinkner of Birch Horton Bitner and Cherot will no longer be our lead attorney. Holly Wells, who you know well from her tenure with the City, will take over as the point person for City of Homer issues and be the City Attorney listed on official City documents. She will be working with Katie Davis and Leila Kimbrell to provide quick and thorough advice for BHB municipal clients. Luckily Tom's historical knowledge won't be totally out of reach – he plans on continuing to work part-time for the firm.

How City Manager Navigates Requests for Support and Legislation

In the short time that I have had the privilege to serve as your City Manager (1 year last week!), I have tried to be very cognizant of my role as advisor and implementer and your role as policy makers. Council has to make the tough decisions, which is appropriate since you have the backing of the electorate (and a division of labor I am forever grateful for). In that vein, I try to bring you legislation that pertains to how the City works. Policy statements, such as the City of Homer's support for another agency's policy should come from a Councilmember. That being said, I am often approached by members of the public to support or oppose something on behalf of the City with very little turnaround time. If the issue is clearly in the interest of the City, such as the letter opposing the Alaska State Hockey Association's proposal to consolidate all state level tournaments included in this packet, and time is of the essence, I will pen a letter and include it for your review in the City Manager's report. If I have time to approach the Mayor, I try to, as a letter from the top elected official is more meaningful. If a resolution is needed, my goal is to ask the requestor to either contact a Councilmember or I will put them in touch with a Councilmember that may be interested in their cause. This extends to recommendations from Boards and Commissions, unless the recommendation of a Commission is brought to me by a department head (who makes a good argument for the proposal and it is relevant to the business of the City). I will ask commission members to find a Councilmember to sponsor their recommendation and to take up the issue. I am happy to facilitate this and do any necessary research or drafting. I know this is not a new practice, but I thought it would be valuable to communicate to the Council, Commissioners, and public. Because we are government and we have internal best practices to adhere to, please give us sufficient turnaround time (it seems like we have been approached a lot this month). A big thank you goes to all the Boards, Commissions,

organizations, and community members who are working to make our community a better place. The City appreciates the opportunity to participate in those efforts and learn from the public where we can do things better.

Real Estate RFP Extended

The City of Homer issued an RFP for real estate agent services that expired April 14. There were no responses so I have extended the deadline to May 5. I am hopeful this extension will give local firms the time they need to prepare a bid and help the City move some property back onto the tax roll.

Input from the Borough on Tax Code

The KPB Finance Director has informally solicited input on items that municipalities would like to see changed in the Borough's sales and property tax code. We have not yet been provided with a list of possible changes that the Borough is considering, so it is difficult to comment. Once the Borough administration has presented the Assembly with the recommendations, I think it is appropriate for Council to weigh in officially on items by resolution, as we discussed at the revenue worksession on the 18th. At this stage, I cannot say that the City is opposed or supportive of a particular revision without Council review, except for changing the definition of non-prepared food, which was incorporated into City code last year. With Council approval, I plan to forward to the Borough Finance Director that the City of Homer would like to see the following items *considered* with an official opinion of the Council (by resolution) to follow.

- raising the sales tax cap from \$500-\$1,000
- excise taxes on alcohol, marijuana, and tobacco
- changing the definition of non-prepared food

I anticipate there being additional items the Council would like to comment on once we have seen what the Borough administration is considering. Changes in KPB tax code will be discussed at the May 16 revenue work session with potential resolution(s) before Council on May 23.

Pioneer Avenue Revitalization Project

The City of Homer is participating in a cross-sector task force to revitalize Pioneer Avenue, Homer's historic downtown commercial corridor with over 86 businesses. The goal is to promote Pioneer Avenue as a prominent Homer destination by creating a cohesive 'Peonies on Pioneer' brand identity. Peony farming is a burgeoning industry in Homer (with over 25 local farms) and a symbol of Homer's pioneering spirit cultivating new forms of beauty and industry to help sustain the local economy. Efforts so far include an upcoming mural project and development of peony flower beds. The group is also working on providing benches, contiguous bike and walking trails, trash cans, and wayfinding signage embellished with Alaskan peonies as a consistent theme. Bunnell Street Arts Center has agreed to be a fiscal sponsor and may be asking the City of Homer for letters of support in the future for peony related projects. (See attached letter to Pioneer Avenue businesses.)

The Legislature...

The Legislature was scheduled to adjourn at midnight on Sunday the 17th of April. As of the drafting of this report, they are well past that deadline and not closer to progress on closing the fiscal gap. However, a number of pieces of legislation that would be devastating to municipalities have been stalled – for this year at least, so thank you to everyone for their effort on that front. SB 210 changing revenue sharing to municipal assistance and adjusting the formula passed. Due to the late passage of the bill and the time it takes to verify population numbers, payments for State fiscal year 2016 won't be seen by municipalities until June of 2016 and SFY2017 payments July of 2017.

SB210 Est. Payments	FY16 (actual)	FY17 (est.)	FY18 (est.)	FY19 (est.)
Statewide Distribution	\$57.3MM	\$38.2MM	\$30MM	\$30MM
City of Homer Allocation	\$322,641	\$215,640	\$145,663	\$145,663

Enc:

Letter to Alaska State Hockey Association on Super State Tournament Proposal

Letter to Pioneer Avenue Businesses

Letter of support for SPBHS Application for DHSS Prevention Grant

Email to HFIN on SB 210

Non-objection letter for HSWCD

Letter requesting an extended comment period for proposed changes to oil spill response

Unified Command structure



Pioneer Avenue Revitalization Task Force: Bunnell Street Arts Center, City of Homer, Cook Inletkeeper, Homer Chamber of Commerce, Homer Council on the Arts, the Pratt Museum, Karin Marks, Pioneer Avenue landowner, and Rita Jo Shultz, Alaska Perfect Peony.

April 25, 2016

(handwritten salutation)

As a business or property owner on Pioneer Avenue, perhaps you feel this historic commercial neighborhood and cultural core of Homer which features more than eighty-six businesses could use a little special attention. We invite you to join our cross-sector collaboration of civic organizations, business, landowners and volunteers to revitalize Pioneer Avenue.

We'd like locals and visitors to discover, explore and frequent our historic downtown. Now is the time to work together to create a Pioneer Avenue that encourages community members and customers to linger and experience Pioneer's unique sense of place, leverages Homer's assets in the arts, recreation and agriculture, and strengthens the physical, social and economic fabric of Pioneer Avenue. Pioneer Avenue could benefit from cohesive elements to connect the historic buildings, new buildings, old buildings and open spaces.

What are some Ideas?

- Participate in Clean Up, Clean-Out and Spruce Up Day (May 7) to refresh our community, with a special emphasis on Pioneer Avenue. Contact Homer Chamber of Commerce for more information.
- Create a cohesive, heightened "Peonies on Pioneer" brand identity for Pioneer Avenue which so far includes opportunities to
 - Participate in "Peonies on Pioneer," a Pioneer Avenue pilot mural project this June. See the enclosed information sheet.
 - Plant peony beds on Pioneer Avenue
 - Support contiguous bike and walking trails and wayfinding signage with this theme.
- Share your ideas!

We'd love your participation! Join our monthly meeting, the last Wednesday of each month at 1 pm at the Chamber. Email Asia Freeman asia@bunnellarts.org or Karin Marks, weskar70@gmail.com for more information.

_____ I would like to be put on the "Pioneer Ave Updates" email. My email is _____

_____ I am interested in helping to planting Peony gardens on Pioneer Avenue.

_____ I would like to have a peony garden on my property. I will maintain it.

_____ I would like to have a mural on my building (see attached information).

_____ I would like to have a peony themed trash receptacle on my property. I will maintain it.

_____ I would like to be connected with an artist for hire to provide an art installation such as a peony-themed bench or metal sculpture on my property.

_____ I would like to contribute materials for this effort such as paint paintbrushes, or A/C plywood on which murals can be painted.

Sincerely,

(Asia and Karin's handwritten signatures)



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mayor@ci.homer.ak.us

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April 15, 2016

Subject: Support for South Peninsula Behavioral Health Services (The Center's) Application for DHSS Strategic Prevention Framework (SPF) Partnerships for Success (PFS) Grant Funds

To Whom It May Concern:

In the past few years, the City of Homer has become increasingly aware and concerned about the growing public health issue of prescription opioid and heroin abuse. Our Police Department sees an alarming rise in heroin-related charges and arrests; our emergency services personnel respond to increasing numbers of opioid and heroin-related calls; our hospital is experiencing a steady rise of both heroin users and heroin-related deaths – and has recently added a substance abuse specialist to their medical staff.

This epidemic takes a heavy social, economic and health toll on our community—so much so that City Council is engaged in a series of work sessions dedicated to understanding the extent of drug use in Homer and exploring ways local government may help stem the crisis. Meanwhile, we know that education and prevention programs can reduce the number of people who experience drug addiction and overdose.

I am writing to add City of Homer support to The Center's application for Strategic Prevention Framework (SPF) Partnerships for Success (PFS) grant funds. These DHSS funds will allow The Center (in partnership with MAPP's long-established Resiliency Coalition) to craft and coordinate a comprehensive and effective prevention response, addressing both the underlying problem of prescription opioid misuse/abuse and the often related and devastating heroin use among our youth and young adults aged 12-25.

As a member of the MAPP Steering Committee, City of Homer is familiar with the Resiliency Coalition membership and their ability to work together across agencies to effect healthy change in our community. The City of Homer will provide community capacity as it is able to address priority opioid/heroin abuse prevention strategies of this grant.

Thank you for your consideration of The Center's request; DHSS funds combined with the capabilities of Homer's established coalition of prevention-focused service providers makes a powerful combination to successfully reverse this socially and economically devastating tide of opioid/heroin abuse.

Sincerely,

Mary E. Wythe, Mayor

Katie Koester

From: Katie Koester
Sent: Friday, April 15, 2016 8:40 AM
To: 'Representative.Mark.Neuman@akleg.gov';
'Representative.Steve.Thompson@akleg.gov'; 'Representative.Dan.Saddler@akleg.gov';
'Representative.Bryce.Edgmon@akleg.gov'; 'Representative.Lynn.Gattis@akleg.gov';
'Representative.Cathy.Munoz@akleg.gov'; 'Representative.Lance.Pruitt@akleg.gov';
'Representative.Tammie.Wilson@akleg.gov'; 'Representative.Les.Gara@akleg.gov';
'Representative.David.Guttenberg@akleg.gov';
'Representative.Scott.Kawasaki@akleg.gov'; 'Representative.Mike.Hawker@akleg.gov'
Subject: City of Homer on SB210
Attachments: reso_15-111 senior property tax exemption.pdf

House Finance Committee
Delivered electronically

April 15, 2016

Dear Chairman Neuman, Chairman Thompson, and members of the House Finance Committee,

As City Manager for the City of Homer, I am writing to thank you for your dedication and service to Alaska, and the hundreds of hours you have dedicated to regaining State financial stability in the wake of unprecedentedly low oil prices. We understand that no one solution will solve the budget gaps and that each of us must participate in those solutions. It is in that spirit that the City of Homer expresses support for the reinstating the provisions in SB210 relating to a municipal local option for the Senior Property Tax Exemption.

By unanimous vote, the Homer City Council passed Resolution #15-111 in support of changing the current mandatory Senior Property Tax Exemption Program to a local option as a means to adapt this program to the needs of Homer's residents and Alaska's seniors of today.

Guided by Article X of Alaska's Constitution "to provide for a maximum local self-government", the Community Revenue sharing program has been funded in Alaska since 1968, prior to the first oil revenue. An initial small amount of funding recognized the need to assist communities in delivering services at the local level.

Homer's population was 5,099 in 2015 – the Community Revenue sharing program is the means by small communities like ours are able to provide basic (and in the long-term cost saving) services of police and fire protection. Last year we absorbed state cuts in contract jail funding and revenue sharing. These cuts resulted in reduced services. Continued reductions in this program add further pressure on our ability to provide basic services to our property tax payers.

We would also like to go on record to thank Legislature's decision to hold the PERS rate increase bill, SB 209, in committee and to not increase the municipal PERS rate beyond 22%. Prior to any such action, we respectfully request a thorough review of the financial impact to communities. Every 1% increase to the PERS rate in Homer will result in another \$60,000 cut in services to our residents.

Homer residents contribute significantly to services provide by local government through a 7.5% sales tax (a 4.5% City of Homer sales tax and a 3% Kenai Peninsula Borough sales tax), an 11.5 mil property tax and a tax on personal property. As costs increase, it is essential that the City of Homer have the tools necessary to respond, including local option surrounding property tax exemptions.

Thank you for your time and service.

Sincerely,

Katie Koester

City Manager, Homer



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April 17, 2016

Matt Steffy
Natural Resource Specialist
Homer Soil & Water Conservation District
4014 Lake Street, Suite 201A
delivered electronically

The City of Homer is in support of Homer Soil & Water Conservation District's efforts to treat invasive species in the state right-of-way. The City of Homer appreciates that Homer Soil and Water will make every effort to limit the adverse effect of herbicides to the environment by working in conjunction with DOT and DEC utilizing the DOT Integrated Vegetation Management Plan. The City of Homer does not object to Homer Soil and Water applying a systemic broad-leaf selective herbicide to an area of less than 0.4 acres at the intersection of Skyline Drive and Katie Jean Circle. The target invasive is the plant *Vicia cracca* (bird vetch.) The City of Homer appreciates that this process will follow the proper guidelines including a 30 days public notice period, appropriate signage on site, and supervision by DEC and DOT staff.

Sincerely,

Katie Koester
City Manager



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April 11, 2016

Jade Gamble

Alaska Department of Environmental Conservation

43335 Kalifornsky Beach Road, Suite 11

Soldotna, AK 99669

Subject: Alaska Regional Response Team (ARRT) Proposed Draft Amendment to the Alaska Unified Plan to Eliminate the Regional Stakeholder Committee (RSC)

Dear Ms. Gamble,

The City of Homer just became aware of a March 25, 2016 amendment your department proposed to the Alaska Federal/State Preparedness Plan for Response to Oil & Hazardous Substance Discharges/Releases (also known as the Unified Plan), which, if adopted, would eliminate the Regional Stakeholder Committee and its direct access to Unified Command during a spill response. Rather, RCAC members would be part of a Tribal and Local Government Group.

As I understand, the deadline for comments on this proposed change is April 29, 2016. I am writing on behalf of the City of Homer to request an extension of the comment period for this proposed change.

The City of Homer is a member of the RCAC and has been represented by the Regional Stakeholder Committee in Unified Plan policies, planning and response for twenty-five years. Marine resources are critically important to our coastal community economy which relies heavily on tourism, fishing and marine trades. Two weeks is a short turn-around commenting period. Thank you for extending the period to give RSC stakeholders like us the time necessary to research and develop an understanding of how this change impacts our participation in protecting our critical resources-- and the main goal of providing effective planning for and response to hazardous spills in our region.

Sincerely,

Mary E. Wythe, Mayor



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April 19, 2016

Anna Culley, Vice President, Recreational Council
Alaska State Hockey Association
1109 Parks Drive
Fairbanks, AK 99709-4714

Re: Super State Tournament Proposal

Dear Ms. Culley,

I am writing in concurrence with Homer Hockey Association's (HHA's) concerns over Carol Hammingh's "Super State Tournament" proposal to restructure the state hockey program such that nearly all tiers of state tournament competition occur during one weekend in Anchorage. This change, if adopted will be detrimental to the financial health of HHA and their long-term ability to contribute players, teams and venues in support of the Alaska State Hockey Association's mission to encourage, foster and promote the sport of ice hockey in the State of Alaska.

HHA generates its operating revenues solely through ice fees, grants, fundraisers and tournament fees—not a small task given Homer's modest population of 5,009. Hosting tournaments in their Kevin Bell Arena is a very important revenue generating activity. Stipulating that all State tournaments will be held in Anchorage will diminish HHA's chances to host tournaments and hurt HHA's bottom line and their long-term ability to meet overall operating expenses.

While HHA does not receive annual City funding for their operations, the City of Homer is a vested partner, having contributed City funds towards past HHA special projects and including HHA's capital projects in Homer's Capital Improvement Plan. HHA is an asset to the Homer community; it provides a variety of healthy recreational opportunities during the long winter months and generates valuable shoulder and off-season commerce. The 2016 Pee Wee Tier III State Tournament held here a few weeks ago was estimated to have contributed as much as \$375,000 to the Homer economy—continued opportunity to host shoulder season sports events is important to the community.

Thank you for allowing the opportunity to comment on the proposal, and for taking these considerations into account when you deliberate the Super State Tournament proposal.

Sincerely,

Katie Koester, City Manager



Dear Ms. Koester

I wanted to take a moment to thank you and Bryan Hawkins plus his staff for the gracious use of the Conference Room at the new Homer Harbor Office.

In early April Brian made the conference room available to an AKLNG contractor used by us for vessel operations. We used this time for crew indoctrinations and a safety meeting prior to the vessel sailing out of Homer. I have now booked the same Conference room for a couple hours on two occasions in May. These meetings will be to plan on a Marine Firefighting Symposium to be held in Homer May, 2017 and for the Cook Inlet HSC workgroup. All three of these meetings are of great benefit to the community of Homer both economically and long term in asset protection. I will be happy to discuss with you the MFF Symposium at some point in the near future. This is a venue we expect to have over 300 firefighters, USCG, State and Federal agencies attending from across the State of Alaska and the US.

So, on the behalf of Alaska LNG, the Cook Inlet Harbor Safety Committee and the Marine Firefighting symposium team consisting of USCG, CIRCAC and PWSRCAC, please accept our gratitude and appreciation for the use of this facility for these meetings. We look forward to the City reaping the benefits of all of these meetings in one form or another.

Kind Regards

Capt. John Taylor

Captain John Taylor

AKLNG Marine

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