

City Council

Monday, January 14, 2019

Worksession 4:00 p.m.
Committee of the Whole 5:00 p.m.
Regular Meeting 6:00 p.m.



City Hall Cowles Council Chambers
491 E. Pioneer Avenue
Homer, Alaska

January 2019

- Monday 14th:** **City Council**
Worksession 4:00 p.m. Committee of the Whole 5:00 p.m. Regular Meeting 6:00 p.m.
- Wednesday 16th:** **Planning Commission**
Regular Meeting 5:00 p.m.
- Thursday 17th:** **Parks Art Recreation and Culture Advisory Commission**
Regular Meeting 5:30 p.m.
- Wednesday 23rd:** **Port and Harbor Advisory Commission**
Regular Meeting 5:00 p.m.
- Monday 28th:** **City Council**
Committee of the Whole 5:00 p.m. Regular Meeting 6:00 p.m.

Regular Meeting Schedule

- City Council 2nd and 4th Mondays 6:00 p.m.
Library Advisory Board 1st Tuesday 5:30 p.m. except January, April, August, November
Economic Development Advisory Commission 2nd Tuesday 6:00 p.m.
Parks Art Recreation and Culture Advisory Commission 3rd Thursday 5:30 p.m. except July, December, January
Planning Commission 1st and 3rd Wednesday 6:30 p.m.
Port and Harbor Advisory Commission 4th Wednesday 5:00 p.m. (May-August 6:00 p.m.)

MAYOR AND CITY COUNCILMEMBERS AND TERMS

- KEN CASTNER, MAYOR – 20
SHELLY ERICKSON, COUNCILMEMBER – 19
TOM STROOZAS, COUNCILMEMBER – 19
RACHEL LORD, COUNCILMEMBER – 20
CAROLINE VENUTI, COUNCILMEMBER – 20
DONNA ADERHOLD, COUNCILMEMBER – 21
HEATH SMITH, COUNCILMEMBER – 21

<http://cityofhomer-ak.gov/cityclerk> for home page access, Clerk's email address is: clerk@ci.homer.ak.us
Clerk's office phone number: direct line 235-3130

HOMER CITY COUNCIL
491 E. PIONEER AVENUE
HOMER, ALASKA
www.cityofhomer-ak.gov



WORKSESSION
4:00 P.M. MONDAY
JANUARY 14, 2019
COWLES COUNCIL CHAMBERS

MAYOR KEN CASTNER
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
COUNCIL MEMBER CAROLINE VENUTI
COUNCIL MEMBER RACHEL LORD
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK MELISSA JACOBSEN

WORKSESSION AGENDA

- 1. CALL TO ORDER, 4:00 P.M.**
- 2. AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)
- 3. HOMER EDUCATION AND RECREATION COMPLEX (HERC)**
 - A. Memorandum 19-011 from City Manager Page 7
- 4. COMMENTS OF THE AUDIENCE**
- 5. ADJOURNMENT NO LATER THAN 4:50 P.M.**

Next Regular Meeting is Monday, January 28, 2019 at 6:00 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.



City of Homer

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Memorandum 19-011

TO: Mayor Castner and Homer City Council
FROM: Katie Koester, City Manager
DATE: January 9, 2019
SUBJECT: HERC Next Steps/Follow up on HERC Task Force Recommendations

The purpose of this memo is to solicit Council input on the HERC Task Force Recommendations presented at the December 10 City Council meeting. Any guidance that is given during the work session will be formalized in a resolution to come before Council at the next Council meeting, January 28. Members of the HERC Task Force have scheduled a public open house on Thursday, January 22nd in Council Chambers to answer questions about the report and gather public input on the future of the HERC. Conversation from this work session can inform that meeting and give the public an opportunity to weigh in on a resolution at the January 28th City Council meeting outlining next steps.

Task Force Recommendations and discussion points:

1. Keep HERC-1 in warm status for next 5 years to allow continued public use while pursuing funding mechanisms for a determined use.

-Discuss accelerating this schedule and trying to find a use that funds the maintenance of the facility in the near term

2. Make repairs to keep HERC-1 in warm status and prevent further deterioration (HERC Task Force estimate \$60,000-\$100,000)

-Discuss including any necessary repairs in lease/request for proposal scenario

3. City Council form new committee to investigate community capacity and funding mechanism to address community recreational and educational needs. Preferred funding is, but not limited to, a public-private partnership.

-Discuss creation of a committee or task force and scope of work. Committee/task force could be as simple as a small review committee that solicits request for proposals for HERC-1 and reviews them.

4. Leasing HERC-1 is feasible in the near (5-year) and longer term (10-year). A lease or rental agreement is based on building use and associated repair and/or renovation costs. Funding would be based on the agreements and sources of money such public-private partnership among other potentials.

-Is Council on board with leasing HERC-1? If so, what parameters/direction should inform any request to lease HERC-1? One potential scenario is a third party leases the building from the City for a nominal amount and manages the lease. Under that scenario:

- third party pays for any necessary repairs to bring building up to acceptable level of occupancy*
- third party is responsible for all ongoing operations and maintenance costs*
- third party is responsible for managing property*
- third party would recoup costs through long term lease with tenant(s)*
- Community Recreation could be a tenant with access to downstairs of HERC*

5. HERC Task Force recommends demoing HERC-1 if a solution for the building is not found within 5 years. If property is demoed, it should be preserved as an open space until a long term plan for the property is developed.

-Discuss timeline and circumstances that could trigger re-visiting the decision to demo the facility

Enc: HERC Task Force Final Recommendation Report from November 27,2018

HERC TASK FORCE

Final Recommendation Report

November 27, 2018

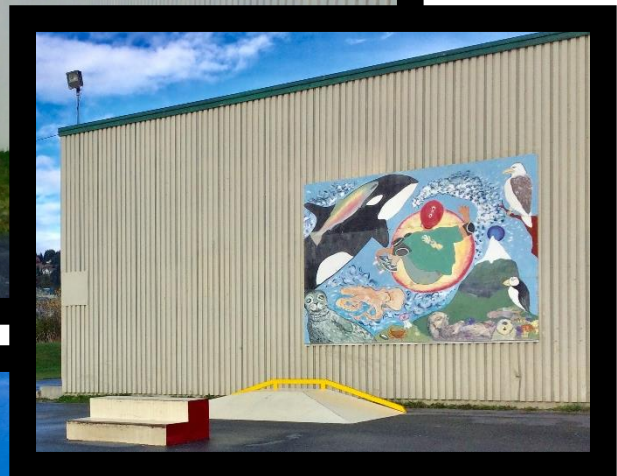




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PREFACE

The Homer City Council adopted Resolution 18-036(A) establishing the Homer Educational and Recreational Task Force, (HERC TF), to:

- (a) Determine the “financial resources required to use the building [HERC-1] and if leasing is a feasible option”;
- (b) Evaluate four scenarios for the HERC-1 to include a new facility “that meets the recreational needs of the community”; and,
- (c) Provide a “recommended preferred alternative”.

HERC-1, a 16,800 square foot wood building, and HERC-2, a 7,600 square foot concrete block building, were constructed in the mid-1950’s as educational facilities occupying a 4.3-acre parcel.

On 12 June 2018 the HERC TF began meeting to address the items identified in the Resolution. Those efforts were to focus on a feasibility study and consequent recommendations. Subsequent to the initiation of work, Resolution 18-036(A) was clarified in Council Memorandum 18-090 directing the Task Force to determine the cost to demolish HERC-2.

It was confirmed that both buildings require material renovations/repairs to extend usefulness over five-years, 10-years and longer. The longer the period, depending on community use, the more substantial renovations and associated costs. Building new, at comparable size, is determined to be extremely expensive.

Thus, given the results of the studies, the TF determined that any substantial construction and associated funding alternative necessitates further analyses. Consequently, the TF determined a 5-year period, using the lower level gym and exercise rooms while keeping the upper level in warm static status, will provide ample time for a follow-on group to further analyze a path forward and consequent funding.



SECTION 1: HERC FEASIBILITY STUDY & RECOMMENDATIONS

Task Force Recommendations:

1. Keep HERC-1 in warm status for the next 5 years to allow continued public use while pursuing funding mechanisms for a determined use.
2. Within the first year, make the necessary repairs needed to maintain HERC-1 in warm status and prevent further deterioration. (Estimated Cumulative Expenditure \$60,000-\$100,000, see Chapter 3)
3. City Council form a new HERC committee or a task force this winter to investigate community capacity to spearhead funding methods to address community recreational and educational needs. Preferred funding is, but not limited to, a public-private partnership for occupancy options (to include the upstairs) and funding of HERC-1
4. Leasing HERC-1 is feasible in the near (5-year) and longer term (10-year) periods. A lease or rental agreement is based on building use and associated repair and/or renovation costs. Funding would be based on the agreements and sources of money such public-private partnership among other potentials. (Refer to TF Feasibility #5)
5. The Task Force has identified the 60-year-old HERC 1 building without substantial repairs may not have safe, ongoing or efficient use beyond 5 years. If a long term solution is not implemented over a five-year period, options for HERC 1 could range from planning a new facility, demolishing HERC 1 and 2 (or taking advantage of any major changes that are not foreseeable right now), while reserving the property as a park until a long term plan for the property is developed for the site.

Task Force Feasibility Determination Per City Resolution 18-063(A) and Memorandum 18-090

1. Can the upstairs of the HERC be safely used with no capital improvements?

Yes. The HERC Task Force applied to the State Fire Marshal to determine if the upstairs can be used as-is and retain its previous International Building Code (IBC) Business B-Classification. The Fire Marshal approved this occupancy in November 2018. There are some immediate costs, such as the roof, that requires attention to maintain the integrity of the building for five years. A further breakdown of this and other items can be found in Chapter 3.

2. What are the minimum improvements that would be needed to safely use the entire HERC facility and cost associated with those improvements?

Approximately \$500,000 would be a bare minimum to maintain IBC assembly occupancies of A-3 on the lower level, and B on the upper level. These improvements would extend the life of the building approximately 10 years, but does not result in a modern, energy efficient building.

3. What are the desirable improvements that need to be made to the entire HERC facility to allow it to be used to its full potential for the next 10 years?

The only way a ten-year timeframe would be a desirable financial consideration for the City is if there is a long term lease or partnership agreement in place. A partnership could be a school program, non-profits, or a for-profit start-up, and would allow the City to retain the building without having to pay all of the increased facility costs, such as operations and maintenance. Building use in this scenario is limited to IBC A-2 thru A-4, B & E (including day care) Classifications. If an Educational (E) occupancy or K-12 school is desirable, then the cost rises from \$900,000 to \$1.3 million dollars, mainly for sprinklers and basic safety upgrades. These improvements would extend the life of the building approximately 10 years, but does not result in a modern, energy efficient building.

Briefly, a remodel of \$2.5 to \$3 million dollars would extend the life of the building approximately 20 years. A full renovation of \$4.5 M to \$ 5M would extend the building 30 years or more. Neither the complete extent nor all costs are currently determined. Chapter 3 provides more detail on these cost estimates. [Note: The above rough order of magnitude costs reflect 2018 dollars and are subject to possible 15%-20% inflation corrections.]

4. What would it cost to demo the HERC and build a new facility that meets the recreation needs of the community on the existing site.

Demolition of HERC-1 is estimated at \$750,000 and HERC-2 at \$250,000.

A new 8,500 square foot building would be a minimum size, with perhaps 12,000 square feet being an optimum size. The current HERC-1 offers 16,000 square feet. Roughly, new government construction costs about \$400 per square foot, therefore an 8,500 square foot structure would run about \$3.4 million dollars for conventional construction. If a private party were to construct a pre-engineered metal building, costs could be lowered to about \$250 per square foot, or \$2.13 million dollars. The City would need a plan to pay for construction and ongoing maintenance and operations costs. That financial plan and revenue stream would dictate the size of building the City could afford to build and operate. See Chapter 3 for further details. [Note: The above rough order of magnitude costs reflect 2018 dollars and are subject to possible 15%-20% inflation corrections.]

5. How can the City pay for operations, maintenance, and any required capital expenditures?

This question is answered in two ways: near term and long term. In the near term, existing operations and utility expenses are \$23,000 (2017); see Chapter 4 for a detailed analysis. Higher fees may cover more of the current operating costs, therefore the Task Force recommends analyzing and potentially increasing HERC user fees and consider gym and zumba room rentals.

If the building is used for longer hours, or if the upstairs is used on a regular basis, operational costs will correspondingly increase. Additional revenue is necessary to offset increased personnel and utility costs. Allowing community organizations/user group rentals may generate this additional revenue. A

key component for successful short-term revenue and more intensive use is active building management by a designated building manager.

Capital expenditures could be funded from the existing HERC building depreciation reserve fund, potential operating surplus, or other sources as Council determines appropriate.

In the longer term, 5+ years or more, a partner is needed that would have access to foundation grants or other private funding sources not readily available to the City. Currently there does not appear to be broad community support for increased taxes to pay for changing building uses (i.e. building code classification changes for the upstairs) or a significant renovation. City finances do not allow for increased HERC building operating/maintenance expenses unless offsetting additional revenue is generated. At present, Fireweed Academy could be a possible lessee but would require substantial capital improvement to meet public school occupancy requirements. Considering this, the Task Force recommends the City actively pursue a public-private partnership for investment and use of HERC-1. Other options include state and foundation grant funding, a ballot measure for a new tax, a commercial loan, or a service area.

6. Is leasing HERC an option?

The building in its current state and the lack of funding for major capital improvements precludes a viable long-term lease arrangement. However, there is initial interest in leasing the building. During the Task Force process, Fireweed Academy and Bunnell Street Arts presented ideas to use the building. In recommendation #3, the Task Force recommends a new group to continue working on the HERC, and include the opportunity for any other interested organizations to come forward (see Recommendation #3 and Chapter 5). A long-term lease may allow for financing options such as a commercial loan that could be repaid through rental income.



CHAPTER 1: Acknowledgements, Methodology, & Process

Task Force Members

- ❖ David Derry
- ❖ Michael Haines
- ❖ Paul Knight
- ❖ Deb Lowney
- ❖ Karin Marks
- ❖ Crisi Matthews
- ❖ Barry Reiss
- ❖ Larry Slone

Staff

- ❖ Julie Engebretsen

Process

The City Council adopted Resolution 18-036(A), creating the HERC Task Force and assigned a set of tasks. The Task Force held a series of meetings between May and November 2018. Using their diverse backgrounds, the HERC Task Force approached the specific tasks set by City Council by establishing small working groups; these efforts were merged into creating this final report.

The Task Force also realized that any recommendations to City Council would require at least some justification for a refurbished or new building: a “build-it-and-they-will-come” approach was not a viable strategy. To achieve this, the Task Force “listened”. They listened to City Council, listened to Homer residents, listened to Homer City employees, listened to non-profit organizations, and listened to for-profit businesses. Brown bag lunches, focus groups, one-on-one meetings, broadcast interviews, City Council presentations, site visits, and presentations by interested parties all aided the information-gathering efforts.

The results provided in this final report represent a reasonable estimate of a future building configuration, the needs of the community, and the construction costs.

Limiting Conditions & Disclaimer

This report contains costs, prices, expense analyses and forecasts that are based on Task Force members’ respective backgrounds/professional experiences. These are considered estimates, subject to further investigations and analytical activities as appropriate.

The report also includes construction, demolition, and repair/renovation cost estimates based on prior architectural and engineering studies, general construction research, and general knowledge and experience of Task Force members. Correspondingly, the report contains operational expense analyses, price/rent scenarios, and costs considered related to a valuation product. None of the data or comparisons constitute an appraisal and are not the result of professional analysis or an opinion of value. The information is provided based on data generated within the Task Force, as part of its collective work, thus all costs are estimates only, subject to professional/contractor analyses for confirmation and/or correction. Accordingly, the Task Force provides only a general perspective and assumes no liability for the data in the Task Force Report.



CHAPTER 2: HERC Background & Opportunities

Background

The HERC property encompasses 4.3 acres in downtown Homer. The property was originally donated by community members for school use and included a deed restriction. While the deed restriction has since been lifted, there is still strong community attachment to the land and desire to honor the public use of it. The property presents the opportunity to provide a gateway to downtown Homer and is centrally located on the corner of the Sterling Highway and Pioneer Avenue.

There are two older school buildings on site: HERC-1 is approximately 16,000 square feet and includes a gymnasium. HERC-2 is the second building; a smaller, two story concrete structure that was formerly the high school. The Task Force study of HERC-2 was limited to estimating demolition costs (See Chapter 3).



2003 photograph of the HERC property. HERC-1 (on left) is the focus of this report. HERC-2 (on right), is only discussed in terms of demolition costs.

HERC-1 was built in the late 1950's and has served as an elementary, middle and high school. Day use as a school ended in 1997 with the opening of West Homer Elementary School. In 2000, the Kenai Peninsula Borough deeded the property to the City for the purchase price of \$1. At the time, the Kachemak Bay Campus of the Kenai Peninsula College leased the upstairs, and the Boys and Girls Club used the gym for after school and summer programs. In 2010, the college moved out and some of the City Hall offices were temporarily relocated to the building while City Hall was renovated. In the spring of 2013, the Boys and Girls Club closed permanently.

Currently, the City's Community Recreation program uses portions of the lower level of the building for recreation programs. A full history of the building, its uses, and engineering reports can be found on the City website under the Homer City Council January 18, 2018 worksession meeting packet.

Opportunities

One key asset this property presents is an anchor for Pioneer Avenue and the entrance to downtown Homer. The public expressed sentiment that this land was donated for public purpose, and that it has high value as public space. Site planning should be on a long-term basis, not a short-term horizon. Even having a large mowed park for a period is a community asset until the community determines to renovate or build a new facility. This decision could be 10- 15 years in the future. Another opportunity is to sell a portion of the land to pay for a new building or renovate the HERC. With some subdivision, utility, and demolition expenses related to HERC-2, it is conceivable that the City could secure \$500,000

for the sale of a 1.5 acres site corner of Woodside and West Pioneer Avenues. See Chapter 5 for more funding opportunities.



Skate Park that was constructed while the Boys and Girls Club occupied HERC-1.



CHAPTER 3: Feasibility Analyses of HERC-1, Cost to Demolish HERC 1 & 2, and Proposals on New Facility

The City Council resolution required both (a) recommendations and estimates of costs to renovate the existing HERC-1 building given various scenarios; and (b) the costs to demolish the existing HERC-1 and construct a new building “that meets the recreation needs of the community,” (City Resolution 18-036(A), lines 58 thru 76). The HERC-2 building is not included in these recommendations other than providing a cost to demolish (Memorandum 18-090).

When reviewing the following recommendations and implications, it is also important to relate them to the forecast of demand for services for any renovated or new building. For example, as discussed in Chapter 6 of this plan, immediate demand for potential HERC-1 uses are relatively small and primarily focused on recreational activities (gym and exercise space). Yet demand is expected to grow over the next five years and may encompass other uses, e.g. education.

Implications of Renovating the Existing HERC Building

The original Task Force directive from the City Council was to use a “10-year” timeframe when considering improvements that need to be made to the entire HERC-1 facility to allow it to be used partially or to its full potential. The prior reports the City has obtained indicate the building was built ‘well for its time.’ The Task Force explored the concept of rehabilitation with the assumption that the structure, although not new or efficient, has usable life left if investment is made to prevent further deterioration. While investigating renovation and demolition costs, it became apparent that a 5-year plan would better address the overall goals established by City Council.

If the City waits 10 years to renovate/remodel the HERC-1, the cost to do so would increase due to deterioration to the bones of the building. The continued aging of outdated systems, increasing code requirements and subsequent dollar escalations from 2018 prices all contribute to much higher renovation costs in the future. Without significant renovations, there will be continued and potentially accelerated deterioration of the building, resulting in greater operations and maintenance costs. A five-year time horizon allows time for further community and professional input while securing financing. Beyond five years and without a long-term solution the City will need to look closely at the structure; a new facility, demolition of the HERC buildings, or taking advantage of new opportunities are all options.

A 5-Year Plan

This 5-year plan is based on a strategy of “sustainability without major capital improvements”. Under this strategy, only minimum upgrades will be made. As stated previously, it provides the City time to cement a way forward with continued use of the facility while developing strategies and funding that would enable a “final” decision. Thus, at the end of the 5-year period, the City will have two paths: (a) substantially rehabilitating/remodeling the building, or (b) demolishing the building and moving to an alternate solution addressing community needs and financial constraints.

The 5-year period enables HERC-1 to be serviced using current operations and, on an as-needed basis, maintenance costs. This plan is weighed against risk assessments: community needs/uses, funding and best practices.

More detailed renovations would include:

(a) HERC-1 lower level – Maintain minimum renovation improvements within International Building Code (IBC) Assembly Group A-3 Classification, (gym without spectators, community and lecture halls, etc.)

Currently, the HERC-1 gym is certified and the “Zumba Room” will also be certified when a few fire-related upgrades to the room are made. The remaining lower level rooms are not fire code certified and should continue to be used for storage. The restrooms require minor attention: showers are inoperable; the faucets, water closets and urinals need minor fixes; wood ramp in the women’s room entrance should be changed to concrete and painted; and a few other checks/fix-its.

(b) HERC-1 upper level – Continue to keep the upper level in a quasi-stasis state. Use is currently restricted to storage of Public Works’ materials (two rooms currently).

Additional Notes Regarding the 5-year Plan

Note 1: The upper level has been recertified as an IBC Business Group B Classification, which could include uses such as professional services or service-type transactions, civic administration, educational occupancy for students above 12th grade, and training and skill development not within a school or academic program, etc. If the City intends to use the upstairs, it should be reused on a minimal basis to keep the upper level Operation and Maintenance costs down.

Note 2: Some repairs are necessary before the classrooms can be used: ensuring life safety equipment is up to date and fixing the ADA entrance on the north side of the building. Also, other improvements should include fixes to restrooms, an HVAC inspection, bringing on line room ventilators, adding flooring and ceiling tile patches, lighting changes to E-florescent tubes, and other minor actions.

Additional Notes: There are more fixes needed than those associated with fire codes. Irrespective of Note 1 and 2 above, immediate fixes will be required to bring the building into near term usefulness: level roof and hot mop, address parking lot lights, and fencing repairs. These items would not require capital expenditures, apart from possibly the roofing items, since most can be accomplished incrementally by Public Works.



HERC-1 Lower Entrance Used to Access Gymnasium



HERC-1 Upper Level Entrance

Rationale for A 5-year vs. a 10-year Plan

It is important to understand that NOT completing significant upgrades to HERC-1 within a reasonable, near-term, timeframe would result in continued and potentially accelerated deterioration over a 10-year period. If a decision is delayed to renovate/remodel HERC-1 (to, say, 10 years as directed by City Council), the cost to do so would increase significantly due to deterioration to the basic structure of the building. This would result in escalated renovation costs.

The 10-year plan is primarily a “do-nothing strategy” and is NOT a recommendation of the HERC Task Force.

Estimated Upgrade Costs

The Task Force arrived at three estimates for building renovation, depending on how major a renovation is undertaken. The task force does not make a recommendation in the absence of funding and increased operation and maintenance costs for the full building. This information is provided as a guide for what incremental improvements could be built and an order of magnitude cost estimate.

1. \$900,000-\$1,300,000, bare bones remodel. A scaled down version of the \$2.5M effort (see #2 below), to address an E Classification for a 10-year period would be on the order of \$900K to \$1.3M. This version would include: hot mop roofing; upsized water service & sprinkler system; upgrades to ventilators, kitchen, bathrooms, lighting and ADA items. Code/compliance procedures and a risk assessment would be appropriate prior to this effort.
2. \$2,500,000- \$3,000,000 basic remodel. The effort would focus on primary systems for Health and Safety and American Disabilities Act (ADA) upgrades, seismic upgrade, complete re-roofing, installing a sprinkler system, replacing other items as required by fire code, replacing galvanized pipes, and making interior upgrades to all rooms, etc. This would extend the life of the building by approximately 20-years and be sufficiently robust to achieve an Educational Group E Classification, (potentially including day care use), per 2017/2018 International Building Code (IBC) and 13AAC50 designations/requirements.
3. \$4,500,000 - \$5,000,000 (16,000 sq.ft. at \$275/sf) full renovation. This effort would extend the life of the building to 30+ years. This total upgrade/remodel would include roof and wall insulation to improve heat efficiencies, structural modifications, new flooring and ceiling tiles, new windows, the addition of alternative energy systems, and exterior upgrades. The upgrade would create a structure with a life expectancy of 30+ years, while meeting modern “green building,” sustainability, and energy efficient building standards.

Implications of Building a New Facility (“New HERC”)

A “New HERC” building could be constructed on the present HERC site if the current HERC-1/HERC-2 buildings were demolished or could be constructed on another suitable property. Costs associated with site acquisition have not been included in these cost estimates. If a “New HERC” building is constructed on the current HERC-1/HERC-2 site, both HERC-1 and HERC-2 would be demolished. This adds to the total costs associated with a “New HERC” (see cost estimates page 17).

The current HERC-1 building is approximately 16,000 square feet. This represents a potential community/recreation building that would more than meet the needs of the Homer population. A smaller building with an area as small as 8,500 square feet, up to about 12,000 square feet would probably suit the needs for the foreseeable future.

Estimated Demolition Costs

The demolition costs for the HERC-1 building are estimated to be on the order of \$750,000 to \$1,000,000. The demolition costs for the HERC-2 building are estimated to be on the order of \$250,000. If HERC-2 were to be demolished first, it would help inform the costs of demolition of HERC-1 at the prevailing costs.



The above estimates are subject to changes due to the continuing increase in costs associated with demolition trucking expenses, the demolition and disposal of the HERC-1 boiler, additional hazmat items such as unforeseen expenses due to fuel spill, etc.

Off-setting these costs, both buildings could potentially contain items that would be salvageable and recyclable, such as the fuel tanks, temporary generator and interior wood doors. The value (undefined at this time) of these and other salvageable items could decrease the above demolition costs.

Estimated New Construction Costs

Construction costs are estimated to be \$400 per square feet for a public facility. This represents a total estimated cost for a direct replacement of the 16,000 per sq.ft. HERC-1 building at \$6.4 Million. A smaller community/recreation center sized more appropriately for Homer's needs of 12,000 sq.ft. has an estimated cost of approximately \$4.8 Million. The above estimates are for the construction of the facility only. It does NOT include design architectural & engineering (A&E) fees. A third option for a smaller building would be approximately 8,500 square feet, to encompass a gymnasium (7,000 sq ft), restrooms, an exercise room, minimal office space, and mechanical space.

The Sterling, Alaska Community Center (a 12,000 sq. ft. structure) represents an example of escalating construction costs over recent years. In 2014, the construction year for the Center, construction costs approximated \$200 per sq.ft. Construction costs in the Kenai Peninsula are expected to continue upward trends in the near future. [Note: The \$200 per sq. ft. was actual costs of the labor and materials purchased, even though completion of the facility relied heavily on volunteer/donated labor and materials from local residents and businesses.]

Total Costs (including demolition, design, construction and contingency)

For a 16,000 sq. ft. HERC-1 replacement:

Demolition costs incl. hazmat:	\$0.75 Million (M)
Construction costs incl. A&E cost:	\$6.4 M
Contingency (15%):	\$1.07 M
Total cost:	\$8.22 Million

For a 12,000 sq. ft. building:

Demolition costs incl. hazmat:	\$0.75 M
Construction costs incl A&E cost:	\$4.8 M
Contingency (15%):	\$0.83 M
Total costs:	\$6.28 Million

Building a New Facility vs Remodeling the Existing HERC-1

Currently, the preferred action is for the City to implement a 5-year plan that would extend the use of the existing lower level for recreational purposes with minimal use of the upper level. This option will provide sufficient time for further input and analyses.

The City's cost of a complete renovation/remodel of HERC-1 to full potential which would include an Educational (E) Classification, is \$5M x 25% ~ \$6.25M for a 16,000sf facility versus \$9.5M or \$7.25M for a 12,000sf building. Potential cost savings could be incurred on either, especially given, for example private-public partnership arrangements. Since constraints exist that would affect a decision at this time, no recommendation is tendered by the Task Force on whether to remodel the existing HERC, or demolish and build a new facility.



CHAPTER 4: Operation & Maintenance Cost Analyses

This analysis section addresses HERC-1 only. The industry standard for comparison, on the Kenai Peninsula, is dollars per square foot per month (\$/sf/month), which is used in the following analysis. Operating expenses are analyzed in a three-step process:

1. Using the historical expense data provided,
2. Comparing the step 1 expense to prevailing, typical expenses for commercial and public buildings in Homer, and
3. With expenses forecast based on the use scenarios or alternative uses.

Historical Expenses

The following table reports the historical data provided to the Task Force, then calculated based on the proportion of the building in use/occupied during that time frame. Understand that exact details and timing of occupancy are not available, and accordingly the expense data is recognized as approximations.

The table encompasses 2009 thru 2017, with the use (“Occupancy”) and proportion of building in use listed on the first line. The expense per square foot per month reported is based on the size of that portion predominately in use during the respective year. Since the actual months in use or transitioned from uses are unknown, the costs are based on a twelve month period (year). “GBA” is the gross building area, with 2009 thru 2013 using the total GBA (16,800 sf) and 2014 thru 2017 using the Gym only (5,700 sf).

Property Name:	HERC 1									
Date:	10/4/2018									
Building GBA:	16,800 sq. ft.			Breakdown:	Gym: 5,700		Lower: 2,800		Upper: 8,300	
	2009	\$/sf/mo.	\$/mo.	2010	\$/sf/mo.	\$/mo.	2011	\$/sf/mo.	\$/mo.	
Occupancy:	full; Upper-UAA, Gym-B&GC			full; Upper-UAA, Gym-B&GC			prt.;Up-UAA out, City in, Gym-B&GC			
Electricity	\$ 20,600.75	\$ 0.102	\$ 1,716.73	\$ 18,110.14	\$ 0.090	\$ 1,509.18	\$ 18,139.42	\$ 0.090	\$ 1,511.62	
Water/Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fuel Oil/gas	\$ 37,266.42	\$ 0.185	\$ 3,105.54	\$ 35,824.29	\$ 0.178	\$ 2,985.36	\$ 38,177.32	\$ 0.189	\$ 3,181.44	
total		\$ 0.287	GBA		\$ 0.268	GBA		\$ 0.279	GBA	
	2012	\$/sf/mo.	\$/mo.	2013	\$/sf/mo.	\$/mo.	2014	\$/sf/mo.	\$/mo.	
Occupancy:	prt.;Up-City out 3/12, Gym-B&GC			prt.;Up-Enstar in, Gym-B&GC out			lmtd.; Up-vacant, Gym-CPRP			
Electricity	\$ 14,688.71	\$ 0.073	\$ 1,224.06	\$ 11,617.38	\$ 0.058	\$ 968.12	\$ 9,867.49	\$ 0.144	\$ 822.29	
Water/Sewer	\$ -		\$ -	\$ -		\$ -	\$ -		\$ -	
Fuel Oil/gas	\$ 32,413.97	\$ 0.161	\$ 2,701.16	\$ 24,673.44	\$ 0.122	\$ 2,056.12	\$ 16,416.78	\$ 0.240	\$ 1,368.07	
total		\$ 0.234	GBA		\$ 0.180	GBA		\$ 0.384	GYM only	
	2015	\$/sf/mo.	\$/mo.	2016	\$/sf/mo.	\$/mo.	2017	\$/sf/mo.	\$/mo.	
Occupancy:	lmtd.; Up-vacant, Gym-CPRP			lmtd.; Up-vacant, Gym-CPRP			lmtd.; Up-vacant, Gym-CPRP			
Electricity	\$ 11,248.28	\$ 0.164	\$ 937.36	\$ 10,915.40	\$ 0.160	\$ 909.62	\$ 10,948.32	\$ 0.160	\$ 912.36	
Water/Sewer	\$ 1,119.00	\$ 0.016	\$ 93.25	\$ 1,246.00	\$ 0.018	\$ 103.83	\$ 2,000.00	\$ 0.029	\$ 166.67	
Fuel Oil/gas	\$ 11,533.91	\$ 0.169	\$ 961.16	\$ 8,660.38	\$ 0.127	\$ 721.70	\$ 10,217.78	\$ 0.149	\$ 851.48	
total		\$ 0.349	GYM only		\$ 0.304	GYM only		\$ 0.339	GYM only	

Comparison to Prevailing Homer Building Expenses

To provide a perspective of the historical operating expenses of HERC-1, to typical expenses for commercial and public buildings in Homer, two separate analyses were made:

- a. The expenses reported for City of Homer buildings in 2017 was segregated and allocated into the \$/sf/month unit of comparison.
- b. Expenses for a variety of Homer commercial buildings was reviewed, from the database of one of the HERC task force members.

(a) The City of Homer building expense data used is from a table prepared by Public Works, provided to the Council as part of forecasting maintenance expenses for a new police station. Some of the categories in that table are excluded in this analysis, since they are not considered typical operating expenses, comparable to the HERC building.

In the following table each category of expense lists the cost per square foot per month for that category (i.e. heating, electrical, etc.), then those expenses out of the typical range for private commercial building are shown in red. Some of the out of range variation is due to the nature of the building or operating hours. For example the electrical expense for the Airport Terminal is well above typical ranges, but would reflect lighting for the parking lot, aircraft apron, tarmac, etc. Also the longer hours/lighting and equipment used likely accounts for the higher Police station electrical expense.

City of Homer Buildings									
2017 FACILITY EXPENSES	Square Footage	FUEL/LUBE(*1)		ELECTRICITY		WATER	SEWER	W&S \$/sf combined	TOTAL**
		FUEL/LUBE	Cost per sq.ft. per month	ELECTRICITY	Cost per sq.ft. per month	WATER	SEWER		Cost per sq.ft. per month
Airport Terminal	8,588	\$8,808	\$0.0855	\$36,744	\$0.3565	\$2,143	\$3,966	\$0.0593	\$0.74
Animal Shelter	3,994	\$9,265	\$0.1933	\$8,501	\$0.1774	\$650	\$608	\$0.0262	\$0.67
City Hall	13,321	\$6,843	\$0.0428	\$20,389	\$0.1275	\$808	\$835	\$0.0103	\$0.32
Fire Station	9,000	\$8,229	\$0.0762	\$27,181	\$0.2517	\$1,519	\$1,531	\$0.0985	\$0.55
Library	17,200	\$15,441	\$0.0748	\$35,718	\$0.1731	\$1,294	\$1,535	\$0.0137	\$0.39
PH Harbormaster Office	4,784	\$8,822	\$0.1537	\$10,249	\$0.1785	\$517	\$414	\$0.0162	\$0.61
Police Station	5,500	\$1,270	\$0.0192	\$24,416	\$0.3699	\$930	\$1,076	\$0.0304	\$0.65
Mean-all facilities:			\$0.0922		\$0.2335	all facilities:		0.0364	\$0.56
(*1)all buildings natl. gas except Police Station									
Costs in red are out of the typical ranges for the expense item.									**excludes Janitorial

(b) To summarize the results of the HERC-1 and City building expense analysis and compare to prevailing private commercial building operating expenses, the following table is provided. Here the expenses of HERC-1 for 2014 thru 2017 are listed, compared to the City Library and the ranges of costs typical for private commercial buildings.

For the HERC-1 building, expenses reported are the average of the last four years. The library building is used, since the expenses calculated per unit of comparison fall more within the typical ranges expected in Homer. The “typical range” column summarizes the costs calculated from actual operating data of a variety of Homer buildings, maintained over the years in a proprietary data base.

The HERC electrical expense is at the high “typical” range, but within that range. The heating expense reflects the biggest variation from typical expenses, attributed to the HERC’s fuel oil heat and insulation deficiency. With the availability and conversion to natural gas, commercial property owners report a

reduction in their heating expense to about 1/3 of their prior fuel oil cost. A comparison of City buildings before and after conversion to natural gas shows a reduction of:

- Airport terminal: -64%
- City Hall: -58%
- Library: -51%
- Average of these three: -58%

A simple cost/benefit calculation, based on the average heating cost with a 50% savings and a conversion cost at \$18,000 - \$19,000 (from Memo 13-077, 5/2/13) shows a cost recapture in 3.25 years. [$\$11,707 \times 50\% = \$5,854/\text{yr.} \div \$19,000 = 3.25 \text{ yrs.}$].

Homer commercial buildings ~ operating expense comparasion						
Property Name:	HERC 1		Homer Library		Private Commercial	
Building GBA:	5,700 (Gym only)		17,200		Buildings in Homer	
Occupancy type:	Recreation		Municipal		Office & Retail	
year	2014 - 2017	\$/sf/mo.	2017	\$/sf/mo.	2017/18	\$/sf/mo.
	(average)					
Electricity	\$ 10,744.87	\$ 0.157	\$ 35,718.00	\$ 0.173	\$ -	\$0.12 - 0.16
Water/Sewer	\$ 1,455.00	\$ 0.021	\$ 2,829.00	\$ 0.014	\$ -	\$ 0.025
Fuel Oil/gas**	\$ 11,707.21	\$ 0.171	\$ 15,441.00	\$ 0.075	\$ -	\$.04 - .07
Refuse		\$ -	\$ 1,000.00	\$ 0.005	\$ -	\$ 0.015
Lawn/yard Care		\$ -	\$ 13,187.00	\$ 0.064	\$ -	\$.015 - .025
Snow/sanding		\$ -	\$ 11,885.00	\$ 0.058	\$ -	\$.020 - .030
Repairs		\$ -	\$ -	\$ -	\$ -	
Janitorial		\$ -	\$ 45,848.00	\$ 0.222	\$ -	\$ 0.200
**Heat type	fuel oil		natl. gas		natl. gas	
Total w/Janitorial				\$ 0.610		\$.445 - .525
Total w/o Janitorial		\$ 0.350		\$ 0.388		\$.245 - .325

Expense Forecasts and Use Scenarios

Using the expense data developed in the preceding tables, and considering the alternate potential uses of the HERC building, the following scenarios are presented. These scenarios consider the proportion of the building used for each alternate, an approximate cost to accommodate that use, and the operating expense to the city. Note that the repair/renovation costs are rough approximations only and forecast revenues are subject to adjustment based on the specific use and user. These potential uses are not intended to exclude any additional user groups. We recommend the next task force or committee explore a full request for proposals.

HERC 1 building ~ Use scenarios

Scenario 1- Near Term - 5 year holding					Bldg area (sq.ft.)	Income	Expense	Difference
Use:	Gym & Zumba room only			6,300				
User:	Homer Community Rec (reported fee revenue 2017, Gym only)				\$14,700	\$22,529	\$	(7,829)
Potential:	Community organization rental/day use (if authorized by Council)				??			
Required repair/renovation cost estimate								
Utility/building mechanical repairs as needed:								
	water/sewer							individual costs not itemized
	heating/ventilation system							
	Convert building to natural gas heat							
	Repair/hot mop roof							
	Convert fluorescent fixtures to LED (NIC in cost estimate)							
	Any ADA modifications for restroom use							
				Total estimated		\$60,000 - \$100,000		
Operating expense estimate (annual)								
	Heat			(based on natural gas conversion)		\$6,502		
	Electric			(as-is; potential savings by LED lighting conversion)		\$11,869		
	Water/sewer			actual expense		\$1,512		
	Custodial /refuse			As-is, by Homer Community Rec		\$0		
	Snow/sanding			private contract, at typical rate		\$1,512		
	Lawn/yard			private contract, at typical rate		\$1,134		
				Total		\$22,529		
Scenario 2- Fireweed School occupancy								
				Bldg area (sq.ft.)		Income	Expense	Difference
Use:	Total building			16,800				
User:	Fireweed Charter School lease (@ \$.68/sqft/month)				\$137,000			
	Homer Community Rec (reported fee revenue 2017, Gym only)				\$14,700			
				Total	\$151,700	\$150,671		(\$13,671)
Required repair/renovation cost estimate								
	Fire Sprinkler system, entire building							individual costs not itemized
	Fire wall separation							
	Convert building to natural gas heat							
	Hot mop roof							
	Convert all lighting fixtures to LED							
	Repartition former UofA office area							
	Other repairs/renovation as needed to meet IBC "E" occupancy							
				Total estimated		\$900,000 - \$1,300,000		
Operating expense estimate (annual)								
	Heat				Fireweed	\$0		
	Electric				Fireweed	\$0		
	Water/sewer				Fireweed	\$0		
	Refuse				Fireweed	\$0		
	Custodial				City-private contract	\$24,192		
	Snow/sanding				City-private contract	\$8,064		
	Lawn/yard				City-private contract	\$3,024		
				Total		\$35,280		
	Loan payment, based on private bank loan to City:							
				Terms: loan- \$1,300,000; 4% interest; 15 yr amortization:	\$9,616 /per month	\$115,391		

Scenario 3- Renovate for entire building use		Bldg area (sq.ft.)	Income	Expense	Difference
[Maintain for entire building use, as-is: IBC A-3 (lower) & B (upper)]					
Use:	Total building	16,800			
User:	Homer Community Rec & other user groups		\$14,700	\$60,077	\$ (45,377)
Potential:	Community organization rental/day use (if authorized by Council)		??		
Required repair/renovation cost estimate					
	Fire sprinkler system, entire building			individual costs not itemized	
	Fire wall separation				
	Convert building to natural gas heat				
	Rebuild roof, additional insulation & EPDM cover				
	Convert all light fixtures to LED		NIC		
	ADA modifications for restroom use				
	New windows throughout				
	Total estimated:		\$500,000		
Operating expense estimate (annual)					
	Heat	(based on natural gas conversion)		\$17,338	
	Electric	(as-is; potential savings by LED lighting conversion)		\$31,651	
	Water/sewer	actual expense		\$4,032	
	Custodial	As-is, by Homer Community Rec			
	Snow/sanding	private contract, at typical rate		\$4,032	
	Lawn/yard	private contract, at typical rate		\$3,024	
	Total			\$60,077	
Scenario 4-Demo HERC 2 & sell part of site					
		Site area/sale price	Income	Expense	Difference
Use:	Any legal use, per zoning	approx. 55,400 sq.ft.			
User:	Sale to private entity	estimated \$15.00 per sq.ft.			
	Gross sale proceeds-land, post demo		\$831,000	\$306,860	\$ 524,140
Required repair/renovation cost estimate					
	Demo & clean up cost			\$250,000	
	Survey/subdivision of site			\$7,000	
	Relocation of utilities as required; water/sewer service to HERC 1			?	
	Sale commission (RE agent/broker) @ 6%			\$49,860	
				\$0	
				\$0	
	Total			\$306,860	



CHAPTER 5: Funding

How Do We Pay For It?

The Task Force reviewed the municipal funding mechanisms presented during the new police station discussions. Fairly quickly, the Task Force determined there is probably low public support for more taxes to pay for any increase in City services or facilities. This sentiment was echoed in our conversations with non-profits and businesses. However, the concept of public-private partnerships did garner some support. Homer has at least two great examples of public private partnerships: the hockey rink and the courthouse. Private entities built those facilities, which are leased long-term or mortgaged by the state or non-profit.

Near Term Funding Options: Increase Revenue and Decrease Costs

Utility costs were an estimated \$23,000 in 2017. Revenues are roughly \$14,000. Can the City increase facility revenues to pay the full utility costs? Some ideas that should be explored further include:

- Increase user fees at the HERC
- Investigate whether increased gym rentals would raise enough revenue to not only cover the cost of staff time and utilities for the event, but also contribute to overall utility costs.
- Investigate allowing community organizations/user group rentals to offset increased utility and personnel costs
- A key component for successful short-term revenue and more intensive use is active building management by a designated building manager
- Investigate the payback time for converting to natural gas. (See page 21)
- Capital expenditures could be funded from the existing HERC building depreciation reserve fund, or potential operating surplus, or any other funding mechanism available to the City Council.

Long Term Funding

Other potential funding opportunities include state and federal grant funds, partnerships with organizations that can leverage private foundation funding, taxes, bonds and a service area. Commercial loans were an option presented to the Task Force, which could be repaid through a long-term lease.

It is possible to subdivide a portion of land where HERC-2 currently sits, and sell the property to generate some revenue. There would be some expenses in moving utilities and subdivision costs, but it's possible as much as \$500,000 could be generated by selling a portion of the land. (See Chapter 4, Scenario 4). However the Task Force, at this time, does not recommend subdivision or selling of the property.

Legal Entities and Investment

The Task Force considered three different models of building ownership and operations.

- 1) Government-owned and managed, paid for by new taxes and increased fees (Government model)
- 2) Government-owned facility, with a private or nonprofit partnership for management
- 3) Private or non-profit ownership and management, with a partnership for building use. (3 P, or Public Private Partnership; City retains land ownership, with 3P new build)

Funding: Government Model

If the City decides to renovate the HERC building, or build a new facility, new revenue will be required to pay for it. Financial projections over the coming years do not show enough increase in tax revenue to pay the anticipated expenses. The City is able to raise revenue through sales tax, property tax, and user fees. Through focus groups and Task Force discussions, there seems to be little support for an additional tax increase at this time.

The police station bond and corresponding sales tax increase was just approved by voters. A bond with increased taxes to make the payments may be an option the community wishes to pursue in the future. But as of 2018, the Task Force has determined this is not supported by the public.

3P: Public-Private, or Public-Public Partnerships

There are many ways a 3P partnership could work: the City could own the building, or it could be privately owned. The City could manage and maintain it, or a private party could provide those functions.

In the case of the Homer Court House, the state provided funds to expand the privately owned building. The building owner provides all maintenance and janitorial services, and the state is a long-term tenant. As long as the building owner can profit from the lease, it's a great opportunity for the private sector, and significant cost savings to the state; they didn't have to manage a renovation, nor are they responsible for long term maintenance. To apply this example to the city, perhaps the City would provide some funds for a private entity to build a building that includes a gymnasium. The City would contract to use the gym during certain hours (say after school and evenings) and the building owner could use or rent the space all other times. Perhaps they provide scheduling services to the City, or maybe the city provides that in exchange for reduced space rental. Another option could be a commercial loan or revenue bond to pay for renovations, with a long-term lease agreement to repay the loan.

There are many options; it's a matter of seeing if there is an entity in the City that would be interested and has the resources to enter in to such a partnership, and if the public supports the city entering in to such an agreement. During the Task Force process, significant interest was received from Fireweed Academy and Bunnell Street Arts. A next step for the City might include a formal Request for Proposal (RFP) process to gather proposals and explore sustainable partnership options.





CHAPTER 6: Economic Assessment

With the design of any new facility (including a renovated or new HERC building), it is important to insure the final product meets the needs of the market it is planned to serve. For example, with the current floor space of the HERC-1 building at 16,000 sq.ft., would a renovated HERC-1 (on the same foundation) provide sufficient space for Homer? Is this space too small or larger than actually needed? And, what would the building layout need to be to accommodate the activities planned for the facility?



Pickleball Players in the HERC-1 Gym

To address these concerns, the HERC Task Force used a multi-pronged approach to determine the market needs (present and future) of the Homer community and, importantly, to obtain a better understanding of how these needs would fit into a renovated or new HERC.

A “marketing work group” was established to obtain market data by:

- Conducting individual meetings/discussions with organizations and individuals currently offering community and recreation services.
- Creating a focus group to obtain a better understanding of the needs of certain business organizations.
- Hosting brown bag lunches, with invitations extended to community residents.
- Reviewing current community and recreational studies (for example, the “Parks, Arts, Recreation, and Culture Needs Assessment” dated 2015).

The results of this effort allowed the Task Force to forge a reasonably good assessment of the size, space needs, and growth demands on a HERC facility.

A second working group was established to evaluate the success factors of community and recreation facilities in other Alaska communities. This activity included site visits, surveys, and discussions with senior management at these locations.

In general terms, the working groups determined:

- a) Many community and recreational products and services are currently available in Homer. They vary not only in the types offered but in the locations offered. Some are provided by private, for-profit organizations, others by non-profit corporations and others by the City of Homer “Community and Recreation Program” (CRP). Some compete and some are complementary, while some have found a niche not addressed by another organization.

- b) With few exceptions, most community and recreational programs are growing, some faster than others. For example, Pickleball (a recreational activity favored by the relatively older population) grew 365% over the past three years (according to City of Homer’s Community Recreational Program statistics). But, growth in wrestling and volleyball (which represents a pastime of the younger generation) has slowed or stagnated.
- c) Changes in demand reflects a change in the Homer population demographics and the demand for products and services offered. For example, the growth of senior citizens settling in the area far outstrips the number of births and non-seniors settling. While nationwide the overall population is aging, the aging of the Homer population far exceeds the nation average.
- d) Population changes aside, Homer has a dire need for childcare, which could provide a market opportunity for a HERC facility (see further discussion below).
- e) Any HERC facility will complement current community and recreation services offered.
- f) In general, market demands for HERC products and services are expected to grow steadily over the near future.
- g) Statewide, there are both successes and less-than-successful community and recreation centers. Not all centers have met their initial goals.

The changes described above will impact the future size, the types of products/services offered, and the growth of a HERC building.

The principal user of a renovated/new HERC building will be the Homer Community Recreation Program (CRP). Currently, CR programs are spread through a number of different physical locations with the associated management opportunities. Regardless of the size of a renovated/new HERC building however, some CR activities will remain at non-HERC locations but the majority will migrate to the HERC.

As the marketing work group examined current activities of the Homer CR and other Alaska com/rec centers, a usage pattern materialized. Demand management is an issue: early morning hours and late afternoon/evening hours dominated the demand in both community and recreational activities. Senior groups and childcare needs, however, tend to gravitate towards morning and afternoon use. From the market research of (c) and (d) above, a HERC facility that accommodates senior citizens and childcare will provide significant value to the Homer community, resulting in more efficient use and management of the facility. This determines a market niche that is currently under-served, and could provide income to address increased operations and maintenance expenses.

Chapter 3 in this final HERC report describes the building size that best fits the needs of Homer. Marketing data from this marketing assessment was used to aid in this size determination.

Examples of Major Alternative Sources of Community and Recreation in Homer

While the providers of community and recreation services in Homer are quite varied, a few stand out as major contributors. They are: Bay Club, SPARC, Homer Public Library, Community Recreation and Public Schools, Island and Oceans Center, Kachemak Community Center, Lands’ End Resort, and the Homer Senior Center. This list of providers is not all-inclusive, but these and others were used in the evaluation process. Each provides a unique contribution to the Homer community, but a HERC community recreation center would not be a major competitor.

Examples of Regional Community and Recreational Centers

As explained previously, part of the market research effort included a review/survey of the history and current operation of other select, Alaska community and recreation centers. Of the twelve plus communities researched with a population the size of Homer, only two (Homer and Dillingham) did NOT possess a physical, self-contained community/recreation center. As noted in (g) above, some statewide community/recreation centers are successful, while some are less than successful. Of the twelve, three centers were evaluated in some detail: Sterling Community Center, Kenai Boys and Girls Club (formally Kenai Recreation Center), and Seward Recreation Center.

A copy of the survey completed by Sterling, AK is attached to this final report as an appendix.

Economic Impacts

Thriving small communities are economically successful communities for four primary reasons:

- a) Community and environment that encourages entrepreneurship in business and the arts;
- b) Public sector friendly to the private sector;
- c) Processes that facilitates a highly educated workforce; and,
- d) Community that excels in providing a positive quality of life.

Community and recreation are integral parts of (a) and (d) above. Nationwide, community and recreation (com/rec) activities are shown to have positive impacts on communities that embrace it. These opportunities relate to either a renovated 'HERC-1' or 'New-HERC' facility. It should be noted that not all impacts are economic. On a broad scale, community health and wellness are important factors for quality of life in a way that is not fully quantified in dollars.

Community/Recreation Is an Integral Part of a Thriving Community

Members from MAPP presented to the Task Force and reinforced two key principles.

- 1) Community Recreation opportunities and facilities have a direct impact on emotional and physical health, and increase overall resilience for children at risk. Reinforcing resiliency therefore improves the viability of a community as youth age into adulthood.
- 2) Community Services that include childcare helps retain workers, strengthen our workforce and support overall community health.

The Task Force felt the HERC facility currently contributes to a Thriving Community, and can continue to do so.

Three primary HERC-related activities have the potential to positively impact Homer's economy:

- 1) Renovation of the existing HERC-1 or construction of a new HERC building;
- 2) Visitors participating in events offered within and through a HERC building; and,
- 3) Local entrepreneurial endeavors created within or through a HERC building.

This economic assessment is based on the amount of money injected into the economy from sources outside the Homer area. Public/community money recycled within the Homer are not considered in this economic analysis.

Economic Impacts Directly Related to the Actual Construction/Renovation

Use of taxpayers' money to underwrite the construction cost of a renovated or new HERC is not considered as having an immediate positive economic impact. However, obtaining construction funds from sources from entities outside the service area has a positive economic impact. Correspondingly, positive economic benefits are achieved when construction costs are underwritten directly through private sources, or through a public private partnership (PPP).

[Note: Not all construction costs can be directly attributed to economic value. For example, when construction materials are purchased from outside Homer those costs, while part of the original construction cost estimate, are not captured by Homer.]

The economic value for either a renovated HERC-1 or new HERC are:

(a) Renovated HERC-1, assuming construction costs of \$5 Million, the labor to materials ratio is approximately 70%/30%. The economic impact to the community would be positive. This assumes 30% of materials are purchased from outside the community.

(b) \$7.7 Million (using New HERC, assuming construction costs of \$5 Million, and a labor to materials ratio of approximately 50%/50%, the economic impact to the community would be approximately the same as a renovated HERC-1.

From a building construction economic impact basis, there is little difference between renovating the HERC-1 or constructing a new HERC.

Economic Impacts Created By Visitors for Recreational Events

In any economic impact assessment, determining the type and number of "visitors" to a community for an event is prime. A visitor is considered a person from outside the service area who would not normally travel to Homer except to participate in or support an event. The key is to capture visitor data. Unfortunately, very little data has been captured in the past, so comparing the economic impacts of a new or refurbished HERC building can be difficult.

Estimating the economic impact of a renovated or new HERC creates challenges. There are a variety of facilities (Homer High School, existing HERC gym, Homer Middle School, West Homer Elementary School, etc.) where recreational activities currently take place. But there is circumstantial evidence through various nationwide studies to suggest that a renovated or new facility will increase the demand for services offered, increase the number of events provided, or increase the number of visitors from outside the service area. In the case of HERC, it will be a focus for recreation and an identity for the community. Participant visitors will visit because there's a nice place to go and play.

Although not part of this HERC Task Force directive, it is highly recommended that Homer organizations involved in community recreation and arts make a concerted effort to track visitor-related activities which directly impact their contribution to the community's economy. Standardized procedures for collecting data, including a check-list, goes a long way to adding value to grant funding requests.

Economic Impact Example 1: The Kevin Bell Arena (Homer Hockey Association, Inc.)

Construction of the Kevin Bell Arena was completed approximately twelve years ago and is managed/owned by the Homer Hockey Association (HHA). Prior to its construction, hockey enthusiasts played in an open-air hockey rink exposed to the weather or traveled to Kenai. In economic terms, that resulted in a net negative outflow of money wherein Kenai benefited at the expense of Homer.



With the new arena and active marketing, visitors come to Homer. In a recent request for grant funding, the HHA claimed approximately \$600,000 in positive economic value in the year 2016, and approximately \$700,000 in the year 2017. HHA calculated these dollar values by multiplying the total recorded number of visitors by a standard per-diem dollar amount provided by the Homer Chamber of Commerce.

Economic Impact Example 2: Homer Community Recreation Program – “Pickleball”

Little historical visitor data has been captured for recreation and community events in Homer. But, there is one event where some data has been captured: the “End of the Road Pickleball Tournament” last held June 25 through June 29, 2018. The event hosted 62 guests, of which approximately 50 players not from Homer. Early interest in next year’s event, (it’s planned to be an annual event), indicates a 50% increase in participants. Visitor interest indicates Homer could become a major stop on the “pickleball circuit”.

For the 2018 event, it was estimated the average stay in Homer was 2 ½ nights, with an average expenditure per person of \$500, a positive economic impact of approximately \$45,000. Data used was captured from a combination of surveys and estimated expenditures from the pickleball organizing committee. A viable HERC com/rec facility is fundamental to the growth needs of pickleball, the annual pickleball tournament, and an aid to the increased economic well-being of Homer.

Economic Impact Example 3: Homer Community Recreation Program- “Popeye Wrestling”

The Popeye wrestling club is part of the Homer CRP program. It hosts a 2-day tournament annually at the Homer High School. It attracts more than 400 wrestlers from throughout the State, and an estimated 250 adult supporters (parents, grandparents as spectators). Using similar expenditure estimates from the pickleball tournament above (no actual economic/expenditure data was captured by the organizers during the wrestling event), the estimated positive economic impact to Homer is approximately \$125,500.

Economic Impacts Associated With Entrepreneurial Endeavors

Overall, the growth in the national economy has shifted towards the increase in small, entrepreneurial endeavors. Homer is one of those entrepreneurial-driven economies supporting this trend. One of the most positive impacts that entrepreneurs make on an economy is job creation and the reduction of unemployment levels.

Individuals often resort to entrepreneurship for a number of reasons: profiting from a specific market niche, unable to find suitable employment or a means to sustainable income, or having the industry know-how (with the financial resources) to generate income. Assuming two entrepreneurial endeavors per year potentially results in viable businesses employing two people, grossing \$75,000 per year in sales. Five years of activity could yield ten new businesses, employing a total of twenty people, grossing \$750,000 per year in sales, and contributing to the Homer economy.

Michael Illg, Recreation Manager for Homer's Community Recreation Program (CRP) has instituted an ad-hoc program within the CRP to encourage entrepreneurship in a "maker-space" or "incubator" environment. With a HERC building, budding entrepreneurs may be able to use the CRP facilities and services to test their enterprises in a real business environment. The major hurdle for expanding this program is both the cost of providing and the availability of permanent physical space that meets health and safety requirements for these endeavors and a coordinated commitment (including marketing) to promote/manage the program. A permanent home at HERC would go a long way to help growing this program.

In conclusion, Homer largely has the four items that contribute to economically successful communities. (See economic impacts on page 29.) Integral to a successful community, are quality-of-life issues. This attracts entrepreneurial-minded people and keeps others here. This junction of recreation, arts entrepreneurship and quality of life adds jobs to the community.



APPENDIX

The Task Force requested information from six, similar size Alaskan communities. Valdez, Cordova, and Soldotna did not provide information. Kenai, Seward, and Sterling did. Below is the information from the Sterling Community Center to give an idea of the types of information the Task Force considered.



HERC PROJECT
Sample Community and Recreational Facilities
Sterling (Alaska) Community Center

Contacts: Kelly Reilly (Facility Coordinator) 907-262-7224
Deb Debnam, Board Member and Treasurer

Website: www.sterlingcommunityclub.com
<https://www.facebook.com/sterlingakcommunitycenter/>

Type: Recreation and Community Center

Facilities: Gymnasium, Multipurpose room, Weight Room, Commercial Kitchen, Library

Construction: 2013. Originally built to support the needs of children in the community (next door to local elementary school). But currently the major usage is by senior citizens.

Cost to build: \$1.3 million, with many in kind services donated by local businesses. Land was donated.

Activities: Pickle ball, weight room, soccer, basketball, open gym, roller derby, lending library, computer/internet access. Has offered an after school program K-6, \$80/month, but demand varies.

Hours of operation: 11 AM – 6 PM, varies

Population Catchment area: 6,000 people

Funding

Current operations funding sources: Private donations, sponsorships, memberships and in-kind services.

Number of Members: 50

Annual Dues: \$100

Annual Budget: \$80,000 (approximate). Includes the salary of 1 person, liability insurance, utilities.

Annual Revenues: \$60,000

Space available for Rent: Yes

Sponsors: Yes (\$400 to \$2500 per year)

Subsidy: The budget difference is made up from donations (mainly local businesses). But with the recent downturn in the local Sterling/Soldotna economy, donations are becoming harder to obtain.

Legal Organization: Not-for-Profit 501(c)3

Newsletter: Yes

Competition: None in Sterling. Most competition from Soldotna.

Other Notes: The commercial kitchen is a problem, with low usage, and high (relatively) rental fees. No tax base to support the facilities and programs. Board is currently working with senior center to attempt to push for a local service district tax.

HOMER CITY COUNCIL
491 E. PIONEER AVENUE
HOMER, ALASKA
www.cityofhomer-ak.gov



COMMITTEE OF THE WHOLE
5:00 P.M. MONDAY
JANUARY 14, 2019
COWLES COUNCIL CHAMBERS

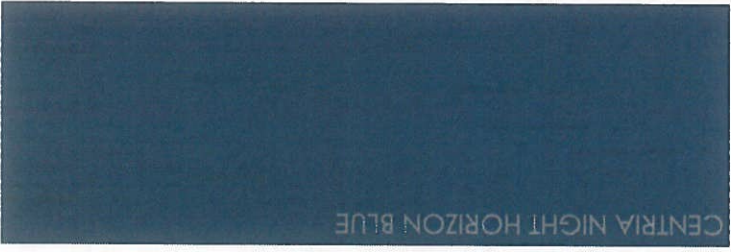
MAYOR KEN CASTNER
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
COUNCIL MEMBER CAROLINE VENUTI
COUNCIL MEMBER RACHEL LORD
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK MELISSA JACOBSEN

COMMITTEE OF THE WHOLE AGENDA

- 1. CALL TO ORDER, 5:00 P.M.**
- 2. AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)
- 3. POLICE STATION BUILDING UPDATE – PAT MCNARY, PROJECT MANAGER**
Page 47
- 4. CONSENT AGENDA**
- 5. REGULAR MEETING AGENDA**
- 6. COMMENTS OF THE AUDIENCE**
- 7. ADJOURNMENT NO LATER THAN 5:50 P.M.**
Next Regular Meeting is Monday, January 28, 2019 at 6:00 p.m., and 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.



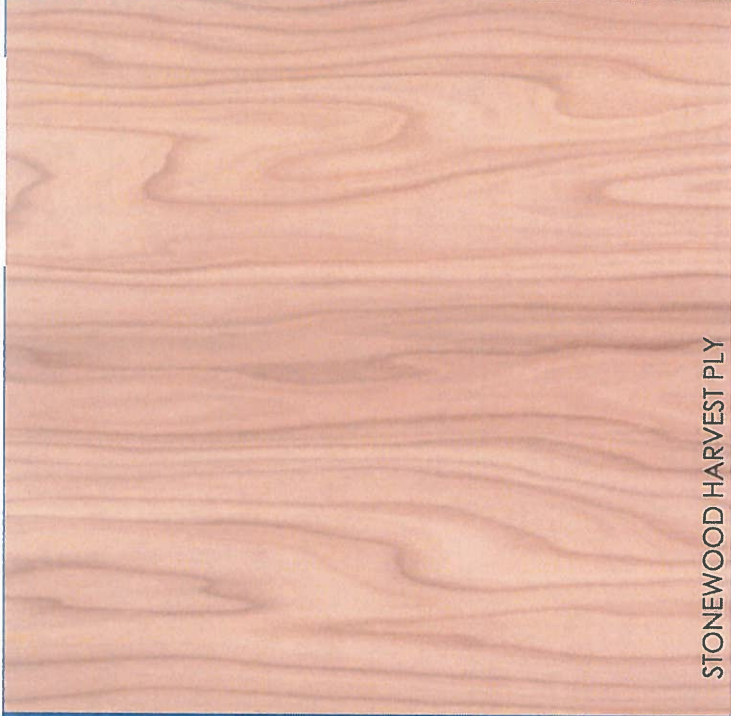
PLAN
1"=40'



REAR FACADE METAL PANEL



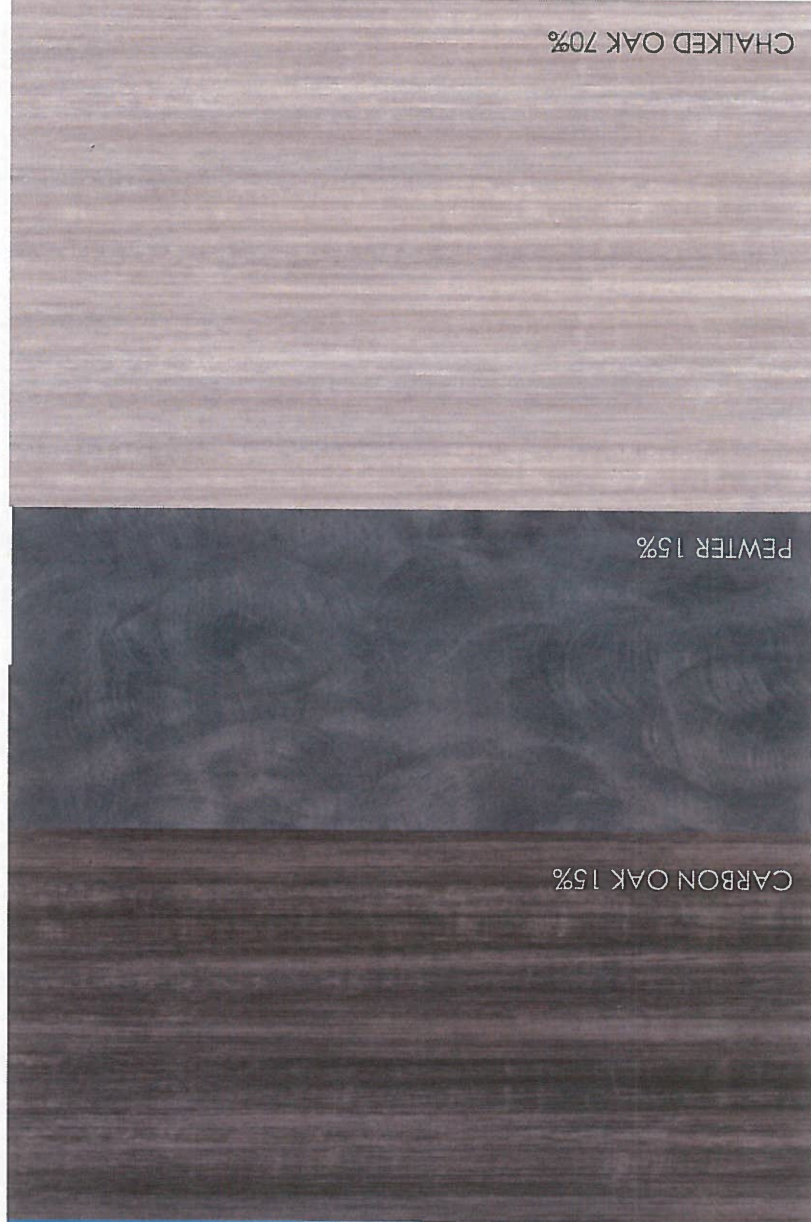
ENTRANCE CANOPIES FIBER RESIN



STONEWOOD HARVEST PLY



MAIN FACADE FIBER RESIN



CARBON OAK 15%

PEWTER 15%

CHALKED OAK 70%



FIBER RESIN



CONCEPT - BLVE



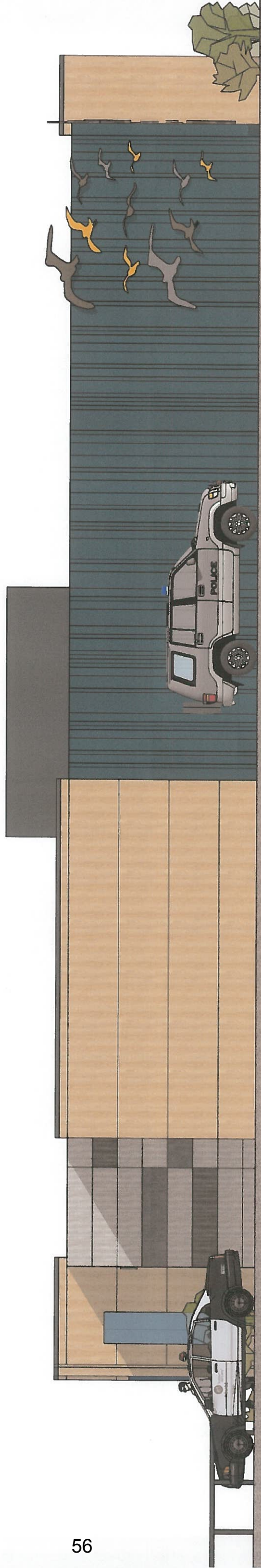
NORTH - BLUE



SOUTH - BLUE



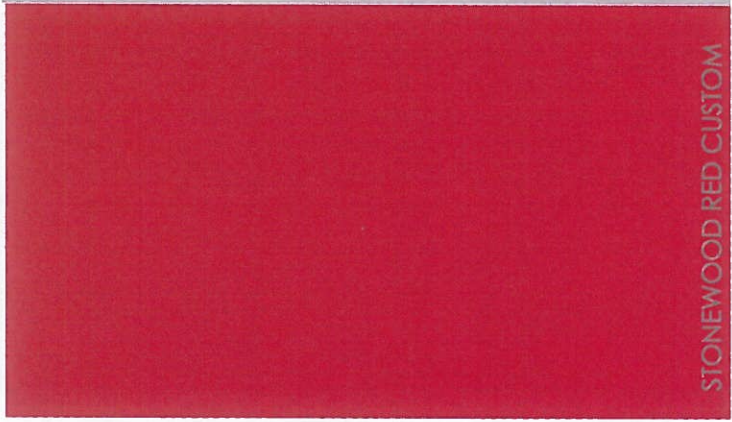
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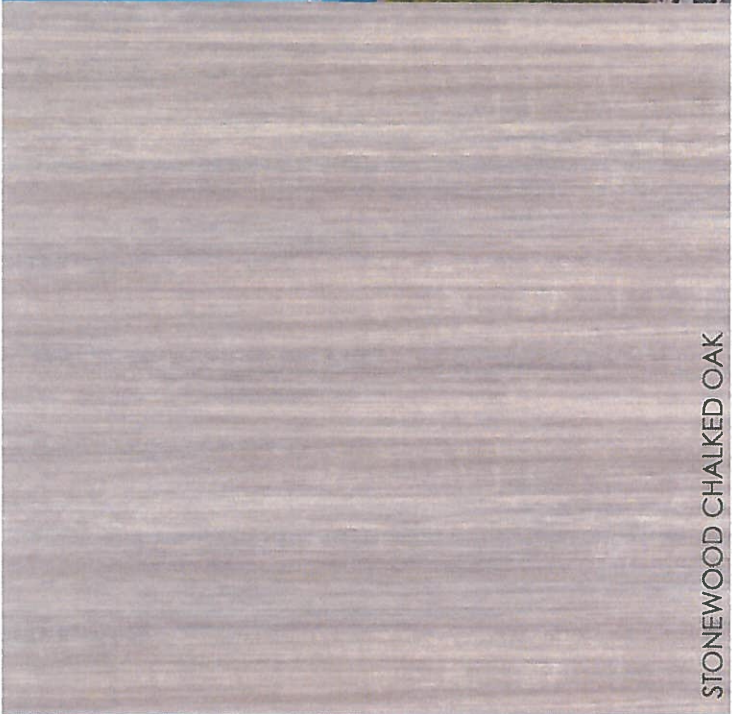
WEST - BLUE



CENTRIA MIDNIGHT BRONZE



STONEWOOD RED CUSTOM

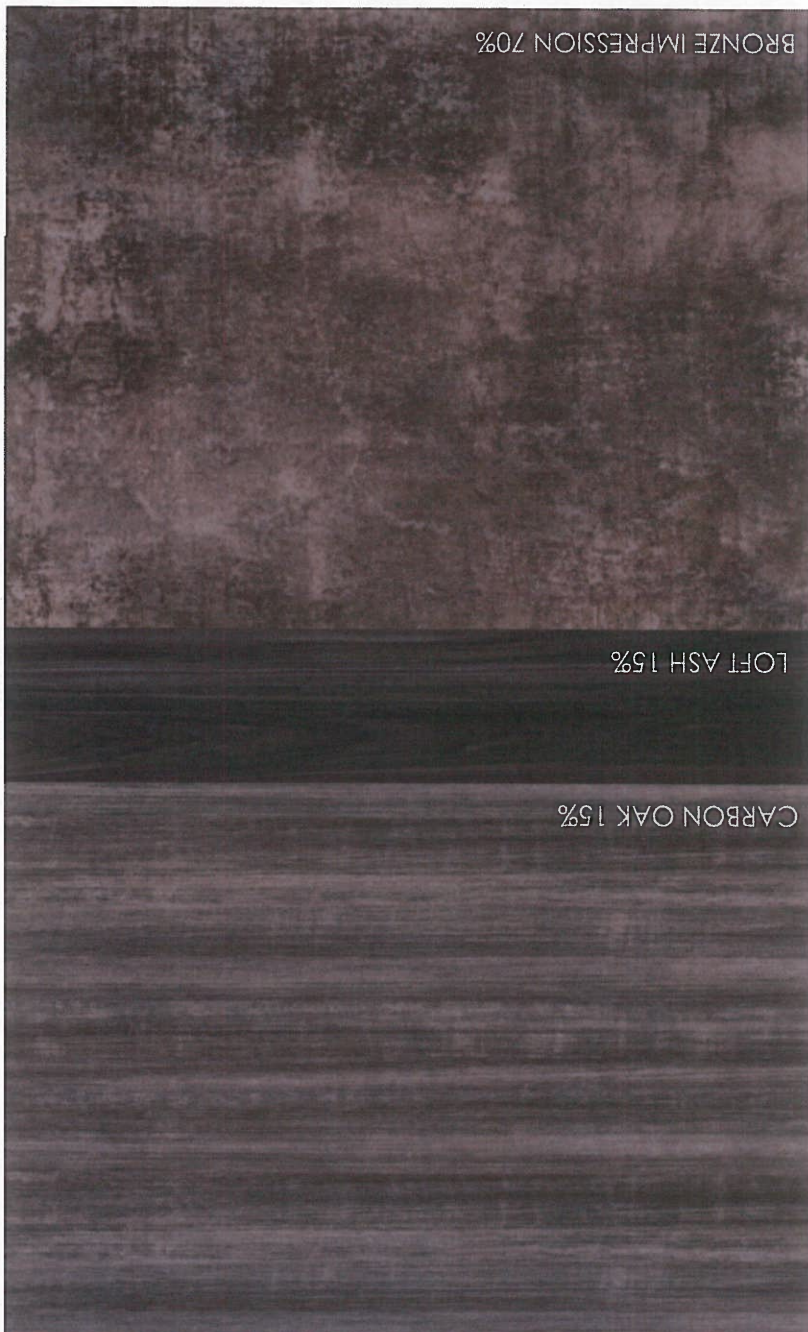


STONEWOOD CHALKED OAK



REAR FACADE METAL PANEL

ENTRANCE CANOPIES FIBER RESIN



CARBON OAK 15%

LOFT ASH 15%

BRONZE IMPRESSION 70%



MAIN FACADE FIBER RESIN

FIBER RESIN

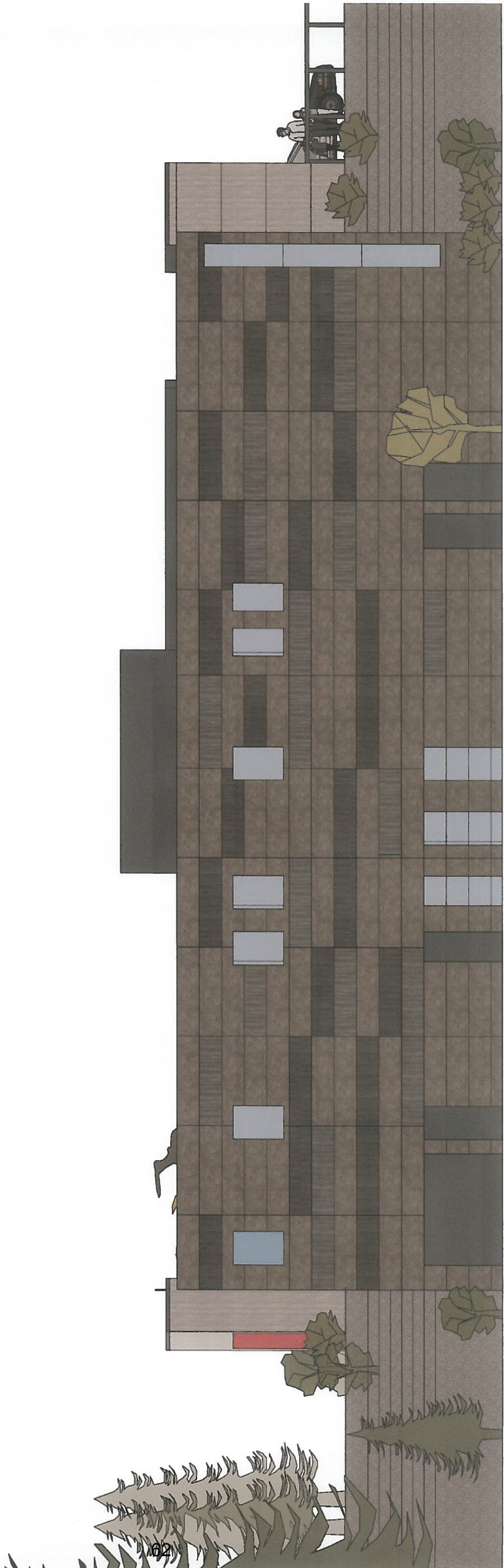


CONCEPT - RED

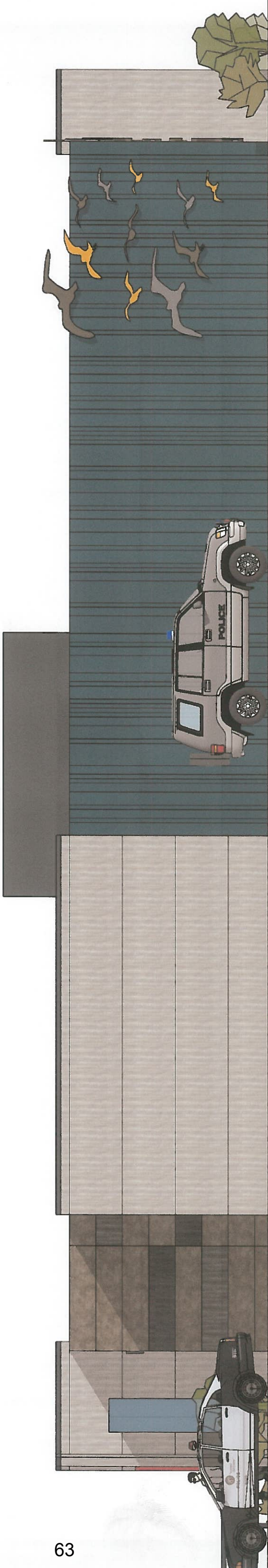




SOUTH - RED



EAST-RED



WEST-RED

CALL TO ORDER
PLEDGE OF ALLEGIANCE
AGENDA APPROVAL

HOMER CITY COUNCIL
491 E. PIONEER AVENUE
HOMER, ALASKA
www.cityofhomer-ak.gov



REGULAR MEETING
6:00 P.M. MONDAY
JANUARY 14, 2019
COWLES COUNCIL CHAMBERS

MAYOR KEN CASTNER
COUNCIL MEMBER DONNA ADERHOLD
COUNCIL MEMBER HEATH SMITH
COUNCIL MEMBER TOM STROOZAS
COUNCIL MEMBER SHELLY ERICKSON
COUNCIL MEMBER CAROLINE VENUTI
COUNCIL MEMBER RACHEL LORD
CITY ATTORNEY HOLLY WELLS
CITY MANAGER KATIE KOESTER
CITY CLERK MELISSA JACOBSEN

REGULAR MEETING AGENDA

Worksession 4:00 p.m. Committee of the Whole 5:00 p.m. in Homer City Hall Cowles Council Chambers.

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

Department Heads may be called upon from time to time to participate via teleconference.

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 2.08.040.)

3. MAYORAL PROCLAMATIONS AND RECOGNITIONS

A. Alaska Legislative Recognitions

4. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

5. RECONSIDERATION

6. CONSENT AGENDA

(Items listed below will be enacted by one motion. If 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 December 10, 2018. City Clerk. Recommend adoption.

Page 81

- B. **Memorandum 19-001** from Mayor Re: Appointment of Connor Schmidt to the Library Advisory Board. Recommend approval. Page 95
- C. **Memorandum 19-002** from City Clerk Re: Liquor License Renewals for the Best Western Bidarka Inn/Otter Room, Land's End, Alice's Champagne Palace, Fat Olives, and Wild Honey Bistro. Recommend approval. Page 99
- D. **Memorandum 19-003** from City Clerk, Re: Travel Authorization for Councilmembers to Attend the Alaska Municipal League/Alaska Conference of Mayors Winter Legislative Conference Held February 19-21, 2019 in Juneau, Alaska. Recommend approval. Page 151
- E. **Memorandum 19-004** from City Clerk Re: Approval of a letter from City Council to the Commissioner of AKDOT&PF Addressing Drainage Concerns in Baycrest Subdivision, Homer, Alaska. Requested by Erickson. Recommend approval. Page 153
- F. **Ordinance 19-01**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Capital Budget to Provide for Replacement of the Water Treatment Plant Chlorine Generation Cell by Appropriating Funds from the Water Reserve Fund in the Amount of \$23,600. City Manager/Public Works Director. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019. Page 163
- Memorandum 19-005 from Public Works Director as backup Page 165
- G. **Ordinance 19-02**, An Ordinance of the City Council of Homer, Alaska, Amending the 2019 Capital Budget to Provide for Rehabilitation of the Spit Fish Grinding Lift Station by Appropriating Funds from the Harbor Reserve Fund in the Amount of \$31,275. City Manager/Harbormaster. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019. Page 175
- Memorandum 19-006 from Public Works Director as backup Page 177
- H. **Ordinance 19-03**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Revolving Energy Fund to Provide for Lighting Upgrades at Six City City Buildings in the Amount of \$69,175. Stroozas. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019. Page 181
- Memorandum 19-007 from Public Works Director as backup Page 183

- I. **Ordinance 19-04**, An Ordinance of the City Council of Homer, Alaska, Repealing Homer City Code Chapter 2.96, Civil Defense. Mayor. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019. Page 209
- J. **Resolution 19-001**, A Resolution of the City Council of Homer, Alaska, Approving a Lease Assignment from Homer Enterprises LLC to AKSnowgrl Rentals, LLC and Authorizing the City Manager to Execute the Appropriate Documents for a new Twenty Year Lease with Options for Two Consecutive Five Year Renewals for a Portion of Lot 5, as Shown on the Subdivision Plat Entitled Homer Spit Filed as Amended Plat Number 89-34, at an Annual Rate of \$16,590.48. City Manager. Recommend adoption. Page 213
Memorandum 19-008 from Port Commission as backup Page 215
- K. **Resolution 19-002**, A Resolution of the City Council of Homer, Alaska, Approving a Lease Assignment from Lee and Kim LLC to Y&C LLC and Authorizing the City Manager to Execute the Appropriate Documents for a new Twenty Year Lease with Options for Two Consecutive Five Year Renewals for Lot 32, of the Amended Plat of the Homer Spit, According to Plat No. 89-34, at an Initial Annual Rate of \$19,888.68. City Manager. Recommend adoption. Page 285
Memorandum 19-009 from Port Commission as backup Page 287
- L. **Resolution 19-003**, A Resolution of the City Council of Homer, Alaska, Supporting Efforts of the Alaska Municipal League (AML) to Establish a Municipal Driven, Independent Arm of AML to Conduct all Online Sales Tax Administration on Behalf of Municipalities, and Approving the Appropriate Contribution Based on the City of Homer's Annual Sales Tax Revenue. City Manager. Recommend adoption. Page 361
Memorandum 19-010 from City Manager as backup Page 363
- M. **Resolution 19-004**, A Resolution of the City Council of Homer, Alaska, Supporting Robert Ruffner's Reappointment to the Alaska Board of Fisheries. Aderhold/Smith. Recommend adoption. Page 369
- N. **Resolution 19-005**, A Resolution of the City Council of Homer, Alaska, Adopting an Alternative Allocation Method for the FY19 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in the Cook Inlet Fisheries Management Area. City Manager. Recommend adoption. Page 375

7. VISITORS

**8. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/
COMMISSION/COMMITTEE REPORTS**

- A. Mayor Pro Tem Report on Committee of the Whole Discussion
- B. Councilmember Report on Worksession Discussion
- C. Borough Report
- D. Commissions/Board/Committee Reports (5 minute limit per report)
 - 1. Library Advisory Board
 - 2. Homer Advisory Planning Commission
 - A. Memorandum from City Planner Re: Update of Transportation Plan
Page 381
 - 3. Economic Development Advisory Commission
 - 4. Parks Art Recreation and Culture Advisory Commission
 - 5. Port and Harbor Advisory Commission
 - 6. Americans with Disabilities Act Compliance Committee

9. PUBLIC HEARING(S)

- A. **Ordinance 18-52**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 4.35.020, Votes Required to be Elected, to more Clearly Define how a Plurality of Votes is Calculated in Councilmember Elections. Smith/Aderhold. Introduction December 10, 2018, Public Hearing and Second Reading January 14, 2019.
Page 389

10. ORDINANCE(S)

- A. **Ordinance 19-05**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.08.100-2.08.120 Regarding Telephonic Participation at Meetings. Erickson. Recommended dates Introduction January 14, 2019, Public Hearing and Second Reading January 28, 2019.
Page 397

11. CITY MANAGER'S REPORT

A. City Manager's Report

Page 405

12. PENDING BUSINESS

13. NEW BUSINESS

14. RESOLUTIONS

15. COMMENTS OF THE AUDIENCE

16. COMMENTS OF THE CITY ATTORNEY

17. COMMENTS OF THE CITY CLERK

18. COMMENTS OF THE CITY MANAGER

19. COMMENTS OF THE MAYOR

20. COMMENTS OF THE CITY COUNCIL

21. ADJOURNMENT

Next Regular Meeting is Monday, January 28, 2019 at 6:00 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.

MAYORAL PROCLAMATIONS
AND RECOGNITIONS

PUBLIC COMMENTS
UPON MATTERS
ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

Session 18-29 a Regular Meeting of the Homer City Council was called to order on December 10, 2018 at 6:00 p.m. by Mayor Ken Castner 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, LORD, SMITH, STROOZAS, VENUTI

ABSENT: ERICKSON (excused)

STAFF: CITY MANAGER KOESTER
CITY CLERK JACOBSEN
HARBORMASTER HAWKINS
LIBRARY DIRECTOR DIXON
FINANCE DIRECTOR WALTON

Council met as Committee of the Whole at 5:00 p.m. for a presentation from Kevin Smith, Executive Director of Alaska Municipal League Joint Insurance Association and to discussion Ordinance 18-52 amending city code regarding how election votes are counted for Councilmembers, consent agenda and regular meeting agenda items.

Department Heads may be called upon from time to time to participate via teleconference.

AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 2.08.040.)

The following changes were made: **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA** -Written Public Comments, **VISITORS** - Memorandum from City Clerk Re: HERC Task Force Report' **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/ COMMISSION /COMMITTEE REPORTS** AML Report from Councilmember Erickson, **PUBLIC HEARING Ordinance 18-44(A)**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2019 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, Capital Projects, and Internal Service Funds. City Manager. Memorandum 18-141 from Finance Director Re: Additional Budgetary Information Requested

ADERHOLD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

Mayor Castner commented he will be presenting a recognition to Carol Swartz at her retirement party on Friday, December 14th.

He also took the opportunity to recognize the efforts of the employees of the City in regard to their response to the earthquake last week. It was great to see how our Emergency Operations Plan was put into place and how effective the Public Safety personnel, in particular, were in evacuating people in the low lying areas.

Lastly he congratulated the people in the low lying areas, because they were cooperative, prudent, moved with quickness, and it was a very orderly evacuation. People who were at the corner of Lake, Pioneer, and East End Road commented to him how there was no panic or unseemly hurriedness in getting through the intersection. He appreciates that the citizens of Homer take part in our public safety, we all have a duty to one another to act in that regard.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Janie Leisk, city resident, commended the HERC Task Force members and Deputy City Planner Engebretsen for their work and for the HERC Task Force final report. She attended most of their meetings and found it to be an honest process on a complex issue. One of the recommendations is to look at user fees, and as a Pickle Ball player she is willing to pay more in user fees and believe others would be as well. She looks forward to seeing Council's response and a community forum to allow others to weigh in on the recommendations.

Larry Slone, city resident and HERC Task Force member, commented regarding a flaw he sees with the HERC Task Force report that there's an implied bias that says it's okay to kick the can down the road beyond 5 years. His written comments are in the supplemental packet addressing his concerns. Aside from that he thinks the task force was a successful group and offered kudos to member Barry Reiss and Deputy City Planner Engebretsen for their efforts.

Eric Niebuhr, city resident and volunteer on Fireweed Academy Budget Committee, thanked the HERC Task Force for their work and the opportunity for the Fireweed Academy to present to them regarding their needs as a school. He'd like to see the report turn into action that makes the HERC an asset to the community. There is an opportunity to solicit for specific, financially viable proposals for near term use. The figures included in the report are real in reference to the Fireweed perspective and reflect real money paid for real space that they already occupy and can be redirected to a facility like the HERC that would unite the school under one roof.

Bob Shavelson, city resident and Academic Policy Committee member for Fireweed, commented they are working toward the goal of having all their students on one campus. Currently there are two campuses and that creates a number of inefficiencies for the school,

noting the evacuation efforts after the recent earthquake with two buildings and one principal. The HERC building has a lot of attributes worth pursuing and Fireweed is interested in seeing what they can do in finding a path through the RFP process. HE thanked the task force for their work.

RECONSIDERATION

CONSENT AGENDA

(Items listed below will be enacted by one motion. If 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 November 26, 2018. City Clerk. Recommend adoption.
- B. **Memorandum 18-137** from City Clerk Re: Liquor License Renewals for La Baleine Café and Happy Face Restaurant. Recommend approval.
- C. **Memorandum 18-138** from City Clerk Re: Travel Reimbursement for Councilmember Erickson's Attendance at the Alaska Municipal League Annual Local Government Conference in Anchorage, Alaska November 14-16, 2018.
- D. **Ordinance 18-52**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 4.35.020, Votes Required to be Elected, to more Clearly Define how a Plurality of Votes is Calculated in Councilmember Elections. Smith/Aderhold. Recommended dates Introduction December 10, 2018, Public Hearing and Second Reading January 14, 2019.
- E. **Resolution 18-093**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Provide Notice to Withdraw to our Current Property, Automotive and General Liability Insurance Provider, Alaska Municipal League Joint Insurance Association, with the Intent to Issue a Request for Proposals. City Manager. Recommend adoption.

Memorandum 18-140 from City Manager as backup

Moved to Resolutions. Aderhold.

- F. **Resolution 18-094**, A Resolution of the City Council of Homer, Alaska, Establishing the 2019 Regular Meeting Schedule for the City Council, Economic Development Advisory Commission, Library Advisory Board, Parks Art Recreation and Culture Advisory

Commission, Advisory Planning Commission, and Port and Harbor Advisory Commission. City Clerk. Recommend adoption.

Memorandum 18-139 from Deputy City Clerk as backup

- G. **Resolution 18-095**, A Resolution of the City Council of Homer, Alaska Confirming the City Manager's Appointment of Rick Abboud as the Acting City Manager for Calendar Year 2019. City Manager. Recommend adoption.

Item E moved to Resolutions. Aderhold.

VENUTI/ADERHOLD MOVED TO ACCEPT THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

- A. Alaska Municipal League Joint Insurance Association (AMLJIA) – Kevin Smith, Executive Director (5 minutes)

Kevin Smith, AMLJIA Executive Director, shared that AMLJIA is a self-insurance program for cities, boroughs, and school districts that was created in the mid 80's when it was an expensive time to buy coverage. He explained the history of how AMLJIA was established and that the City of Homer has been a member since the mid 90's. Mr. Smith noted at Committee of the Whole they reviewed the program and he's available to answer any questions for the public.

In response to questions Mr. Smith commented regarding member accumulation of benefits, similar to capital credits, through the course of the membership and financial implications of issuing notice to withdraw and returning to the program in 6 months.

- B. South Peninsula Hospital Annual Report – Joseph Woodin, Chief Executive Officer (10 minutes)

Joseph Woodin, Chief Executive Officer, provided a brief overview of the history of South Peninsula which opened in 1956 as the Homer Hospital-Health Center. He reviewed the new service area and identified the newest providers on staff at the hospital. New and expanded services include Oncology, Behavioral Health, Primary Care, Addiction, and Orthopedics. Mr. Woodin commented on SPH's top three initiatives, financial stability, physician/staff recruitment, and master facility planning. He reviewed financial information related to total

uncompensated care, along with statistic regarding hospital volume, and 5 year trends on total inpatient days, surgery volumes, home health clients, and outpatient visits. Lastly Mr. Woodin highlighted awards the hospital has recently received and community benefit programs they sponsor and/or participate in.

In response to questions Mr. Woodin reviewed the hospital's response efforts during and after the recent earthquake, and explained the hospital is discussing child care opportunities for employees and hope to be able to expand it to the community.

C. HERC Task Force Final Report – Crisi Matthews and Michael Haines (10 minutes)

Crisi Matthews and Michael Haines reported on the process the Task Force used during their time with the project. She touched on items in the report including operation and maintenance cost analysis, remodel scenarios including loan options, demolition estimates, new construction estimates, and recommendations for next steps. Task Force recommendations include:

- Keep HERC in warm status for the next 5 years
- Make immediate repairs to prevent further deterioration
- Partnership to keep the building going
- Establish a committee and RFP process to take the next step
- If no solution in 5 years, look again at remodel, or demolition and new build

Recommended next steps:

- PARCAC Evaluate current user fees, evaluate Gym and Zumba Room rentals
- Public Works solicit cost estimates, and review the operations and maintenance budget
- Consider upstairs rentals, long and short term, related costs and fees, marketing and building management

Recommended Council actions:

- Have a work session to ask questions and talk through the options
- Create a Committee w Council participation and champion for next steps. Could include an RFP process.
- Public meeting in January could be a stepping stone to bring together interested community groups

ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION/COMMITTEE REPORTS

A. Borough Report

Kelly Cooper, Kenai Peninsula Borough Assembly member, reported the Assembly passed a resolution supporting transportation priorities to be considered for grant funding to the state DOT. The Independent Living Center was the only organization to present an application to be

considered by the local transportation committee. They also passed a resolution declaring a local economic disaster and requesting the Governor declare an economic disaster for the upper Cook Inlet fisheries region and supporting a recovery plan. The Assembly agreed not to appeal the Court's decision on the invocation. A resolution was approved to open it up to all residents of the Borough and people can sign up online if they are interested. They are starting to prepare for their budget cycle and will begin meeting monthly with the School Board after the first of the year to go through their process, and they'll continue to have the Safe Schools Round-Table. Bargaining agreements will begin after the first of the year, and there is a new Chief of Staff, James Baisden, former Nikiski Fire Chief. She commented on issues with the recent earthquake notifications and the need to have regular updates on the KPB website, they're working to make improvements in those areas. She also reported Senator Stevens and Representative Vance are having an open house at the Chamber of Commerce tomorrow and January 9th is the Industry Outlook Forum that will be held in Homer.

B. Commissions/Board/Committee Reports (5 minute limit per report)

1. Library Advisory Board

Mark Massion, Library Advisory Boardmember, reported at their last meeting the Board spent time reviewing an orientation packet for new board members and previewed ideas for their January 7th worksession. City Manager Koester will be at that worksession to hear Boardmember input regarding hiring the new Library Director. He said the Board appreciates the time and attention to detail displayed by Deputy Clerk Rachel Tussey. Mr. Massion also commented on events happening at the library.

2. Homer Advisory Planning Commission

Franco Venuti, Planning Commission Chair, reported on December 5th the Commission approved the vacation of a portion of right-of-way for Eric Lane, a conditional use permit for more than one building containing a principle permitted use at 3771 west hill road, and a conditional use permit for a medical office clinic at 205 W. Fairveiw Avenue and postponed action on a preliminary plat for Commercial Park Unit 2 in the East End Mixed Use district. They discussed their current worklist which includes conditional use permit reduction, natural hazard planning and green infrastructure, developing a medical district, coastal bluff definition, transportation plan, and site plan requirements and permit follow up. He thanked Planning staff for all they do for the Commission any success the Commission achieves is directly related to the professionalism and diligence coming from that office. He congratulated Deputy Clerk Renee Krause for receiving her Master Municipal Clerk designation, she's been very helpful to the Commission and is a valuable asset to the City. He also thanked Council for their service to our wonderful community and wished everyone a very Merry Christmas and great success in 2019.

3. Economic Development Advisory Commission

4. Parks Art Recreation and Culture Advisory Commission

Ingrid Harrald, Parks Art Recreation and Culture Advisory Commission Chair, commented the Commission hasn't met since their last report, but wanted to take the opportunity to appreciate all the City staff that has helped them through the year, including Matt Steffy, Mike Illg, Julie Engebretsen, and Renee Krause. The Commission is having a special meeting in January to discuss a winter park celebration in February, focusing on Ben Walters Park. It's been a community partnership where Matt Steffy and PARCAC have worked with McDonald's and Rotary for improvement and safety in the park. This is an opportunity to show an example how the community can come together to support parks. She thanked Council for the Karen Hornaday Park funds for the traffic calming, they learned a lot along the way and the PARCAC line item in the budget. There is some natural space in the new Quiet Creek Subdivision. She recognized the efforts of the HERC Task Force and appreciates their work.

5. Port and Harbor Advisory Commission

Steve Zimmerman, Port and Harbor Commission Chair, thanked the Mayor for the Chair's meeting, it was an opportunity for Chairs to learn how to communicate better with Council and how to form their memos for clearer communication on what the commissions are trying to do. The Commission has been working on new haul out ideas and on their strategic plan.

Mike Stockburger, Port and Harbor Advisory Commissioner, commented the Commission canceled their November meeting. The Port and Harbor and Marine Trade Association sponsor a booth at the Pacific Marine Expo, a larger commercial boat show in Seattle with about 450 vendors. Basically they encourage boat owners down there to come to Homer to get their work done. We have a terrific group of marine tradesmen in town and an excellent harbor. They also attend the Anchorage Boat show in February, this year it's the 17th and 18th.

6. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported they met last week and continue working on their transition. Harbormaster Hawkins attended and they discussed challenges and opportunities with the harbor facilities. She gave kudos for Deputy Clerk Tussey, she's been helping the committee with her skill sets, one being that she created an online ADA grievance form for people easily fill out and submit if they have issues with ADA resources related to the City.

C. Travel Narrative Reports

1. Councilmember Stroozas AML Report

Councilmember Stroozas reviewed his report that was included in the packet.

PUBLIC HEARING(S)

- A. **Ordinance 18-44(A)**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2019 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, Capital Projects, and Internal Service Funds. Introduction October 22, 2018, Public Hearing November 26 and December 10, 2018 and Second Reading December 10, 2018.

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 18-44(A) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

A question was posed as to why the \$18,000 amendment by the Mayor for Scoping Studies is coming from a transfer from the Fire Fleet Reserves to Professional Services. City Manager Koester explained there isn't a specific identified need for Fire Fleet Reserves, but they will be working on a fleet management plan. Essentially it was the "catch all" category for end pieces when she put together the budget. At the request of the Mayor, she noted the budget amendment form clarifies that a memo or resolution will be required to authorize funds for specific scoping projects.

VOTE: YES: VENUTI, SMITH, ADERHOLD, LORD, STROOZAS

Motion carried.

- B. **Resolution 18-077(A)**, A Resolution of the City Council of Homer, Alaska Amending the Homer Fee Schedule under Library fees, Public Works Fees, Renaming Camping Fees to Camping and Parks Fees and Amending Camping and Parks Fees. City Clerk. (Follows Ordinance 18-44)

Memorandum 18-131 from PARCAC as backup

Memorandum 18-132 from Library Advisory Board as backup

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

ADERHOLD/LORD MOVED TO ADOPT RESOLUTION 18-077(A) BY READING OF TITLE ONLY.

Councilmember Smith commented briefly regarding the public comments during Committee of the Whole on the reference to the 24 hour time period in the fee schedule. City Manager

Koester responded she isn't aware of any issues related to the verbiage, but will confirm with Parks Maintenance.

Councilmember Lord reminded the listening audience that after the first of the year there will be a fee to reserve and have exclusive use of the pavilion at Bishop's Beach.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

C. **Resolution 18-078**, A Resolution of the City Council of Homer, Alaska Maintaining the Port of Homer Tariff No. 1 at the Current Rates. Tariff. City Clerk. (Follows Ordinance 18-44)

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT RESOLUTION 18-077(A) BY READING OF TITLE ONLY.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

D. **Ordinance 18-49(A)**, An Ordinance of the City Council of Homer, Alaska, Amending the 2018 Capital Budget in the Amount of \$37,298.98 for the Purchase of Escape Ladders for the Homer Harbor Leased Stalls. City Manager/Port Director. Introduction November 26, 2018, Public Hearing and Second Reading December 10, 2018.

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

ADERHOLD/VENUTI MOVED TO ADOPT ORDINANCE 18-49(A) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- E. **Ordinance 18-50**, An Ordinance of the City Council of Homer, Alaska, Amending the Official Road Maintenance Map of the City of Homer by adding Greatland Street, Nelson Avenue, Ronda Street, Father Dean Court, and South Slope Drive as Urban Roads. City Manager/Public Works Director. Introduction November 26, 2018, Public Hearing and Second Reading December 10, 2018.

Memorandum 18-133 from Public Works Superintendent as backup.

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 18-50 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

- A. City Manager's Report

City Manager Koester commented in addition to her written report she's a proud City Manager with so many kudos for city staff, it was fun to hear the Commissioners and public recognize the amazing people we have working here. She also reported she has finalized the date of February 21st for a table top and community Emergency Operation Center training with Texas A&M.

- B. City Attorney Report

City Attorney Wells commented on the earlier meeting with Commission Chairs where they discussed making findings that are transparent, clear, and give the general public real insight and awareness as what their government entities are doing. It was successful and great to see the participation.

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

- A. **Resolution 18-093**, A Resolution of the City Council of Homer, Alaska, Authorizing the City Manager to Provide Notice to Withdraw to our Current Property, Automotive and General Liability Insurance Provider, Alaska Municipal League Joint Insurance Association, with the Intent to Issue a Request for Proposals. City Manager. Recommend Adoption.

Memorandum 18-140 from City Manager as backup

ADERHOLD/LORD MOVED TO ADOPT RESOLUTION 18-093 BY READING OF TITLE ONLY

Councilmembers commented in support of continuing to contract with AMLJIA and not providing a notice to withdraw as proposed in the resolution.

VOTE: NO: STROOZAS, SMITH, LORD, VENUTI, ADERHOLD

Motion failed.

COMMENTS OF THE AUDIENCE

Mike Illg, city resident and City's Recreation Manager, acknowledged and thanked the HERC Task Force for their work; it was detailed, thorough and he hopes we can move forward as a community on what we are going to do with the facility. He recognized the first responders in the recent earthquake, and also the School District staff for their work in calming the kids and transporting them to the high school. He thanked the teachers, secretaries, and principals for their efforts.

COMMENTS OF THE CITY ATTORNEY

Attorney Wells had no comments.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen had no comments.

COMMENTS OF THE CITY MANAGER

City Manager Koester had no comments.

COMMENTS OF THE MAYOR

Mayor Castner commented that following earthquake he looked at the Emergency Operations Plan and he feels it's deficient in a lot of government guidance for the Mayor and Council. In thinking about if there is a disaster the only thing they really need to do is to free up some money for the first 72 hours, and he recognizes there may be challenges in finding a quorum of the Council to do that. He'd like to revisit the EOP, particularly the relevant chapter. Mayor Castner thanked the Council and Commissions for good meetings tonight. He thanked the City Attorney for excellent guidance at the Chair's meeting. He said he will not use his authority to veto anything in the budget. He would like to take up consideration of a policy regarding the COLA in the city budget, and would like to schedule a worksession in January regarding HERC Task Force report to keep that moving along. He wished everyone Merry Christmas and Happy Holidays.

COMMENTS OF THE CITY COUNCIL

Councilmember Lord thanked the HERC Task Force for doing an awesome job. In reading through the report she didn't get the feeling of kicking the can, it rang out that we need to be doing something now. She recognized the School District for doing an excellent job of evacuating the students to the high school when the earthquake happened. When she picked up her child, it was calm and controlled, no sense of panic or chaos at all. She said that work could be done to better communicate to the community where the inundation and safety zones are. The holidays and darkest time of the year are upon us, which can be stressful for adults and kids. She thanked the schools and organizations that help with kids, and noted SPARK has open gym on Saturdays and it's a great place for kids to play. She noted the Share the Spirit Spaghetti feed, congratulated Renee Krause for her Master Municipal Clerk certification, and asked to be on the list for travel for the AML winter conference. The Port of Emmonak received a federal DOT grant for \$23 million to build a port. That makes her hopeful for our port expansion and it's a good time to keep moving on that effort. She wished everyone Merry Christmas and Happy Solstice.

Councilmember Aderhold thanked everyone for their patience when she teleconferenced last meeting. Her first indication of the earthquake was her phone went off with a tsunami alert while in San Marcos, Texas. She congratulated Renee Krause for her MMC. She's thrilled with the HERC Task Force report and the work they've done. There's no question they need to keep moving forward. She requested the worksession be at the first meeting in January if possible, as she will be gone for the second meeting. She's interested in figuring out what a public form would look like. She thanked everyone for their participation, it was good to pass the budget. She wished everyone Happy Holidays.

Councilmember Smith congratulated Renee Krause on receiving her MMC and he hopes Councilmember Erickson feels better soon. He appreciated the great showing from the Commissioners tonight and shared gratitude for those who serve. He commented about YouTube and being able to review the live of former President Bush who recently passed. It was interesting to learn he started the Point of Light Foundation and encouraged people to

be a point of light through service and encourage people to look that up and see what's been accomplished through those efforts. As the year closes its important to see what a great community we have. He appreciated the efforts of the first responders following the earthquake and during the tsunami warning. He wished everyone Merry Christmas and Happy New Year.

Councilmember Stroozas commented the Elks Lodge is hosting the Share the Spirit Spaghetti feed again this year. This is a caring and sharing time of year. He wished everyone Merry Christmas and Happy New Year.

Councilmember Venuti noted everything's been said. She encourage people to watch out for the pot holes on Pioneer Avenue. She was interested to learn about the idea of a school partnership with Fireweed and the HERC, it might be a perfect use for the building. She appreciated the great Commission reports tonight and said congratulations to Renee Krause. She noted Carol Swartz's retirement party is Friday night and wished everyone Merry Christmas and a 2019 filled with joy and hope.

ADJOURN

There being no further business to come before Council, Mayor Castner adjourned the meeting at 8:02 p.m. The next Regular Meeting is Monday, January 14, 2019 at 6:00 p.m., Worksession at 4:00 p.m. and 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.

MELISSA JACOBSEN, MMC, CITY CLERK

Approved: _____



City of Homer

www.cityofhomer-ak.gov

Office of the Mayor

491 East Pioneer Avenue
Homer, Alaska 99603

mayor@ci.homer.ak.us

(p) 907-235-3130

(f) 907-235-3143

Memorandum 19-001

TO: HOMER CITY COUNCIL
FROM: KEN CASTNER, MAYOR
DATE: JANUARY 9, 2019
SUBJECT: APPOINTMENT OF CONNOR SCHMIDT TO THE LIBRARY ADVISORY BOARD

Connor Schmidt is appointed to the Library Advisory Board to fill the seat vacated by Byron Sansom. The term will expire April 1, 2020.

RECOMMENDATION:

Confirm the appointment of Connor Schmidt to the Library Advisory Board.



CITY OF HOMER
APPLICATION TO SERVE ON ADVISORY BODY
COMMISSION, BOARD, COMMITTEE, TASK FORCE

CITY CLERK'S OFFICE
CITY OF HOMER
491 E. PIONEER AVE
HOMER, AK 99603
PH. 907-235-3130
FAX 907-235-3143
clerk@cityofhomer-ak.gov

The information below provides some basic background for the Mayor and Council
This information is public and will be included in the Council Information packet

Name: Connor Schmidt Date: 1/2/2019
Physical Address: 143 E Bayview Ave. Homer, AK 99603
Mailing Address: PO Box 1394 Homer, AK 99603
Phone #: 303-803-8874 Cell #: _____ Work #: 907-235-3436
Email Address: schmidt.connor09@gmail.com

The above information will be published in the City Directory and within the city web pages if you are appointed
by the Mayor and your appointment is confirmed by the City Council

Please indicate the advisory body that you are interested in serving on by marking with an X.
You may select more than one.

<input type="checkbox"/> ADVISORY PLANNING COMMISSION 1ST & 3RD WEDNESDAY OF THE MONTH AT 6:30 PM WORKSESSION PRIOR TO EACH MEETING AT 5:30 PM	<input type="checkbox"/> ECONOMIC DEVELOPMENT ADVISORY COMMISSION 2ND TUESDAY OF THE MONTH AT 6:00 PM
<input type="checkbox"/> PARKS ART RECREATION & CULTURE ADVISORY COMMISSION 3RD THURSDAY OF THE MONTH AT 5:30 PM	<input type="checkbox"/> CANNABIS ADVISORY COMMISSION 4TH THURSDAY OF THE MONTH AT 5:30 PM
<input type="checkbox"/> PORT & HARBOR ADVISORY COMMISSION 3RD WEDNESDAY OF THE MONTH OCT-APRIL AT 5:00 PM MAY - SEPT AT 6:00 PM	<input checked="" type="checkbox"/> LIBRARY ADVISORY BOARD 1ST TUESDAY OF THE MONTH AT 5:30 PM
<input type="checkbox"/>	<input type="checkbox"/> OTHER - PLEASE INDICATE _____
<input type="checkbox"/> CITY COUNCIL 2ND & 4TH MONDAY OF THE MONTH SPECIAL MEETINGS & WORKSESSIONS AT 4:00 PM COMMITTEE OF THE WHOLE AT 5:00 PM REGULAR MEETING AT 6:00 PM	

I have been a resident of the city for 2.5 years. I have been a resident of the area for 2.5 years.

I am presently employed at South Peninsula Haven House, Kachemak Bay Family Planning Ctr.

Please list any special training, education or background you may have which is related to your choice of advisory body.

My background is in International Development, thus I recognize just how crucial libraries can be to the continuing education of populations of all demographics.

Have you ever served on a similar advisory body? If so please list when, where and how long:

No, I have not.

Why are you interested in serving on the selected advisory body?

I would like to broaden my view of the supports Homer has and provide the board with a younger-adult's perspective.

Please list any current memberships or organizations you belong to related to your selection(s):

None currently.

Please answer the following only if you are applying for the Advisory Planning Commission:
Have you ever developed real property other than a personal residence, if so briefly explain:

N/A.

Please answer if your are applying for the Port & Harbor Advisory Commission:
Do you use the Homer Port and/or Harbor on a regular basis?

Yes

No

What is your primary use? Commercial

Recreational

Please include any additional information that may assist the Mayor in his/her decision making:

Through college, I studied Spanish + Chinese, I am greatly appreciative of what local libraries have done to help support my continuous language education, which I would love to help inspire in others.

When you have completed the application please review and return to the City Clerk's Office. You may also email this to clerk@cityofhomer-ak.gov or fax to 907-235-3143. Thank you for applying!



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 19-002

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: JANUARY 7, 2019

SUBJECT: LIQUOR LICENSE RENEWALS BEST WESTERN BIDARKA INN/OTTER ROOM, LAND'S END, ALICE'S CHAMPAGNE PALACE, FAT OLIVES, WILD HONEY BISTRO

We have been notified by the Alcohol Marijuana Control Office of liquor license renewals in the City of Homer for the following:

Lic. #	Doing Business As	License Type	Licensee	Premises Address
1402	Best Western Bidarka Inn/Otter Room	Beverage Dispensary/Tourism	Johnson Inn Homer, LLC	575 Sterling Hwy
645	Land's End	Beverage Dispensary	Land's End Acquisition Corp	4786 Homer Spit Rd
253	Alice's Champagne Palace	Beverage Dispensary	Pioneer Beverages, Inc	195 E. Pioneer Rd
4315	Fat Olives	Restaurant/Eating Place-Public Convenience	KELT, LLC	276 Ohlson Lane
5607	Wild Honey Bistro	Restaurant/Eating Place-Public Convenience	Broad Point, LLC	106 W. Bunnell Ave, Unit 2

RECOMMENDATION: Voice non objection and approval for the liquor license renewals.

Fiscal Note: Revenues.



City of Homer

www.cityofhomer-ak.gov

Police Department

4060 Heath Street
Homer, Alaska 99603

police@cityofhomer-ak.gov

(p) 907-235-3150

(f) 907-235-3151/ 907-226-3009

Memorandum

TO: RENEE KRAUSE, MMC, DEPUTY CITY CLERK

FROM: MARK ROBL, POLICE CHIEF *mm*

SUBJECT: Liquor License Renewals for

DATE: 1/1/2019

There is no objection to these Liquor License Renewals.

License #: 1402

Doing Business As: Best Western Bidarka Inn/Otter Room

License Type: Beverage Dispensary -Tourism

Licensee: Johnson Inn Homer, LLC.

Premises Address: 575 Sterling Hwy, Homer, AK 99603

License #: 645

Doing Business As: Land's End

License Type: Beverage Dispensary

Licensee: Land's End Acquisition Corporation

Premises Address: 4786 Homer Spit Road, Homer, AK 99603

License #: 253

Doing Business As: Alice's Champagne Palace

License Type: Beverage Dispensary

Licensee: Pioneer Beverages, Inc.

Premises Address: 195 E. Pioneer Ave, Homer, AK 99603



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum

TO: MARK ROBL, POLICE CHIEF

CC: JONA FOCHT, COMMUNICATIONS SUPERVISOR

FROM: RENEE KRAUSE, MMC, DEPUTY CITY CLERK

DATE: JANUARY 3, 2019

SUBJECT: LIQUOR LICENSE RENEWALS FOR FAT OLIVES AND WILD HONEY BISTRO

We have been notified by the Alcohol and Marijuana Control Office of two additional applications for liquor license renewals in the City of Homer for the following:

Lic. #	Doing Business As	License Type	Licensee	Premises Address
4315	Fat Olives	Restaurant/Eating Place – Public Convenience	KELT, LLC	276 Ohlson Lane
5607	Wild Honey Bistro	Restaurant/Eating Place – Public Convenience	Broad Point, LLC	106 W. Bunnell Ave, Unit 2

This matter is scheduled for the January 14, 2019 City Council meeting. Please respond with objections/non-objections to these liquor license renewals by **Tuesday, January 8, 2018**.

Thank you for your assistance.



December 14, 2018

City of Homer
Attn: City Clerk

Via Email: clerk@cityofhomer-ak.gov
Cc: joanne@borough.kenai.ak.us
jblankenship@borough.kenai.ak.us
tshassetz@kpb.us

Re: Notice of 2019/2020 Liquor License Renewal Application

License Type:	Beverage Dispensary – Tourism	License Number:	1402
Licensee:	Johnson Inn Homer, LLC		
Doing Business As:	Best Western Bidarka Inn/Otter Room		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

Master Checklist: Renewal Liquor License Application

Doing Business As:	Best Western Bidarka Inn/Otter Room	License Number:	1402
License Type:	Beverage Dispensary - Tourism		
Examiner:	JOHN	Transaction #:	987926 ✓

Document	Received	Completed	Notes
AB-17: Renewal Application	12/7/18	12/7/18	
App and License Fees	12/7/18	12/7/18	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement	12/7/18	12/7/18	
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit			
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LGB 1 Response:

Waive Protest Lapsed

LGB 2 Response:

Waive Protest Lapsed



Alaska Alcoholic Beverage Control Board
Beverage Dispensary – Tourism License
Form AB-17d: 2019/2020 Renewal License Application

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing beverage dispensary – tourism liquor license that will expire on December 31, 2018. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)’s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	Johnson Inn Homer, LLC	License #:	1402
License Type:	Beverage Dispensary - Tourism	Statute:	AS 04.11.400(d)
Doing Business As:	Best Western Bidarka Inn / Otter Room		
Premises Address:	575 Sterling Hwy		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		
Community Council:	None		

Mailing Address:	575 Sterling Hwy		
City:	HOMER	State:	AK
		ZIP:	99603

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

Contact Licensee:	DONG JOHNSON	Contact Phone:	907-299-1413
Contact Email:	DJ-Bidarkainn@hotmail.com		

Optional: If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person’s contact information in the fields below.

Name of Contact:		Contact Phone:	
Contact Email:			

AMCO

DEC 07 2018



Section 2 – Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. You may view your entity's status or find your CBPL entity number by visiting the following site: https://www.commerce.alaska.gov/cbp/main/search/entities

General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

Alaska CBPL Entity #: 10024779

You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.



This subsection must be completed by any community or entity, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a corporation, the following information must be completed for each stockholder who owns 10% or more of the stock in the corporation, and for each president, vice-president, secretary, and managing officer.
• If the applicant is a limited liability organization, the following information must be completed for each member with an ownership interest of 10% or more, and for each manager.
• If the applicant is a partnership, including a limited partnership, the following information must be completed for each partner with an interest of 10% or more, and for each general partner.

Important Note: The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

Table with 4 rows and 5 columns: Name of Official (Douglas Johnson), Title(s) (Member), Phone (907-299-1413), % Owned (50), Mailing Address (575 Sterling Hwy), City (Homer), State (AK), ZIP (99603)

Table with 4 rows and 5 columns: Name of Official (Jacky Johnson), Title(s) (Member), Phone (907-299-3685), % Owned (50), Mailing Address (575 Sterling Hwy), City (Homer), State (AK), ZIP (99603)

Table with 4 rows and 5 columns: Name of Official, Title(s), Phone, % Owned, Mailing Address, City, State, ZIP



Form AB-17d: 2019/2020 Tourism Renewal License Application

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an **individual or multiple individuals** and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

Section 4 – Alcohol Server Education

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

Section 5 – License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

2017 2018

The license was regularly operated continuously throughout each year.

The license was regularly operated during a specific season each year.

The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years.

If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.



Section 6 - Violations and Convictions

Applicant violations and convictions in calendar years 2017 and 2018: Yes No

- Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?
Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

Section 7 - Certifications

Read each line below, and then sign your initials in the box to the right of each statement: Initials

- I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.
I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control (ABC) Board.
I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.
I am submitting as part of this application a written statement that meets the attached Tourism Statement Guidelines, for review by the Alcoholic Beverage Control Board.

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Signature of licensee: Douglas Johnson
Printed name of licensee



Signature of Notary Public: Kathleen B. Scott

Notary Public in and for the State of Alaska

My commission expires: 08/16/2020

Subscribed and sworn to before me this 5 day of December, 2019.

Seasonal License? Yes No
If "Yes", write your six-month operating period:

Table with 5 columns: License Fee (\$2500.00), Application Fee (\$300.00), TOTAL (\$2800.00), Miscellaneous Fees, GRAND TOTAL (if different than TOTAL) (2800.00)

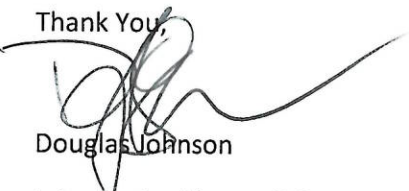
DEC 07 2018

To Whom It May Concern:

10/10/2018

Our business encourages tourism by giving tourists a place to stay, dine and drink all in one establishment. We have close ties with several of the local businesses that cater to tourists visiting our area. Examples are several fishing charters, eco-tourism companies, air charters that cater to sight seeing and bear viewing, the Alaska marine highway terminal, hunting, water taxis, local art shops and the many businesses of the Homer Spit. Johnson Inn Homer LLC, DBA Best Western Bidarka Inn/Otter Room, operates this facility for which a license is being applied. We offer 74 rooms, none of which have kitchen facilities, for overnight and longer accommodations all year round. Our rooms are Not stocked with any alcoholic drinks or products. We are also not located in an airport terminal. We have a Dinner facility that occupies the same space where beverages are served and offer a free breakfast with every stay. Lunch is also offered by special request. We have made many improvements in the last couple years to our existing kitchens, rooms, and public areas. We continue to make improvements to our business that will make our guests visit to Alaska more comfortable and enjoyable.

Thank You,



Douglas Johnson

Johnson Inn Homer LLC

DBA Best Western Bidarka Inn / Otter Room

AMCO

DEC 07 2018

Department of Commerce, Community, and Economic Development
**CORPORATIONS, BUSINESS &
 PROFESSIONAL LICENSING**

[State of Alaska / Commerce / Corporations, Business, and Professional Licensing / Search & Database](#)
[Download / Corporations / Entity Details](#)

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Johnson Inn Homer, LLC

Entity Type: Limited Liability Company

Entity #: 10024779

Status: Good Standing

AK Formed Date: 11/10/2014

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2020

Entity Mailing Address: 575 STERLING HWY, HOMER, AK 99603-7447

Entity Physical Address: 575 STERLING HWY, HOMER, AK 99603-7447

Registered Agent

Agent Name: Douglas Johnson

Registered Mailing Address: 575 STERLING HWY, HOMER, AK 99603-7447

Registered Physical Address: 55156 HILL AVE., HOMER, AK 99603

Officials

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former Owned
	Douglas Johnson	Member	50
	Jacky Johnson	Member	50



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

12/18/2018

Ms. Melissa Jacobsen
City of Homer Clerk
Homer City Hall
491 E Pioneer Ave.
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	Beluga Lake Lodge Inc
Business Name	:	Best Western Bidarka Inn/Otter Room
License Type	:	Beverage Dispensary/Tourism
License Location	:	575 Sterling Hwy, City of Homer
License No.	:	1402
Application Type	:	License Renewal

Dear Ms. Jacobsen,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

JB/TS

Encl.

cc: dj_bidarkainn@hotmail.com; clerk@ci.homer.ak.us; JRodgers@kpb.us



December 14, 2018

City of Homer
Attn: City Clerk

Via Email: clerk@cityofhomer-ak.gov
Cc: joanne@borough.kenai.ak.us
jblankenship@borough.kenai.ak.us
tshassetz@kpb.us

Re: Notice of 2019/2020 Liquor License Renewal Application

License Type:	Beverage Dispensary	License Number:	645
Licensee:	Land's End Acquisition Corporation		
Doing Business As:	Land's End		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

Master Checklist: Renewal Liquor License Application

Doing Business As:	Land's End	License Number:	645
License Type:	Beverage Dispensary		
Examiner:	John	Transaction #:	988049 ✓

Document	Received	Completed	Notes
AB-17: Renewal Application	12/7/18	12/7/18	
App and License Fees	12/7/18	12/7/18	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit			
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LGB 1 Response:

Waive
 Protest
 Lapsed

LGB 2 Response:

Waive
 Protest
 Lapsed



Alaska Alcoholic Beverage Control Board

Form AB-17: 2019/2020 Renewal License Application

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing liquor license that will expire on December 31, 2018. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	Land's End Acquisition Corporation	License #:	645
License Type:	Beverage Dispensary	Legal Ref.:	AS 04.11.090
Doing Business As:	Land's End		
Premises Address:	4786 Homer Spit Road		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		
Community Council:	None		
Mailing Address:	4786 Homer Spit Rd		
City:	Homer	State:	AK
		ZIP:	99603

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

Contact Licensee:	Jonathan Faulkner	Contact Phone:	907-399-3410
Contact Email:	landsendjdf@gmail.com		

Optional: If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

Name of Contact:		Contact Phone:	
Contact Email:			



Form AB-17: 2019/2020 Renewal License Application

Section 2 – Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a **corporation** or **LLC**. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. **You may view your entity's status or find your CBPL entity number by visiting the following site: <https://www.commerce.alaska.gov/cbp/main/search/entities>**

General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

Alaska CBPL Entity #:	42006D
-----------------------	--------

You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.

This subsection must be completed by any **community** or **entity**, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a **corporation**, the following information must be completed for each **stockholder who owns 10% or more** of the stock in the corporation, and for each **president, vice-president, secretary, and managing officer**.
- If the applicant is a **limited liability organization**, the following information must be completed for each **member with an ownership interest of 10% or more**, and for each **manager**.
- If the applicant is a **partnership**, including a limited partnership, the following information must be completed for each **partner with an interest of 10% or more**, and for each **general partner**.

Important Note: The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

Name of Official:	Jonathan Fauckner				
Title(s):	Director, President, Treasurer	Phone:	399-3410	% Owned:	0
Mailing Address:	4621 West Hill Rd.				
City:	Homer	State:	AK	ZIP:	99603

Name of Official:	Sara Fauckner				
Title(s):	Director, Secretary, Vice President	Phone:	299-0570	% Owned:	0
Mailing Address:	4621 West Hill Rd.				
City:	Homer	State:	AK	ZIP:	99603

Name of Official:	Jonathan and Sara Fauckner Living Trust dated 7/15/2013				
Title(s):	Shareholder	Phone:	299-0570	% Owned:	51.67
Mailing Address:	4621 West Hill Rd.				
City:	Homer	State:	AK	ZIP:	99603

Land's End Acquisition Corporaton
Beverage Dispensary License # 645
Section 2- Entity Ownership Information (continued)

Name of Official Charles Ryan
Title Director, Shareholder
Phone 907-444-8533
% Owned 10.67
Mailing Address 6101 West Tree Drive
City Anchorage
State AK
Zip 99507

Name of Official Rebecca Alexander
Title Shareholder
Phone 907-444-8533
% Owned 10.67
Mailing Address 6101 West Tree Drive
City Anchorage
State AK
Zip 99507

Name of Official Steve Agni
Title Director, Shareholder
Phone 907-299-0583
% Owned 23.08
Mailing Address PO Box 244661
City Anchorage
State AK
Zip 99524

AMCO

DEC 07 2018



Form AB-17: 2019/2020 Renewal License Application

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an **individual or multiple individuals** and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:		
Mailing Address:						
City:		State:		ZIP:		
Email:						

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:		
Mailing Address:						
City:		State:		ZIP:		
Email:						

Section 4 – Alcohol Server Education

This section must be completed only by the holder of a **beverage dispensary, club, or pub** license or **conditional contractor's permit**. The holders of all other license types should skip to Section 5.

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

Section 5 – License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

2017 2018

- The license was regularly operated continuously throughout each year. 2017 2018
- The license was regularly operated during a specific season each year. 2017 2018
- The license was only operated to meet the minimum requirement of 240 total hours each calendar year. 2017 2018
If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.
- The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years. 2017 2018
If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.



Alaska Alcoholic Beverage Control Board
Form AB-17: 2019/2020 Renewal License Application

Section 6 – Violations and Convictions

Applicant violations and convictions in calendar years 2017 and 2018:

	Yes	No
Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

Section 7 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement: Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control Board.

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

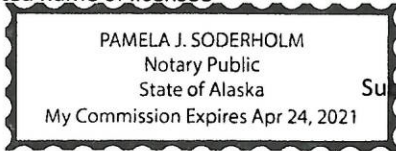
As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Jane Fullmer
Signature of licensee

Pamela Joderholm
Signature of Notary Public

Jane Fullmer
Printed name of licensee

Notary Public in and for the State of *Alaska*



My commission expires: *4/24/21*
 Subscribed and sworn to before me this *25th* day of *April* *October*, 20*18*.

Seasonal License? Yes No
 If "Yes", write your six-month operating period: _____

License Fee:	\$ 2500.00	Application Fee:	\$ 300.00	TOTAL:	\$ 2800.00
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					

Department of Commerce, Community, and Economic Development
**CORPORATIONS, BUSINESS &
 PROFESSIONAL LICENSING**

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[Download](#) / [Corporations](#) / [Entity Details](#)

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	LAND'S END ACQUISITION CORPORATION

Entity Type: Business Corporation

Entity #: 42006D

Status: Good Standing

AK Formed Date: 4/22/1988

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2020

Entity Mailing Address: 4786 HOMER SPIT RD, HOMER, AK 99603

Entity Physical Address: 4786 HOMER SPIT RD, HOMER, AK 99603

Registered Agent

Agent Name: JONATHAN FAULKNER

Registered Mailing Address: 4786 HOMER SPIT RD, HOMER, AK 99603

Registered Physical Address: 4786 HOMER SPIT RD, HOMER, AK 99603

Officials

Show Former

AK Entity #	Name	Titles	Owned
	Andrew Faulkner	Director	
	CHARLES RYAN	Director, Shareholder	10.67

AK Entity #	Name	Titles	Owned
	Jonathan and Sara Faulkner Living Trust dated 7/15/2013	Shareholder	51.67
	JONATHAN FAULKNER	Director, President, Treasurer	
	REBECCA ALEXANDER	Shareholder	10.67
	SARA FAULKNER	Director, Secretary, Vice President	
	STEVE AGNI	Director, Shareholder	23.08

Filed Documents

Date Filed	Type	Filing	Certificate
4/22/1988	Creation Filing	Click to View	
11/29/1989	Biennial Report		
2/29/1992	Biennial Report		
10/16/1992	Biennial Report	Click to View	
12/31/1993	Biennial Report	Click to View	
12/26/1995	Biennial Report	Click to View	
1/29/1998	Biennial Report	Click to View	
1/10/2000	Biennial Report	Click to View	
1/08/2002	Biennial Report	Click to View	
1/08/2004	Biennial Report	Click to View	
11/01/2005	Biennial Report	Click to View	
10/28/2009	Biennial Report	Click to View	
11/16/2009	Biennial Report	Click to View	
5/10/2010	Biennial Report	Click to View	
4/27/2012	Biennial Report	Click to View	
10/02/2013	Biennial Report	Click to View	
12/20/2013	Change of Officials	Click to View	
10/12/2015	Biennial Report	Click to View	
12/18/2017	Biennial Report	Click to View	

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Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

12/18/2018

Ms. Melissa Jacobsen
City of Homer Clerk
Homer City Hall
491 E Pioneer Ave.
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	LANDS END ACQUISITION CORP
Business Name	:	LANDS END RESORT
License Type	:	Beverage Dispensary
License Location	:	4786 Homer Spit Rd, City of Homer
License No.	:	645
Application Type	:	License Renewal

Dear Ms. Jacobsen,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

JB/TS

Encl.

cc: landsendjdf@gmail.com; clerk@ci.homer.ak.us; JRodgers@kpb.us



December 14, 2018

City of Homer
Attn: City Clerk

Via Email: clerk@cityofhomer-ak.gov
Cc: joanne@borough.kenai.ak.us
jblankenship@borough.kenai.ak.us
tshassetz@kpb.us

Re: Notice of 2019/2020 Liquor License Renewal Application

License Type:	Beverage Dispensary	License Number:	253
Licensee:	Pioneer Beverages, Inc.		
Doing Business As:	Alice's Champagne Palace		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

Master Checklist: Renewal Liquor License Application

Doing Business As:	Alice's Chambpagne Palace	License Number:	253
License Type:	Beverage Dispensary		
Examiner:	JOHN	Transaction #:	987914

Document	Received	Completed	Notes
AB-17: Renewal Application	12/7/18	12/7/18	
App and License Fees	12/7/18	12/7/18	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit			
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LGB 1 Response:

Waive
 Protest
 Lapsed

LGB 2 Response:

Waive
 Protest
 Lapsed



Alaska Alcoholic Beverage Control Board

Form AB-17: 2019/2020 Renewal License Application

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing liquor license that will expire on December 31, 2018. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	Pioneer Beverages, Inc.	License #:	253
License Type:	Beverage Dispensary	Legal Ref.:	AS 04.11.090
Doing Business As:	Alice's Champagne Palace		
Premises Address:	195 E Pioneer Ave		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		
Community Council:	None		
Mailing Address:	203 W. Pioneer Ave. STE 2B		
City:	Homer	State:	AK
		ZIP:	99603

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

Contact Licensee:	Michael Todd Boling	Contact Phone:	907.235.3225
Contact Email:	Alices@homerbiz.com		

Optional: If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

Name of Contact:	John Kelly	Contact Phone:	907.235.9700
Contact Email:	Alices@homerbiz.com		



Form AB-17: 2019/2020 Renewal License Application

Section 2 – Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a **corporation** or **LLC**. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. **You may view your entity's status or find your CBPL entity number by using the following site: <https://www.commerce.alaska.gov/cbp/main/search/entities>**

General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

Alaska CBPL Entity #:	10022395
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You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.



This subsection must be completed by any **community** or **entity**, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a **corporation**, the following information must be completed for each **stockholder who owns 10% or more** of the stock in the corporation, and for each **president, vice-president, secretary, and managing officer**.
- If the applicant is a **limited liability organization**, the following information must be completed for each **member with an ownership interest of 10% or more**, and for each **manager**.
- If the applicant is a **partnership**, including a limited partnership, the following information must be completed for each **partner with an interest of 10% or more**, and for each **general partner**.

Important Note: The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

Name of Official:	Michael Todd Boling				
Title(s):	Dir, Pres, Sec, Treas	Phone:	907-235-3225	% Owned:	100%
Mailing Address:	203 W. Pioneer Ave. STE 2B				
City:	Homer	State:	AK	ZIP:	991603

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	

Name of Official:					
Title(s):		Phone:		% Owned:	
Mailing Address:					
City:		State:		ZIP:	



Form AB-17: 2019/2020 Renewal License Application

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an **individual or multiple individuals** and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:		
Mailing Address:						
City:		State:		ZIP:		
Email:						

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:		
Mailing Address:						
City:		State:		ZIP:		
Email:						

Section 4 – Alcohol Server Education

This section must be completed only by the holder of a **beverage dispensary, club, or pub license or conditional contractor's permit**. The holders of all other license types should skip to Section 5.

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

Section 5 – License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

2017 2018

The license was regularly operated continuously throughout each year.

The license was regularly operated during a specific season each year.

The license was only operated to meet the minimum requirement of 240 total hours each calendar year. *If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.*

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years.

If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.



Form AB-17: 2019/2020 Renewal License Application

Section 6 – Violations and Convictions

Applicant violations and convictions in calendar years 2017 and 2018:

Yes No

Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?

Yes No

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?

Yes No

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

Section 7 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

MJB

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control Board.

MJ

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

MJB

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Michael Todd Boling
Signature of licensee

Michael Todd Boling
Printed name of licensee

Pamela J. Williams
Signature of Notary Public
PAMELA J. WILLIAMS
Notary Public
Notary Public State of Alaska
My Commission Expires Nov 14, 2022
AK
My Commission Expires: 11/14/2022

Subscribed and sworn to before me this 5 day of December, 2018.

Seasonal License? Yes No

If "Yes", write your six-month operating period: _____

License Fee:	\$ 2500.00	Application Fee:	\$ 300.00	TOTAL:	\$ 2800.00
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					

Notice of Violation

(3AAC 304.525)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 12-27-2017

License #/Type: Beverage Dispensary 253

Licensee: Pioneer Beverages, Inc.

Address: 195 E. Pioneer Ave, Homer, AK

DBA: Alice's Champagne Palace

AMCO Case #: AB17-0763

This is a notice to you as licensee that an alleged violation has occurred. If the Alcoholic Beverage Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 12-13-2017 an inspection was conducted at your establishment. On-duty manager Joshua Tobin was asked to provide proof of alcohol server education. Tobin stated he doesn't have one and was unaware he needed one.

Your attention is directed to AS04.21.025: Server education, AS04.21.030: Responsibility of licensees, agents, and employees, and AS04.16.150: Licensee responsible for violations.

As part of your response, please send a copy of Tobin's server education card.

You are directed to respond in writing to this Notice of Violation within 10 days of receipt to explain what action you have taken to prevent a recurrence of this violation. FAILURE TO RESPOND TO THIS NOTICE OF VIOLATION WITHIN 10 DAYS WILL RESULT IN YOUR APPEARANCE, EITHER IN PERSON OR TELEPHONICALLY, BEFORE THE ABC BOARD AT THE NEXT REGULARLY SCHEDULED BOARD MEETING.

***Please send your response to the address below and include your alcohol license number in your response.**

3 AAC 304.525 (B) provides that upon receipt of a Notice of Violation, a licensee may request to appear before the Director and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice and the Director must grant an appearance within ten days after receipt of a request. A Licensee shall respond, either orally or in writing, to the Notice.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

AMCO

DEC 07 2018

Issuing Investigator: J. Hamilton

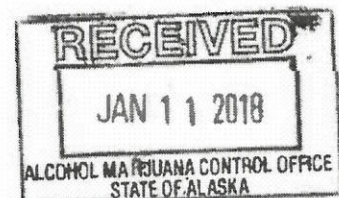
Received by:

SIGNATURE: 

SIGNATURE:

Delivered VIA: Mail

Date:



Alcohol & Marijuana Control Office

ATTN: Enforcement

550 W. 7th Ave, Suite 1600

Anchorage, AK 99501

RE: Notice of Violation case #AB17-0763

Liquor License #253

Joshua Tobin's role at the restaurant is largely administrative, he does not serve alcohol, and because of this we did not believe that he needed to have a TAPs card. Joshua Tobin attended the first available server education course on 1/9/2018 and now has a card, please find a copy of that card enclosed. We will make certain that management has alcohol server education training going forward. Please let us know if you need anything else.

Thank you

Joshua Tobin

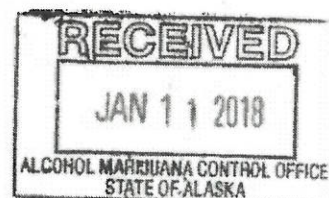
General Manager

Alice's Champagne Palace (Pioneer Beverages, Inc)

203 W Pioneer Ave

Homer, AK 99603

AMCO
DEC 07 2018





CERTIFICATE # 157499

Joshua Tobin

Name

Birthdate

Signature

800-478-3427 or
907-274-8133
www.alaskacharr.com

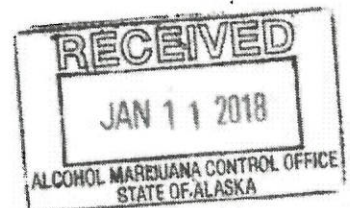
EXPIRES ON

09 Jan 2021

Instructor

AMCO

DEC 07 2018



Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Pioneer Beverages, Inc.

Entity Type: Business Corporation

Entity #: 10022395

Status: Good Standing

AK Formed Date: 7/22/2014

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2020

Entity Mailing Address: 203 W PIONEER AVE STE 2B, HOMER, AK 99603

Entity Physical Address: 193 E PIONEER AVE, HOMER, AK 99603

Registered Agent

Agent Name: Michael Todd Boling

Registered Mailing Address: 203 W PIONEER AVE STE 2B, HOMER, AK 99603

Registered Physical Address: 193 E PIONEER AVE , HOMER, AK 99603

Officials

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former Owned
	Michael Todd Boling	Director, President, Shareholder, Secretary, Treasurer	100

Filed Documents

Date Filed	Type	Filing	Certificate
7/22/2014	Creation Filing	Click to View	Click to View
7/22/2014	Initial Report	Click to View	
12/23/2015	Biennial Report	Click to View	
11/20/2017	Biennial Report	Click to View	



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

12/18/2018

Ms. Melissa Jacobsen
City of Homer Clerk
Homer City Hall
491 E Pioneer Ave.
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	Pioneer Beverages Inc
Business Name	:	Alice's Champagne Palace
License Type	:	Beverage Dispensary
License Location	:	195 E. Pioneer Ave, City of Homer
License No.	:	253
Application Type	:	License Renewal

Dear Ms. Jacobsen,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

JB/TS

Encl.

cc: alices@homerbiz.com; clerk@ci.homer.ak.us; JRodgers@kpb.us



December 28, 2018

City of Homer

Attn: City Clerk

Via Email: clerk@cityofhomer-ak.gov

Cc: joanne@borough.kenai.ak.us

jblankenship@borough.kenai.ak.us

tshassetz@kpb.us

Re: Notice of 2019/2020 Liquor License Renewal Application

License Type:	Restaurant/Eating Place – Public Convenience	License Number:	4315
Licensee:	KELT LLC		
Doing Business As:	Fat Olives		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director

amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

Master Checklist: Renewal Liquor License Application

Doing Business As:	Fat Olives	License Number:	4315
License Type:	Restaurant/Eating Place - Public Convenience		
Examiner:	JOHN	Transaction #:	991334 ✓

Document	Received	Completed	Notes
AB-17: Renewal Application	12/10/18	12/21/18	
App and License Fees	12/10/18	12/10/18	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit	12/10/18	12/10/18	
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LGB 1 Response:

Waive Protest Lapsed

LGB 2 Response:

Waive Protest Lapsed



Alaska Alcoholic Beverage Control Board
Restaurant or Eating Place License
Form AB-17a: 2019/2020 Renewal License Application

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing restaurant or eating place liquor license that will **expire on December 31, 2018**. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	KELT, LLC	License #:	4315
License Type:	Restaurant or Eating Place - Public Convenience	Statute:	AS 04.11.400(d)
Doing Business As:	Fat Olives		
Premises Address:	276 Ohlson Lane		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		
Community Council:	None		

Mailing Address:	POB 297		
City:	Homer	State:	AK
		ZIP:	99603

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

Contact Licensee:	LISA S. Nolan	Contact Phone:	509-845-9856
Contact Email:	FatOlivesHomer@gmail.com		

Optional: If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

Name of Contact:	—	Contact Phone:	
Contact Email:			



Form AB-17a: 2019/2020 Restaurant Renewal License Application

Section 2 – Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. You may view your entity's status or find your CBPL entity number by using the following site: <https://www.commerce.alaska.gov/cbp/main/search/entities>

General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

Alaska CBPL Entity #:	79343D
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You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.



This subsection must be completed by any community or entity, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

Important Note: The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

Name of Official:	Steve Nolan			
Title(s):	Managing Member	Phone:	509.420-6539	% Owned: 50%
Mailing Address:	POB 297			
City:	Homer	State:	AK	ZIP: 99603

Name of Official:	LISA S. Nolan			
Title(s):	member	Phone:	509.845.9856	% Owned: 50%
Mailing Address:	POB 297			
City:	Homer	State:	AK	ZIP: 99603

Name of Official:				
Title(s):		Phone:		% Owned:
Mailing Address:				
City:		State:		ZIP:



Form AB-17a: 2019/2020 Restaurant Renewal License Application

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an **individual or multiple individuals** and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate (spouse) NA

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

Section 4 – Alcohol Server Education

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

Section 5 – License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

2017 2018

The license was regularly operated continuously throughout each year.

The license was regularly operated during a specific season each year.

The license was only operated to meet the minimum requirement of 240 total hours each calendar year.

If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years.

If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.





Form AB-17a: 2019/2020 Restaurant Renewal License Application

Section 6 - Violations and Convictions

Applicant violations and convictions in calendar years 2017 and 2018:

Yes No

Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?

Yes No

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?

Yes No

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

Section 7 - Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control (ABC) Board.

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

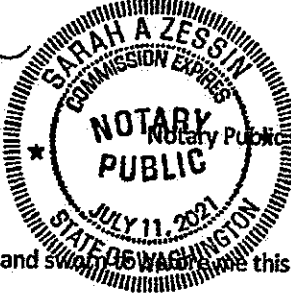
I am submitting as part of this application a completed copy of Form AB-33: Restaurant Receipts Affidavit, to provide evidence to the ABC Board that this establishment met the food sales requirement set forth in AS 04.11.100(e).

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Signature of licensee

LISA S. Nolan

Printed name of licensee



Signature of Notary Public

Notary Public and for the State of Washington

My commission expires: 7/11/21

Subscribed and sworn to before me this 6th day of December, 2019

Seasonal License? Yes No

If "Yes", write your six-month operating period: _____

License Fee:	\$ 600.00	Application Fee:	\$ 300.00	TOTAL:	\$ 900.00
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					900.00

Notice of Violation

(3AAC 304.525)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 12-27-2017

License #/Type: Restaurant / Eating Place - PC

Licensee: KELT, LLC

Address: 276 Ohlson Lane, Homer, AK

DBA: Fat Olives

AMCO Case #: AB17-0755

This is a notice to you as licensee that an alleged violation has occurred. If the Alcoholic Beverage Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 12-12-2017 an inspection was conducted at your establishment. On-duty manager Jacob R. Bailey was asked to provide proof of alcohol server education. Bailey stated did not have one and was unaware that he needed one.

Your attention is directed to AS04.21.025: Server education, AS04.21.030: Responsibility of licensees, agents, and employees, and AS04.16.150: Licensee responsible for violations.

As part of your response, please send a copy of Bailey's server education card.

You are directed to respond in writing to this Notice of Violation within 10 days of receipt to explain what action you have taken to prevent a re-occurrence of this violation. FAILURE TO RESPOND TO THIS NOTICE OF VIOLATION WITHIN 10 DAYS WILL RESULT IN YOUR APPEARANCE, EITHER IN PERSON OR TELEPHONICALLY, BEFORE THE ABC BOARD AT THEIR NEXT REGULARLY SCHEDULED BOARD MEETING.

***Please send your response to the address below and include your alcohol license number in your response.**

3 AAC 304.525 (B) provides that upon receipt of a Notice of Violation, a licensee may request to appear before the Director and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice and the Director must grant an appearance within ten days after receipt of a request. A Licensee shall respond, either orally or in writing, to the Notice.

Alcohol & Marijuana Control Office

ATTN: Enforcement

550 W. 7th Ave, Suite 1600

Anchorage, Alaska 99501

amco.enforcement@alaska.gov

Issuing Investigator: J. Hamilton

Received by:

SIGNATURE: *J. Hamilton*

SIGNATURE:

Delivered VIA: Mail

Date:



7013 2250 0000 9617 6436
139

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	KELT, L.L.C.

Entity Type: Limited Liability Company

Entity #: 79343D

Status: Good Standing

AK Formed Date: 3/18/2003

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2019 [File Biennial Report](#)

Entity Mailing Address: PO BOX 297, HOMER, AK 99603

Entity Physical Address: 276 OLSON LN, HOMER, AK 99603

Registered Agent

Agent Name: Lisa S Nolan

Registered Mailing Address: PO BOX 297, HOMER, AK 99603

Registered Physical Address: 276 Olson Ln, Homer, AK 99603

Officials

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former Owned
	Lisa Nolan	Member	50
	Steve Nolan	Member, Manager	50

Filed Documents

Date Filed	Type	Filing	Certificate
3/18/2003	Creation Filing	Click to View	
4/14/2003	Initial Report	Click to View	
1/07/2005	Biennial Report	Click to View	
4/24/2006	Agent Change	Click to View	



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

1/4/2019

Ms. Melissa Jacobsen
City of Homer Clerk
Homer City Hall
491 E Pioneer Ave.
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	Kelt LLC
Business Name	:	Fat Olives
License Type	:	Restaurant/Eating Places - Public Convenience
License Location	:	276 Ohlson Ln, City of Homer
License No.	:	4315
Application Type	:	License Renewal

Dear Ms. Jacobsen,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

JB/TS

Encl.

cc: fatoliveshomer@gmail.com; clerk@ci.homer.ak.us; JRodgers@kpb.us



January 2, 2019

City of Homer

Attn: City Clerk

Via Email: clerk@cityofhomer-ak.gov

Cc: joanne@borough.kenai.ak.us

jblankenship@borough.kenai.ak.us

tshassetz@kpb.us

Re: Notice of 2019/2020 Liquor License Renewal Application

License Type:	Restaurant/Eating Place – Public Convenience	License Number:	5607
Licensee:	Broad Point LLC		
Doing Business As:	Wild Honey Bistro		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Erika McConnell, Director

amco.localgovernmentonly@alaska.gov



Alaska Alcoholic Beverage Control Board

Master Checklist: Renewal Liquor License Application

Doing Business As:	Wild Honey Bistro	License Number:	5607
License Type:	Restaurant/Eating Place - Public Convenience		
Examiner:	John	Transaction #:	991030 ✓

Document	Received	Completed	Notes
AB-17: Renewal Application	12/10/18	12/24/18	
App and License Fees	12/11/18	12/11/18	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
AB-33: Restaurant Affidavit	12/10/18	12/24/18	
COI / COC / 5 Star			
FP Cards & Fees / AB-08a			
Late Fee			

Names on FP Cards:	
--------------------	--

	Yes	No
Selling alcohol in response to written order (package stores)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mailing address and contact information different than in database (if yes, update database)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
In "Good Standing" with CBPL (skip this and next question for sole proprietor)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

LGB 1 Response:

Waive Protest Lapsed

LGB 2 Response:

Waive Protest Lapsed



Alaska Alcoholic Beverage Control Board
Restaurant or Eating Place License
Form AB-17a: 2019/2020 Renewal License Application

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing restaurant or eating place liquor license that will expire on December 31, 2018. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete. Receipt and/or processing of renewal payments by AMCO staff neither indicates nor guarantees that an application will be considered complete, or that a license will be renewed.

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	Broad Point LLC	License #:	5607
License Type:	Restaurant or Eating Place - Public Convenience	Statute:	AS 04.11.400(d)
Doing Business As:	Wild Honey Bistro		
Premises Address:	106 W. Bunnell Ave, Unit 2		
Local Governing Body:	City of Homer (Kenai Peninsula Borough)		
Community Council:	None		

Mailing Address:	106 W. Bunnell, Unit 2		
City:	Homer	State:	AK
ZIP:	99603		

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual **must be a licensee** who is required to be listed in and authorized to sign this application.

Contact Licensee:	Melody Livingston	Contact Phone:	907-942-5205
Contact Email:	melodyliving@yahoo.com		

Optional: If you wish for AMCO staff to communicate with individual who is not a licensee named on this form (eg: legal counsel) about this application and other matters pertaining to the license, please provide that person's contact information in the fields below.

Name of Contact:		Contact Phone:	
Contact Email:			



Form AB-17a: 2019/2020 Restaurant Renewal License Application

Section 2 – Entity or Community Ownership Information

This top subsection must be completed by any licensee that is a **corporation** or **LLC**. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). This number is neither your EIN/tax ID number, nor your business license number. **You may view your entity's status or find your CBPL entity number by using the following site:** <https://www.commerce.alaska.gov/cbp/main/search/entities>
General partnerships and local governments should skip to the second half of this page. Licensees who directly hold a license as an individual or individuals should skip to Section 3.

Alaska CBPL Entity #:	10049402
-----------------------	----------

You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.

This subsection must be completed by any **community** or **entity**, including a corporation, limited liability company, partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a **corporation**, the following information must be completed for each **stockholder who owns 10% or more** of the stock in the corporation, and for each **president, vice-president, secretary, and managing officer**.
- If the applicant is a **limited liability organization**, the following information must be completed for each **member with an ownership interest of 10% or more**, and for each **manager**.
- If the applicant is a **partnership**, including a limited partnership, the following information must be completed for each **partner with an interest of 10% or more**, and for each **general partner**.

Important Note: The information provided in the below fields (including spelling of names, specific titles, and percentages held) must match that which is listed with CBPL. If one individual holds multiple titles mentioned in the bullets above, all titles must be listed for that individual on this application and with CBPL. Failure to list all required titles constitutes an incomplete application.

Name of Official:	Melody Livingston		
Title(s):	owner member	Phone: 907 942 5205	% Owned: 50
Mailing Address:	106 W. Bunnell #2		
City:	Homer	State: AK	ZIP: 99603

Name of Official:	Reynold Lewis Morris, JR		
Title(s):	owner member	Phone: 541-654-6457	% Owned: 50
Mailing Address:	511 North Rugsley Street		
City:	Silt Lake, City	State: AK UT	ZIP: 84103

Name of Official:			
Title(s):		Phone:	% Owned:
Mailing Address:			
City:		State:	ZIP:



Alaska Alcoholic Beverage Control Board
Form AB-17a: 2019/2020 Restaurant Renewal License Application

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any licensee who directly holds the license as an **individual or multiple individuals** and is applying for license renewal. If more space is needed, please attach a separate sheet that includes all of the required information. Entities should skip to Section 4. The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

This individual is an: applicant affiliate (spouse)

Name:				Contact Phone:	
Mailing Address:					
City:		State:		ZIP:	
Email:					

Section 4 – Alcohol Server Education

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as set forth in AS 04.21.025 and 3 AAC 304.465.

Section 5 – License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

2017 2018

The license was regularly operated continuously throughout each year.

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
-------------------------------------	-------------------------------------

The license was regularly operated during a specific season each year.

<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------

The license was only operated to meet the minimum requirement of 240 total hours each calendar year. *If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.*

<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------

The license was not operated at all or was not operated for at least the minimum requirement of 240 total hours each year, during one or both of the calendar years. *If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement, unless a complete copy of the form (including fees) has already been submitted for that year.*

<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------



Form AB-17a: 2019/2020 Restaurant Renewal License Application

Section 6 - Violations and Convictions

Applicant violations and convictions in calendar years 2017 and 2018:

Yes No

Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2017 or 2018?

Yes No

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2017 or 2018?

Yes No

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

Section 7 - Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers, managers, general partners, or stakeholders) from what is currently approved and on file with the Alcoholic Beverage Control (ABC) Board.

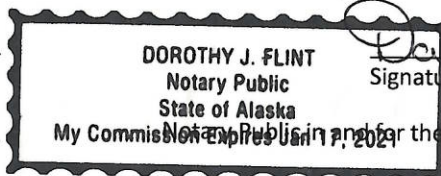
I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

I am submitting as part of this application a completed copy of Form AB-33: Restaurant Receipts Affidavit, to provide evidence to the ABC Board that this establishment met the food sales requirement set forth in AS 04.11.100(e).

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board or AMCO staff in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Signature of licensee

Melody Livingston
Printed name of licensee



Signature of Notary Public

My Commission Expires for the State of Alaska

My commission expires: Jan 12, 2021

Subscribed and sworn to before me this 9th day of September, 2018.

Seasonal License? Yes No

If "Yes", write your six-month operating period: _____

License Fee:	\$ 600.00	Application Fee:	\$ 300.00	TOTAL:	\$ 900.00
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Broad Point, LLC

Entity Type: Limited Liability Company

Entity #: 10049402

Status: Good Standing

AK Formed Date: 1/18/2017

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2019 [File Biennial Report](#)

Entity Mailing Address: 106 W. BUNNELL AVENUE, UNIT 2, HOMER, AK 99603

Entity Physical Address: 106 W. BUNNELL AVENUE, UNIT 2, HOMER, AK 99603

Registered Agent

Agent Name: Melody Livingston

Registered Mailing Address: 106 W. BUNNELL AVENUE, UNIT 2, HOMER, AK 99603

Registered Physical Address: 106 W. BUNNELL AVENUE, UNIT 2, HOMER, AK 99603

Officials

AK Entity #	Name	Titles	Owned	<input type="checkbox"/> Show Former
	Melody Livingston	Member	50	
	Reynold Lewis Morris	Member	50	

Filed Documents

Date Filed	Type	Filing	Certificate
1/18/2017	Creation Filing	Click to View	Click to View
1/18/2017	Initial Report	Click to View	

[Close Details](#)

[Print Friendly Version](#)



Office of the Borough Clerk

144 North Binkley Street, Soldotna, Alaska 99669 • (907) 714-2160 • (907) 714-2388 Fax

Johni Blankenship, MMC
Borough Clerk

1/4/2019

Ms. Melissa Jacobsen
City of Homer Clerk
Homer City Hall
491 E Pioneer Ave.
Homer, AK 99603

RE: Non-Objection of Application

Licensee/Applicant	:	Broad Point LLC
Business Name	:	Wild Honey Bistro
License Type	:	Restaurant/Eating Places - Public Convenience
License Location	:	106 West Bunnell Ave Unit 2, City of Homer
License No.	:	5607
Application Type	:	License Renewal

Dear Ms. Jacobsen,

This serves to advise that the Kenai Peninsula Borough has reviewed the above referenced application and has no objection.

Should you have any questions, or need additional information, please do not hesitate to let us know.

Sincerely,

Johni Blankenship, MMC
Borough Clerk

JB/TS

Encl.

cc: melodyliving@yahoo.com; clerk@ci.homer.ak.us; JRodgers@kpb.us



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 19-003

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: JANUARY 8, 2019

SUBJECT: TRAVEL AUTHORIZATION FOR MAYOR ZAK AND COUNCILMEMBERS TO ATTEND THE ALASKA MUNICIPAL LEAGUE/ALASKA CONFERENCE OF MAYORS WINTER LEGISLATIVE CONFERENCE HELD FEBRUARY 19-21, 2019 IN JUNEAU, ALASKA

The Alaska Municipal League/Alaska Conference of Mayors Winter Legislative Conference in Juneau, Alaska February 19-21, 2019. Councilmember Smith will attend as Mayor Pro Tem, Councilmember Lord will be in Juneau on behalf of the APHA and requests Conference Registration Fee only, Councilmembers Erickson and Stroozas also plan to attend.

The AML is a voluntary, nonprofit, nonpartisan, statewide organization of 140 cities, boroughs, and unified municipalities, representing over 97 percent of Alaska's residents. Originally organized in 1950, the League of Alaska Cities became the Alaska Municipal League in 1962 when boroughs joined the League.

Meetings include Alaska Conference of Mayors, AML Board, committees and meeting with Legislators.

Cost estimates for travel include round trip airfare from Homer to Juneau \$600 and room rates at \$149 per night. Per Diem is \$58 per day, for three meals. Conference cost is \$125.



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 19-004

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: JANUARY 8, 2019

SUBJECT: LETTER FROM CITY COUNCIL TO THE COMMISSIONER OF AKDOT&PF
ADDRESSING DRAINAGE CONCERNS IN BAYCREST SUBDIVISION, HOMER,
ALASKA

Councilmember Erickson has proposed the attached letter be sent to John McKinnon, Commissioner of the Alaska Department of Transportation and Public Facilities regarding drainage concerns in Baycrest Subdivision, Homer, Alaska.

RECOMMENDATION:

Discuss the letter and if approved the letter will be sent to Commissioner McKinnon.



City of Homer

www.cityofhomer-ak.gov

Homer City Council

491 East Pioneer Avenue
Homer, Alaska 99603

(p) 907-235-3130

(f) 907-235-3143

Commissioner John McKinnon
Alaska Department of Transportation and Public Facilities
3132 Channel Dr #300
Juneau, AK 99801-7898

January 14, 2019

RE: Drainage concerns in Baycreset Subdivision, Homer, Alaska

Dear Commissioner McKinnon,

Congratulations on your appointment as Commissioner of the Alaska Department of Transportation and Public Facilities. Your experience building and maintaining the infrastructure of Alaska will be most valuable in this pivotal position.

The City of Homer would like to bring to your attention what may seem like a small concern given the breadth of your responsibilities, but one that has the potential to be devastating. Properties in Baycrest subdivision in Homer, Alaska experience unusually high levels of soil saturation, runoff and erosion. This has caused lasting damage in at least 3 homes off of Judy Rebecca Court. The slope instability in this neighborhood threatens these homes and their occupants. Contributing significantly to the water saturation is an ADOT beehive that collects water from the Sterling Highway and discharges it unrestricted onto the properties below rather than into a natural drainage pattern.

In January of 2018 the City of Homer passed Resolution 18-008 requesting the Alaska Department of Transportation and Public Facilities work to fix Sterling Highway Drainage that is Adversely Effecting Baycrest Subdivision. As a follow up, City of Homer Councilmembers met with Deputy Commissioner Holland in Juneau in February of 2018. ADOT has sent hydrologists twice to the area, but there has been no meaningful follow up to solve the problem. As a simple solution, the City has proposed ADOT divert the water coming from the beehive into a neighboring natural draining a short distance away.

The City of Homer understands that slope instability in the Baycrest subdivision is likely due to a number of factors. To that end, the City is vigilant about maintaining ditches and culverts on the City roads in the subdivision. The Planning Commission is exploring a Natural Hazards Overlay District in the area and is working with the Alaska Division of Geological and Geophysical Surveys on LIDAR mapping to assess landslide risk. The City asks that ADOT do its part and address the runoff from the Sterling Highway that is exacerbating the slope stability issues in Baycrest subdivision.

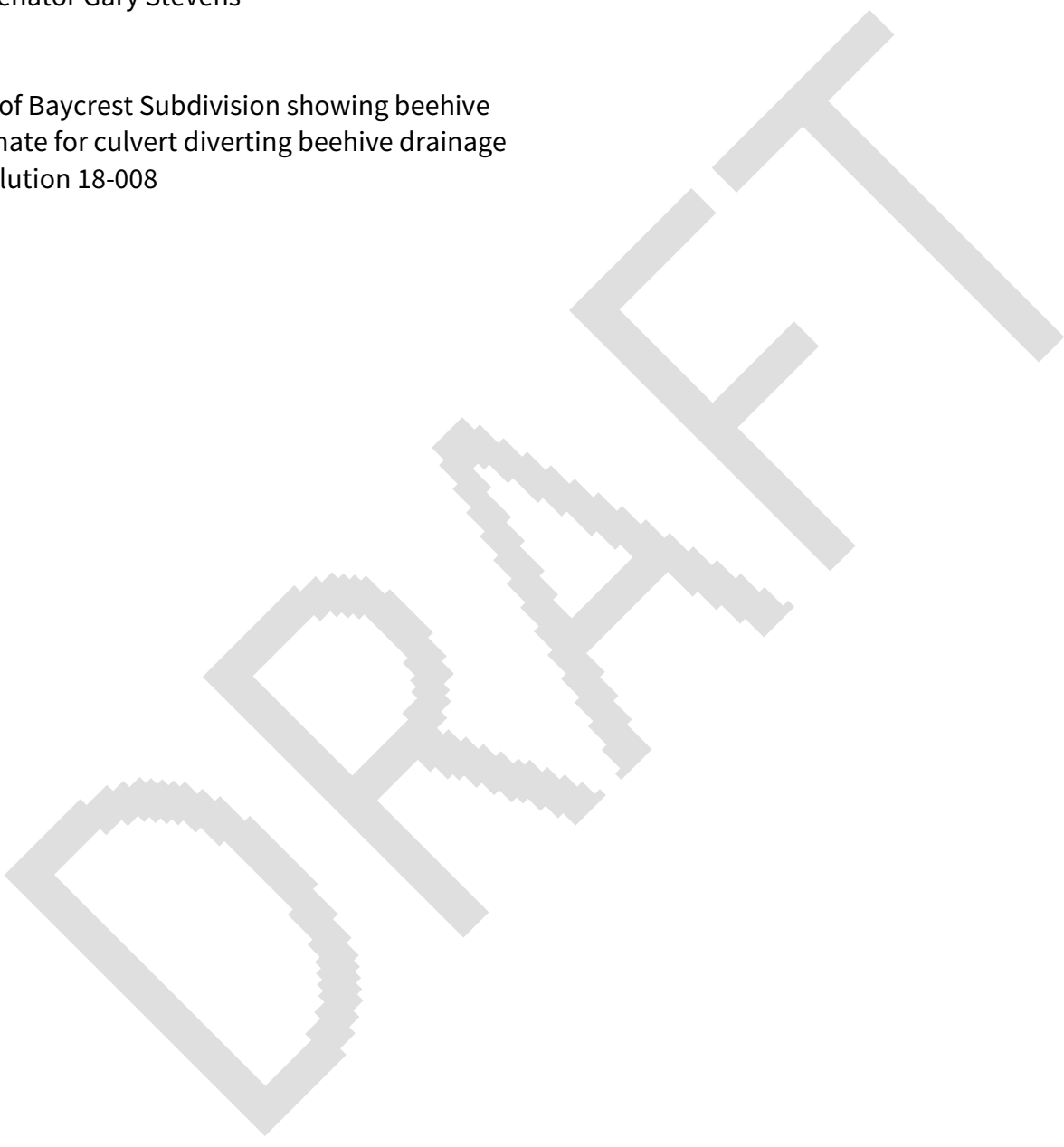
Thank you in advance for your time and attention.

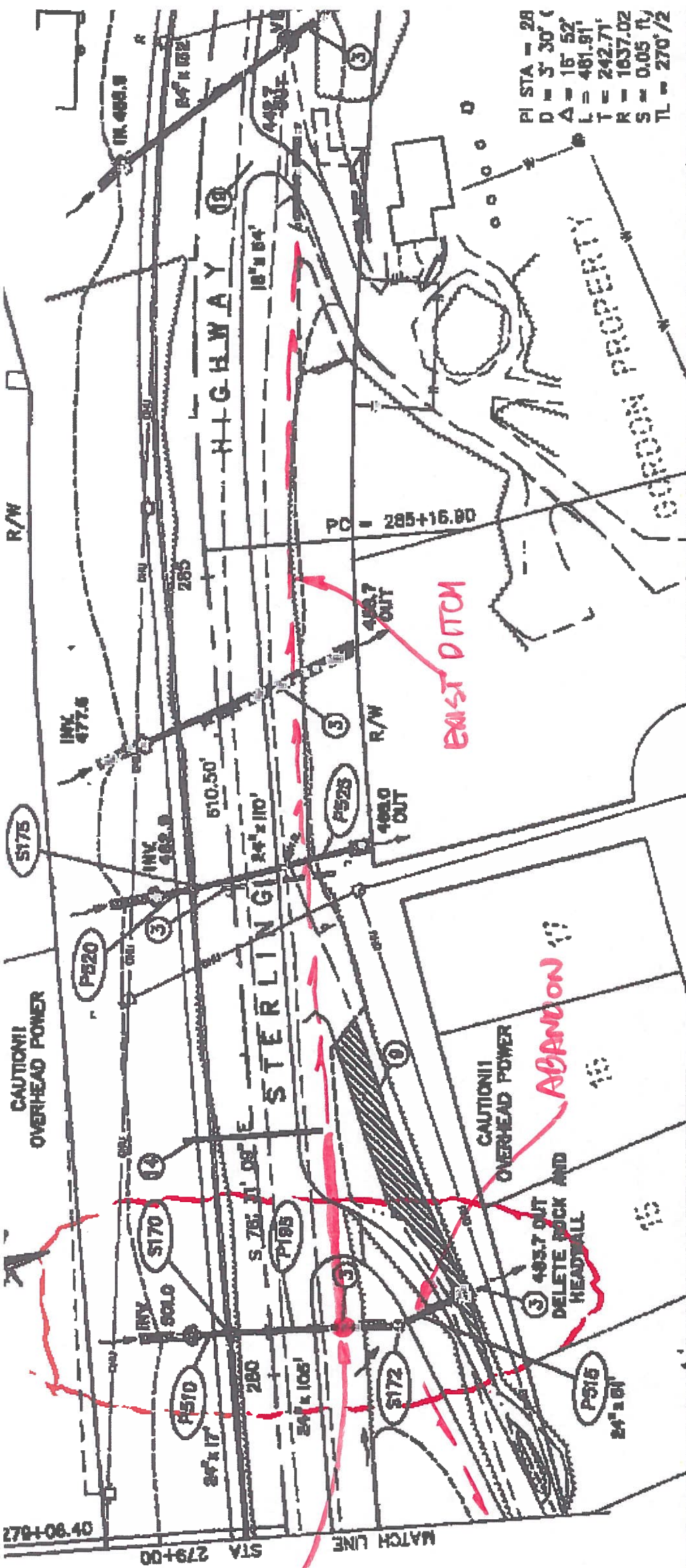
Sincerely,

Mayor Castner
Oh Behalf of Homer City Council

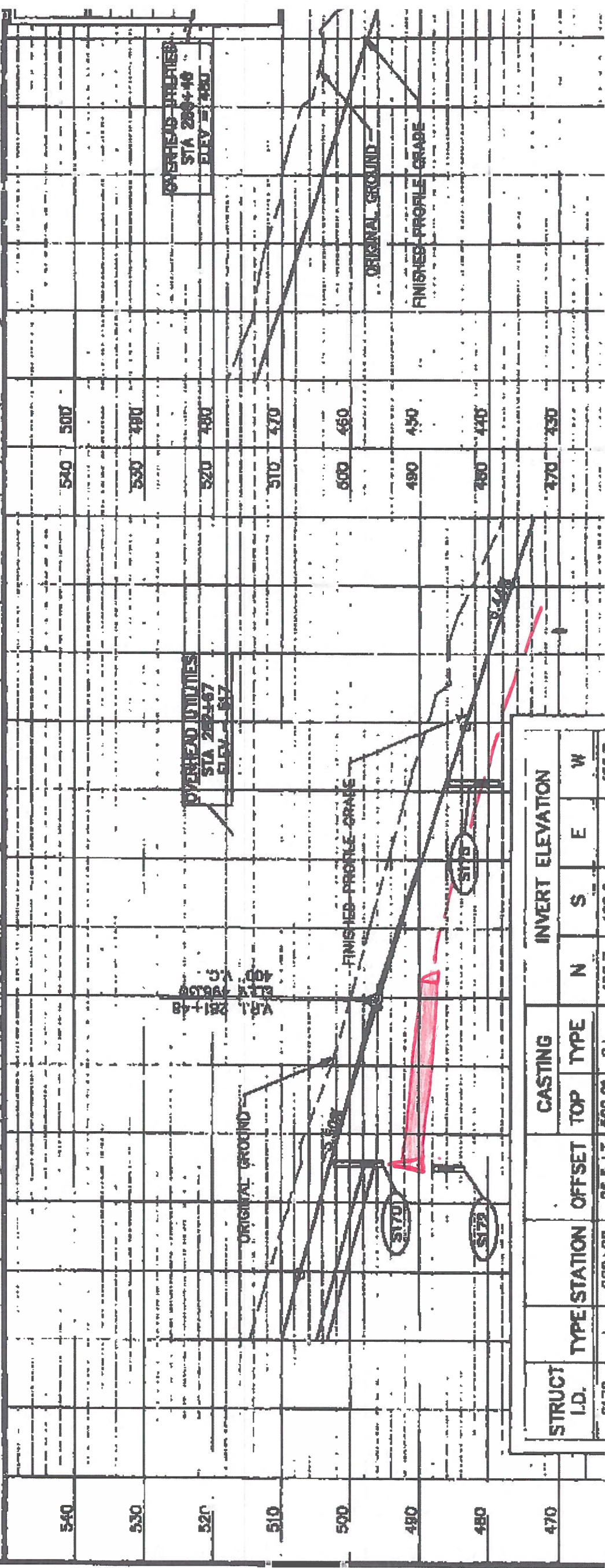
Cc: Representative Sarah Vance
Senator Gary Stevens

Enc:
Map of Baycrest Subdivision showing beehive
Estimate for culvert diverting beehive drainage
Resolution 18-008





PI STA = 28
 D = 5' 30" ()
 Δ = 16' 52"
 L = 481.91'
 T = 242.71'
 R = 1837.02'
 S = 0.05 ft/y
 TL = 270' / 2



**Drainage Improvement - Mt. Augustine Drive Beehive
Conceptual Cost Estimate**

Item of Work

Item of Work	Quantity	Unit	Unit Price	Cost
Construct Storm Drain Manhole	1	LS	\$12,000.00	\$12,000.00
Install 24" Dia. Gal. Steel CMP	150	LF	\$75.00	\$11,250.00
Construct Ditch	600	LF	\$12.00	\$7,200.00
Abandon Existing Storm Drain Manhole	1	LS	\$8,000.00	\$8,000.00
Type II Gravel Import	40	CY	\$40.00	\$1,600.00
Asphalt Paving Removal/Replacement	1000	SF	\$9.00	\$9,000.00
Topsoil/Seeding	1000	SF	\$6.50	\$6,500.00
Traffic Control	1	LS	\$10,000.00	\$10,000.00

Total Construction	\$65,550.00
Design	\$16,000.00
Permitting	\$2,500.00
Contingency (15%)	\$12,607.50
Total	\$96,657.50

**CITY OF HOMER
HOMER, ALASKA**

Erickson

RESOLUTION 18-008

A RESOLUTION OF THE HOMER CITY COUNCIL REQUESTING THE ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES WORK TO FIX STERLING HIGHWAY DRAINAGE THAT IS ADVERSELY AFFECTING BAYCREST SUBDIVISION.

WHEREAS, Properties in the Baycrest subdivision experience unusually high levels of flooding, runoff and erosion; and

WHEREAS, At least 3 of the properties in the subdivision on Judy Rebecca Court have experienced property damage due to water saturation including cracked windows and shifting foundations; and

WHEREAS, The property damage suffered along Judy Rebecca Court is related to the amount of water in the soil and every effort needs to be extended to control the amount of water introduced into the soils, including water runoff from the Sterling Highway; and

WHEREAS, The City of Homer has maintained ditches and replaced culverts in the Baycrest subdivision to help with drainage; and

WHEREAS, The Homer City Council passed Resolution 17-082 directing the Homer Advisory Planning Commission to consider a Natural Hazards Overlay District or other appropriate zoning regulation on and around Baycrest Subdivision; and

WHEREAS, Alaska Department of Transportation and Public Facilities (ADOT&PF) owns and operates a beehive that collects water off the Sterling Highway at the top of Baycrest Subdivision directing water into the subdivision; and

WHEREAS, Water from the beehive is not directed into an attended ditch or natural drainage but discharges unrestricted over land with water flow recorded at approximately 120,000 gallons in a 24 hour period during heavy rains in December of 2017; and

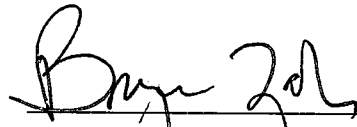
WHEREAS, In response to concerns expressed by residents in the subdivision, ADOT&PF sent Newton Bingham, PE, to evaluate the situation in November of 2017; and

WHEREAS, Baycrest Subdivision is at risk for further property damage and a potentially catastrophic slope failure.

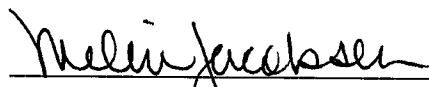
43 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council respectfully requests
44 the Alaska Department of Public Transportation and Public Facilities work to fix drainage
45 issues that are adversely affecting the Baycrest Subdivision including, but not limited to,
46 redirecting the outflow from the Sterling Highway Beehive.
47

48 PASSED AND ADOPTED by the Homer City Council this 22 day of January, 2018.
49
50

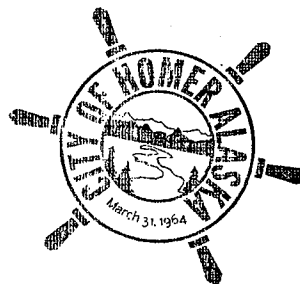
51 CITY OF HOMER

52 
53 _____
54 BRYAN ZAK, MAYOR
55
56

57 ATTEST:

58
59 
60 _____
61 MELISSA JACOBSEN, MMC, CITY CLERK
62

63 Fiscal Note: N/A



ORDINANCE REFERENCE SHEET
2019 ORDINANCE
ORDINANCE 19-01

An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Capital Budget to Provide for Replacement of the Water Treatment Plant Chlorine Generation Cell by Appropriating Funds from the Water Reserve Fund in the Amount of \$23,600.

Sponsor: City Manager/ Public Works Director

1. City Council Regular Meeting January 14, 2019 Introduction
Memorandum 19-005 from Public Works Director as backup

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager/Public Works Director

4 **ORDINANCE 19-01**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
7 AMENDING THE FY 2019 CAPITAL BUDGET TO PROVIDE FOR
8 REPLACEMENT OF THE WATER TREATMENT PLANT CHLORINE
9 GENERATION CELL BY APPROPRIATING FUNDS FROM THE WATER
10 RESERVE FUND IN THE AMOUNT OF \$23,600.

11
12 WHEREAS, Chlorine for the disinfection of the City’s drinking water is generated on-site
13 using a chlorine generation cell; and

14
15 WHEREAS, The cell has failed and cannot be rebuilt, and replacement is necessary (as
16 discussed in Memorandum 19-005 from Public Works); and

17
18 WHEREAS, The City uses Miox chlorine generation equipment exclusively, replacement
19 of the cell will require a sole source procurement; and

20
21 WHEREAS, Quotes received from the manufacturer indicate the replacement cost
(including shipping) is \$23,600.

22
23 NOW, THEREFORE, The City of Homer Ordains:

24
25 Section 1: The FY 2019 Capital Budget is hereby amended for the purpose of funding the
26 water treatment plant chlorine generation cell replacement, as follows:

27

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
256-0378	Water Reserve Account Fund	\$23,600

28
29
30

31 Section 2. This is a budget amendment ordinance, is not permanent in nature, and shall
32 not be codified.

33
34 Section 3. Sole source procurement from the manufacturer is hereby authorized.

35
36 PASSED AND ADOPTED by the Homer City Council this 28th day of January, 2019.

37
38 CITY OF HOMER

39
40
41 _____
42 KEN CASTNER, MAYOR

43 ATTEST:

44

45

46 _____

47 MELISSA JACOBSEN, MMC, CITY CLERK

48

49 YES:

50 NO:

51 ABSTAIN:

52 ABSENT:

53

54 Introduction:

55 Public Hearing:

56 Second Reading:

57 Effective Date:

58

59

60 Reviewed and approved as to form:

61

62 _____

63 Katie Koester, City Manager

64

65 Date: _____

Holly Wells, Attorney

Date: _____



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907- 235-3170

(f) 907-235-3145

Memorandum 19-005

TO: Katie Koester, City Manager
FROM: Carey S. Meyer, Public Works Director
DATE: January 8, 2019
SUBJECT: **Water Treatment Plant Chlorine Generation Cell Replacement**

Chlorine for the disinfection of the City's drinking water is generated on-site using a chlorine generation cell. This cell failed late in 2018. Public Works shipped the cell to the manufacturer in hopes that it could be refurbished. The cell cannot be rebuilt and replacement is necessary.

In the meantime, water treatment personnel are batching chlorine to provide for disinfection.

Public Works has been exclusively using Miox chlorine generation equipment. The purchase of a new cell will be a sole source procurement. The cell is being purchased directly through the manufacturer, providing the City with the best possible price.

The estimate attached as back up is for \$23,200 and staff has confirmed the shipping cost is \$400, bringing the total cost to \$23,600.

Recommendation: The City Council amend the 2019 capital budget to create a Water Treatment Plant Chlorine Generation Cell Replacement project, and authorize the expenditure of \$23,600 to purchase a replacement cell. The authorization should include approval for a sole source procurement.

RETURNED MERCHANDISE EVALUATION

Date Received: 11/28/18

Repair Order #:

Part # : 201-01011-01

Site: Homer, AK

Serial Number: 4308-H1-007

RMA Number: 609225

Date Evaluated: 11/28/18

Date Repaired:

Evaluated By: ET

Repaired By:

Observation/Initial Test:

Cell was received without cell outlet. Small leak could be seen developing on back of cell, near cell inlet. Upon opening cell, primary anode was found to be degrading. Plates of module pack are warped beyond re-use. Small deposits of white mineral did not react with acid, likely indicating it is silica. Primary cathode is severely warped.

Probable Cause:

Small mineral deposits unlikely to be the cause of failure. Failure most likely caused by high heat or old age.

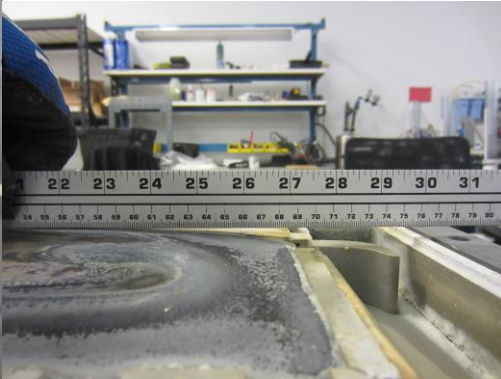
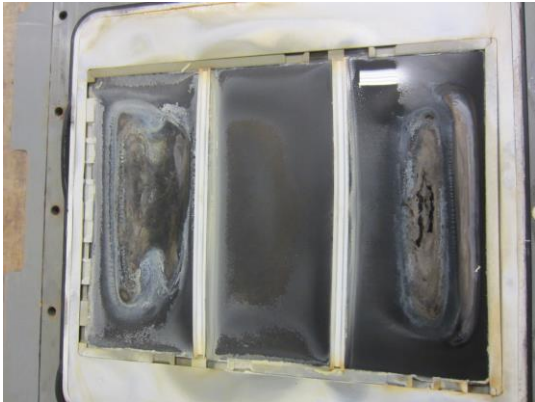
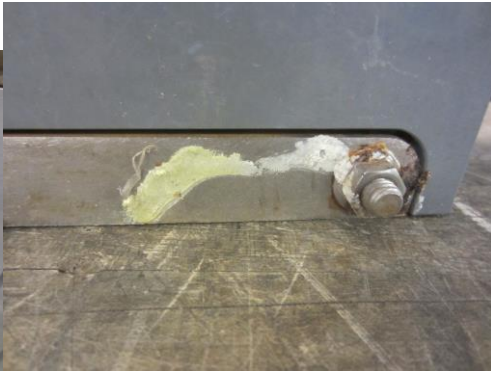
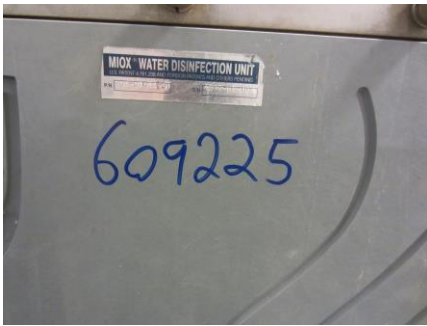
Actions Required to correct:

Quote new cell 201-01011-06-CS.

Comments:

Non-warranty, Non-repairable.

Actions Taken To Repair:





Quote

MIOX Corporation
 5601 Balloon Fiesta Parkway
 Albuquerque, NM 87113

Quote No	Quote Date	Page
218419	11/29/2018	Page 1 of 1

Bill To

HOMER, CITY OF
 491 E. PIONEER AVE
 Homer, AK 99603
 US

Ship to

HOMER, CITY OF
 491 E. PIONEER AVE
 Homer, AK 99603
 US

Ship via

BEST WAY AVAILABLE

Payment terms

NET 30

Shipping Instructions/Notes:

**Freight Not Included in Quote

Qty Ordered	UOM	Item No	Unit price	Disc	Extended price
1.000	EA	201-01011-06-CS CELL, REPLACEMENT, RIO H1 SYSTEM REV-03 OR PREVIOUS	23,200.000000		23,200.00

This quote is valid for 60 days from Quote Date.
 This quote may not reflect miscellaneous charges, freight or sales tax.
 Items for return are subject to a 25% restocking fee.
 Special order items may not be returnable.

Quote Total
\$23,200.00



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907- 235-3170

(f) 907-235-3145

Memorandum

TO: Katie Koester, City Manager and Carey Meyer, Public Works Director

FROM: Todd Cook, Water/Sewer Superintendent

DATE: 5 December 2018

SUBJECT: Bad Cell in Chlorine Generator

Katie,

EPA /ADEC require all surface water systems to chlorinate the drinking water they produce. City of Homer uses an on-site chlorine generation system. The main component of that system is the cell. We have always maintained an extra cell at the plant as backup in case the one in the unit fails. 2 weeks ago the cell in use failed. We sent it back to the manufacture thinking it could be rebuilt. On 29 Nov 18 I received the inspection report from Miox, the cell is unrepairable.

In an extreme emergency we can “hand batch” chlorine but this is not practical for every day operations. The cost of a replacement cell is \$23,200 plus shipping.

I’m requesting funds be made available to purchase a new cell from Miox to replace our redundant cell.

Todd Cook

Water/Sewer Superintendent,

City of Homer

ORDINANCE REFERENCE SHEET
2019 ORDINANCE
ORDINANCE 19-02

An Ordinance of the City Council of Homer, Alaska, Amending the 2019 Capital Budget to Provide for Rehabilitation of the Spit Fish Grinding Lift Station by Appropriating Funds from the Harbor Reserve Fund in the Amount of \$31,275. City Manager/Harbormaster.

Sponsor: City Manager/ Harbormaster

1. City Council Regular Meeting January 14, 2019 Introduction
Memorandum 19-006 from Public Works Director as backup

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Harbormaster

ORDINANCE 19-02

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE FY 2019 CAPITAL BUDGET TO PROVIDE FOR
REHABILITATION OF THE SPIT FISH GRINDING LIFT STATION BY
APPROPRIATING FUNDS FROM THE HARBOR RESERVE FUND IN
THE AMOUNT OF \$31,275.

WHEREAS, The annual inspection of the Spit Fish Grinder Lift Station by Public Works,
at the end of 2018, reveled significant corrosion of the pumps and pump rails; and

WHEREAS, The rails need to be replaced and pumps need to be rebuilt; and

WHEREAS, Public Works estimates the cost of rehabilitation the fish grinding station
to be \$31,275 (as discussed in Memorandum 19-006 from Public Works); and

WHEREAS, Public Works water/sewer personnel will complete all work, but all costs
will be charge to the Port/Harbor Enterprise Fund.

NOW, THEREFORE, The City of Homer Ordains:

Section 1: The FY 2019 Capital Budget is hereby amended for the purpose of funding the
rehabilitation of the Spit Fish Grinding Lift Station, as follows:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
456-0380	Harbor Reserve Account	\$31,275

Section 2. This is a budget amendment ordinance, is not permanent in nature, and shall
not be codified.

PASSED AND ADOPTED by the Homer City Council this 28th day of January, 2019.

CITY OF HOMER

KEN CASTNER, MAYOR

43 ATTEST:

44

45 _____

46 MELISSA JACOBSEN, MMC, CITY CLERK

47

48 YES:

49 NO:

50 ABSTAIN:

51 ABSENT:

52

53 Introduction:

54 Public Hearing:

55 Second Reading:

56 Effective Date:

57

58

59 Reviewed and approved as to form:

60

61 _____

62 Katie Koester, City Manager

63

64 Date: _____

Holly Wells, Attorney

Date: _____



City of Homer

www.cityofhomer-ak.gov

Public Works

3575 Heath Street
Homer, AK 99603

publicworks@cityofhomer-ak.gov

(p) 907- 235-3170

(f) 907-235-3145

Memorandum 19-006

TO: Katie Koester, City Manager
FROM: Carey S. Meyer, Public Works Director
DATE: January 8, 2019
SUBJECT: **Spit Fish Grinder Renovation**

The annual inspection of the Spit Fish Grinder Lift Station by Public Works, at the end of 2018, revealed significant corrosion of the pumps and pump rails. The rails need to be replaced and pumps need to be rebuilt.

This fish grinding lift station is located adjacent to the Fish Grinding Building on Fish Dock Road. All sport caught fish carcasses collected from around the small boat harbor (in the summer) and fish waste from fish processors (during the fish processing season) are ground up in the Fish Grinding Building. The lift station then pumps all fish waste to the Bay.

Public Works estimates the cost of rehabilitation the fish grinding station as follows:

Pump rebuild parts (lowest of three quotes)	\$ 16,525
Rail Replacement Materials	\$ 360
Shipping	\$ 1,500
Labor (190 hrs x \$60/hour)	<u>\$ 11,400</u>
Subtotal	\$ 29,785
Contingency (5%)	<u>\$ 1,490</u>
 Total Estimated Project Cost	 \$ 31,275

Public Works water/sewer personnel will complete all work. All costs will be charge to the Port/Harbor Enterprise Fund.

Recommendation: The City Council amend the 2019 capital budget to create a Spit Fish Grinder Rehabilitation project, and authorize the expenditure of \$31,275 from the Harbor Reserve Fund to complete the rehabilitation.

ORDINANCE REFERENCE SHEET
2019 ORDINANCE
ORDINANCE 19-03

An Ordinance of the City Council of Homer, Alaska, Amending the FY 2019 Revolving Energy Fund to Provide for Lighting Upgrades at Six City City Buildings in the Amount of \$69,175.

Sponsor: Stroozas

1. City Council Regular Meeting January 14, 2019 Introduction
Memorandum 19-007 from Public Works Director as backup

**CITY OF HOMER
HOMER, ALASKA**

Stroozas

ORDINANCE 19-03

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE FY 2019 REVOLVING ENERGY FUND TO PROVIDE
FOR LIGHTING UPGRADES AT SIX CITY BUILDINGS IN THE
AMOUNT OF \$69,175.

WHEREAS, The City Council authorized the completion of a lighting energy audit on six City buildings (City Hall, Animal Shelter, Airport Terminal, Library, Harbormaster Building, and Public Works); and

WHEREAS, The audits detail the work necessary and the benefit of upgrading the lighting at each facility including the return on investment associated with more energy efficient lighting; and

WHEREAS, The Revolving Energy Loan Fund, created by the City Council in 2010 to fund energy conservation projects, is an appropriate funding source for lighting upgrades at these facilities and is consistent with the intent of the fund; and

WHEREAS, Implementing the recommended energy conservation measures is estimated to reduce the City's annual energy cost by \$23,953 and reduce carbon emissions; and

WHEREAS, The cost of completing the recommended energy conservation measures (upgrading to LED lighting) is estimated to be \$69,175. The operating fund associated with each facility would reimburse the Revolving Energy Loan Fund in three equal payments (2020, 2021, and 2022).

NOW, THEREFORE, The City of Homer Ordains:

Section 1: The FY 2019 Revolving Energy Fund is hereby amended for the purpose of funding the lighting upgrades to six City buildings, as follows:

Expenditure:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
620-0375	Revolving Energy Loan Fund	\$69,175

43 **Payback to Energy Fund:**

44

45 <u>Account</u>	45 <u>Description</u>	45 <u>Loan</u>	45 <u>Payback</u>	45 <u>2020</u>
46	46	46 <u>Amount</u>	46 <u>Period (yrs.)</u>	46 <u>Payback</u>
48 100-0140	48 City Hall	48 \$ 9,545	48 3	48 \$ 3,181.67
49 100-0165	49 Animal Shelter	49 \$ 2,802	49 3	49 \$ 934.00
50 100-0149	50 Airport Terminal	50 \$ 23,287	50 3	50 \$ 7,762.33
51 100-0145	51 Library	51 \$ 18,792	51 3	51 \$ 6,264.00
52 100-0170	52 Public Works	52 \$ 10,727	52 3	52 \$ 3,575.67
53 400-0600	53 Harbormasters Office	53 \$ 4,022	53 3	53 \$ 1,340.67

54

55 Section 2. This is a budget amendment ordinance, is not permanent in nature, and shall
56 not be codified.

57
58 PASSED AND ADOPTED by the Homer City Council this 28th day of January, 2019.

59
60 CITY OF HOMER

61
62
63 _____
64 KEN CASTNER, MAYOR

65 ATTEST:

66 _____
67 MELISSA JACOBSEN, MMC, CITY CLERK

68 YES:

69 NO:

70 ABSTAIN:

71 ABSENT:

72 Introduction:

73 Public Hearing:

74 Second Reading:

75 Effective Date:

76 Reviewed and approved as to form:

77
78
79 _____
80 Katie Koester, City Manager

81 _____
82 Holly Wells, Attorney

83 Date: _____

84 Date: _____



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(p) 907- 235-3170

(f) 907-235-3145

Memorandum 19-007

TO: Katie Koester, City Manager

FROM: Carey S. Meyer, Public Works Director

DATE: January 8, 2019

SUBJECT: **LED lighting Upgrade – 6 City Buildings
Using Revolving Energy Loan Fund**

The City Council authorized the completion of a lighting energy audit on six City buildings (City Hall, Animal Shelter, Airport Terminal, Library, Harbormaster Building, and Public Works). The Energy Conservation Plans were completed (see attached City Hall audit as an example) and the costs and benefits of upgrading the lighting at each facility have been determined and are summarized below:

	Material Cost	Labor Cost	Total Cost	Payback Period (Simple)	Annual Savings
City Hall	\$ 4,286	\$ 5,259	\$ 9,545	4.9 years	\$ 1,959
Animal Shelter	\$ 1,195	\$ 707	\$ 2,802	2.8 years	\$ 1,195
Airport Terminal	\$19,447	\$ 4,740	\$ 23,287	3.4 years	\$ 6,807
Library	\$ 8,627	\$10,165	\$ 18,792	2.7 years	\$ 7,076
Public Works	\$ 5,804	\$ 4,923	\$ 10,727	2.1 years	\$ 5,070
Harbormasters Office	<u>\$ 2,090</u>	<u>\$ 1,932</u>	<u>\$ 4,022</u>	2.2 years	<u>\$ 1,846</u>
Totals	\$41,449	\$27,726	\$ 69,175		\$ 23,953

Public Works proposes to utilize the Revolving Energy Loan Fund to finance the lighting upgrades at these facilities. The Fund was created by the City Council in 2010 to fund energy conservation projects, with departments repaying the loan over time to allow the fund to finance future projects. The operating budget associated with each facility will reimburse the Revolving Energy Loan Fund in three equal payments (2020, 2021, and 2022).

Labor to install would be completed by either building maintenance staff, a new temporary employee, or by contractor (as time allows, in the most cost effective manner). All work would be completed in 2019.

Recommendation: The City Council authorize the use of the Revolving Energy Loan Fund to finance the proposed City Building Lighting Upgrade project as described above, and authorize expenditures from the 2020, 2021, and 2022 City Operating Budget to reimburse the Fund for the cost of completing the project which will reduce energy costs and carbon emissions.

Lighting Audit Results and Recommendations

City of Homer - City Hall
491 East Pioneer
Homer, AK 99603
ATTN: Carey Meyer



Submitted by:
Robert Moss, CEA, CEM
Wisdom and Associates, Inc.
Phone (907) 283-0629
Robert@akinspections.com

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1. EXECUTIVE SUMMARY

This report was prepared for the City of Homer. The scope of the audit focused on Homer City Hall. The scope of this report is an energy study of the interior and exterior lighting systems.

Based on electricity and fuel oil prices in effect at the time of the audit, the total predicted energy costs are \$25,317 per year and the breakdown of the annual predicted energy costs and fuel use for the buildings analyzed are as follows:

\$18,769 for Electricity
 \$6,548 for Natural Gas

Predicted Annual Fuel Use		
Fuel Use	Existing Building	With Proposed Retrofits
Electricity	80,900 kWh	71,565 kWh
Natural Gas	6,357 ccf	6,554 ccf

Benchmark figures facilitate comparing energy use between different buildings. The table below lists several benchmarks for the audited building. More details can be found in section 3.2.2.

Building Benchmarks			
Description	EUI (kBtu/Sq.Ft.)	EUI/HDD (Btu/Sq.Ft./HDD)	ECI (\$/Sq.Ft.)
Existing Building	69.9	6.92	\$1.94
With Proposed Retrofits	69.0	6.83	\$1.79

EUI: Energy Use Intensity - The annual site energy consumption divided by the structure’s conditioned area.
 EUI/HDD: Energy Use Intensity per Heating Degree Day.
 ECI: Energy Cost Index - The total annual cost of energy divided by the square footage of the conditioned space in the building.

Table 1.1 below summarizes the energy efficiency measures analyzed for the Homer City Hall. Listed are the estimates of the annual savings, installed costs, and two different financial measures of investment return.

Table 1.1
PRIORITY LIST – ENERGY EFFICIENCY MEASURES

Rank	Feature	Improvement Description	Annual Energy Savings	Materials Cost	Savings to Investment Ratio, SIR ¹	Simple Payback (Years) ²	CO ₂ Savings
1	Lighting - Power Retrofit: Administration South Overlook Recessed Lights	Replace with 2 LED 14W Module StdElectronic	\$16 / 0.1 MMBTU	\$7	24.82	0.4	64.4
2	Lighting - Power Retrofit: Basement Entry Exterior Canopy, Southwest Corner	Replace with 2 LED 36W Module StdElectronic	\$170 / 2.5 MMBTU	\$100	15.51	0.6	808.0
3	Lighting - Power Retrofit: Administration Office Hallway	Replace with 3 LED 13W Module StdElectronic	\$29 / 0.2 MMBTU	\$30	10.16	1.0	119.1
4	Lighting - Power Retrofit: Top Floor North Entry Foyer Recessed Lighting	Replace with 4 LED 13W Module StdElectronic	\$26 / 0.2 MMBTU	\$40	6.75	1.5	105.4
5	Lighting - Power Retrofit: High Use T8 Fixtures	Replace with 350 LED 18W Module StdElectronic	\$1,603 / 8.5 MMBTU	\$3,542	4.98	2.2	6,405.4
6	Lighting - Power Retrofit: Elevator	Replace with 4 LED 8W Module StdElectronic	\$42 / 0.0 MMBTU	\$39	4.91	0.9	154.1
7	Lighting - Power Retrofit: Low Use T12 Fixtures	Replace with 22 LED 18W Module StdElectronic	\$34 / 0.2 MMBTU	\$223	2.18	6.6	133.2
8	Lighting - Power Retrofit: Exterior Small Wall Pack	Replace with 4 LED 24W Module StdElectronic	\$39 / 0.6 MMBTU	\$305	1.88	7.8	185.6
	TOTAL, cost-effective measures		\$1,960 / 12.2 MMBTU	\$4,286	4.94	2.2	7,975.1
The following measures were <i>not</i> found to be cost-effective:							
9	Lighting - Power Retrofit: Low Use T8 Fixtures	Replace with 8 LED 18W Module StdElectronic	\$4 / 0.0 MMBTU	\$81	0.64	22.3	14.2
10	Lighting - Power Retrofit: Low Use CFL	Replace with 3 LED 14W Module StdElectronic	\$0 / 0.0 MMBTU	\$10	-0.59	999.9	-1.6
	TOTAL, all measures		\$1,963 / 12.2 MMBTU	\$4,377	4.85	2.2	7,987.7

Table Notes:

¹ Savings to Investment Ratio (SIR) is a life-cycle cost measure calculated by dividing the total savings over the life of a project (expressed in today's dollars) by its investment costs. The SIR is an indication of the profitability of a measure; the higher the SIR, the more profitable the project. An SIR greater than 1.0 indicates a cost-effective project (i.e. more savings than cost). Remember that this profitability is based on the position of that Energy Efficiency Measure (EEM) in the overall list and assumes that the measures above it are implemented first.

² Simple Payback (SP) is a measure of the length of time required for the savings from an EEM to payback the investment cost, not counting interest on the investment and any future changes in energy prices. It is calculated by dividing the investment cost by the expected first-year savings of the EEM.

With all of these energy efficiency measures in place, the annual utility cost can be reduced by \$1,963 per year, or 7.8% of the buildings' total energy costs. These measures are estimated to cost \$4,376, for an overall simple payback period of 2.2 years. If only the cost-effective measures are implemented, the annual utility cost can be reduced by \$1,960 per year, or 7.7% of the buildings' total energy costs. These measures are estimated to cost \$4,286, for an overall simple payback period of 2.2 years.

2. AUDIT AND ANALYSIS BACKGROUND

2.1 Program Description

This audit included services to identify, develop, and evaluate energy efficiency measures at the Homer City Hall. The scope of this project included evaluating interior and exterior lighting. Measures were analyzed based on life-cycle-cost techniques, which include the initial cost of the equipment, life of the equipment, annual energy cost, annual maintenance cost, and a discount rate of 3.0%/year in excess of general inflation.

2.2 Audit Description

Preliminary audit information was gathered in preparation for the site survey. The site survey provides critical information in deciphering where energy is used and what opportunities exist within a building. The entire site was surveyed to inventory the following to gain an understanding of how each building operates:

- Lighting systems and controls

Details collected from Homer City Hall enable a model of the building's energy usage to be developed, highlighting the building's total energy consumption, energy consumption by specific building component, and equivalent energy cost. The analysis involves distinguishing the different fuels used on site, and analyzing their consumption in different activity areas of the building.

Homer City Hall is classified as being made up of the following activity areas:

- 1) Office Space: 13,047 square feet

In addition, the methodology involves taking into account a wide range of factors specific to the building. These factors are used in the construction of the model of energy used. The factors include:

- Occupancy hours
- Local climate conditions
- Prices paid for energy

2.3. Method of Analysis

Data collected was processed using AkWarm© Energy Use Software to estimate energy savings for each of the proposed energy efficiency measures (EEMs).

EEMs are evaluated based on building use and processes, local climate conditions, building construction type, function, operational schedule, existing conditions, and foreseen future plans. Energy savings are calculated based on industry standard methods and engineering estimations.

Our analysis provides a number of tools for assessing the cost effectiveness of various improvement options. These tools utilize **Life-Cycle Costing**, which is defined in this context as a method of cost analysis that estimates the total cost of a project over the period of time that includes both the construction cost and ongoing maintenance and operating costs.

Savings to Investment Ratio (SIR) = Savings divided by Investment

Savings includes the total discounted dollar savings considered over the life of the improvement. When these savings are added up, changes in future fuel prices as projected by the Department of Energy are included. Future savings are discounted to the present to account for the time-value of money (i.e. money's ability to earn interest over time). The **Investment** in the SIR calculation includes the labor and materials required to install the measure. An SIR value of at least 1.0 indicates that the project is cost-effective—total savings exceed the investment costs.

Simple payback is a cost analysis method whereby the investment cost of a project is divided by the first year's savings of the project to give the number of years required to recover the cost of the investment. This may be compared to the expected time before replacement of the system or component will be required. For example, if a boiler costs \$12,000 and results in a savings of \$1,000 in the first year, the payback time is 12 years. If the boiler has an expected life to replacement of 10 years, it would not be financially viable to make the investment since the payback period of 12 years is greater than the project life.

The Simple Payback calculation does not consider likely increases in future annual savings due to energy price increases. As an offsetting simplification, simple payback does not consider the need to earn interest on the investment (i.e. it does not consider the time-value of money). Because of these simplifications, the SIR figure is considered to be a better financial investment indicator than the Simple Payback measure.

Measures are implemented in order of cost-effectiveness. The program first calculates individual SIRs, and ranks all measures by SIR, higher SIRs at the top of the list. An individual measure must have an individual $SIR \geq 1$ to make the cut. Next the building is modified and re-simulated with the highest ranked measure included. Now all remaining measures are re-evaluated and ranked, and the next most cost-effective measure is implemented. AkWarm goes through this iterative process until all appropriate measures have been evaluated and installed.

It is important to note that the savings for each recommendation is calculated based on implementing the most cost effective measure first, and then cycling through the list to find the next most cost effective measure. Implementation of more than one EEM often affects the savings of other EEMs. The savings may in some cases be relatively higher if an individual EEM is implemented in lieu of multiple recommended EEMs. For example implementing a reduced operating schedule for inefficient lighting will result in relatively high savings. Implementing a reduced operating schedule for newly installed efficient lighting will result in lower relative savings, because the efficient lighting system uses less energy during each hour of operation. If multiple EEM's are recommended to be implemented, AkWarm calculates the combined savings appropriately.

Cost savings are calculated based on estimated initial costs for each measure.

2.4 Limitations of Study

All results are dependent on the quality of input data provided, and can only act as an approximation. In some instances, several methods may achieve the identified savings. This report is not intended as a final design document. The design professional or other persons following the recommendations shall accept responsibility and liability for the results.

3. Homer City Hall

3.1. Building Description

The 13,047 square foot Homer City Hall was constructed in 1980, with a normal occupancy of 20 people. The number of hours of operation for this building averages 7.1 hours per day, considering all seven days of the week.

3.2 Predicted Energy Use

3.2.1 Energy Usage / Tariffs

The electric usage profile charts (below) represents the predicted electrical usage for the building. If actual electricity usage records were available, the model used to predict usage was calibrated to approximately match actual usage. The electric utility measures consumption in kilowatt-hours (kWh) and maximum demand in kilowatts (kW). One kWh usage is equivalent to 1,000 watts running for one hour. One KW of electric demand is equivalent to 1,000 watts running at a particular moment. The basic usage charges are shown as generation service and delivery charges along with several non-utility generation charges.

The natural gas usage profile shows the predicted natural gas energy usage for the building. If actual gas usage records were available, the model used to predict usage was calibrated to approximately match actual usage. Natural gas is sold to the customer in units of 100 cubic feet (CCF), which contains approximately 100,000 BTUs of energy.

The following is a list of the utility companies providing energy to the building and the class of service provided:

Electricity: Homer Electric Assn - Commercial - Sm

Natural Gas: Enstar Natural Gas - G3

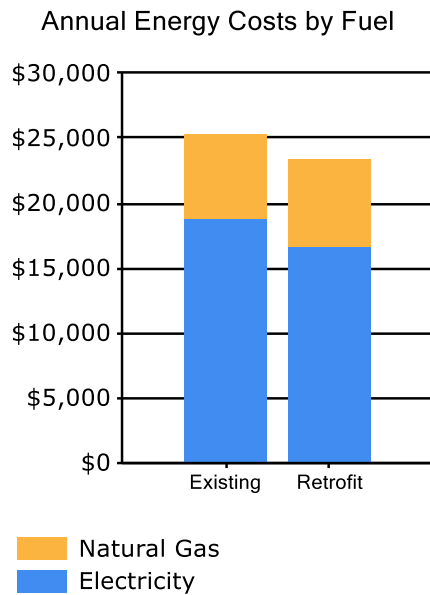
The average cost for each type of fuel used in this building is shown below in Table 3.1. This figure includes all surcharges, subsidies, and utility customer charges:

Table 3.1 – Average Energy Cost	
Description	Average Energy Cost
Electricity	\$ 0.2320/kWh
Natural Gas	\$ 1.03/ccf

3.2.1.1 Total Energy Use and Cost Breakdown

Figure 3.2 below shows how the annual energy cost of the building splits between the different fuels used by the building. The “Existing” bar shows the breakdown for the building as it is now; the “Retrofit” bar shows the predicted costs if all of the energy efficiency measures in this report are implemented.

Figure 3.2
Annual Energy Costs by Fuel Type



3.2.2 Energy Use Index (EUI)

Energy Use Index (EUI) is a measure of a building's annual energy utilization per square foot of building. This calculation is completed by converting all utility usage consumed by a building for one year, to British Thermal Units (Btu) or kBtu, and dividing this number by the building square footage. EUI is a good measure of a building's energy use and is utilized regularly for comparison of energy performance for similar building types. The Oak Ridge National Laboratory (ORNL) Buildings Technology Center under a contract with the U.S. Department of Energy maintains a Benchmarking Building Energy Performance Program. The ORNL website determines how a building's energy use compares with similar facilities throughout the U.S. and in a specific region or state.

Source use differs from site usage when comparing a building's energy consumption with the national average. Site energy use is the energy consumed by the building at the building site only. Source energy use includes the site energy use as well as all of the losses to create and distribute the energy to the building. Source energy represents the total amount of raw fuel that is required to operate the building. It incorporates all transmission, delivery, and production losses, which allows for a complete assessment of energy efficiency in a building. The type of utility purchased has a substantial impact on the source energy use of a building. The EPA has determined that source energy is the most comparable unit for evaluation purposes and overall global impact. Both the site and source EUI ratings for the building are provided to understand and compare the differences in energy use.

The site and source EUIs for this building are calculated as follows. (See Table 3.4 for details):

$$\text{Building Site EUI} = \frac{(\text{Electric Usage in kBtu} + \text{Gas Usage in kBtu} + \text{similar for other fuels})}{\text{Building Square Footage}}$$

$$\text{Building Source EUI} = \frac{(\text{Electric Usage in kBtu} \times \text{SS Ratio} + \text{Gas Usage in kBtu} \times \text{SS Ratio} + \text{similar for other fuels})}{\text{Building Square Footage}}$$

where "SS Ratio" is the Source Energy to Site Energy ratio for the particular fuel.

**Table 3.4
Homer City Hall EUI Calculations**

Energy Type	Building Fuel Use per Year	Site Energy Use per Year, kBTU	Source/Site Ratio	Source Energy Use per Year, kBTU
Electricity	80,900 kWh	276,112	3.340	922,215
Natural Gas	6,357 ccf	635,727	1.047	665,607
Total		911,840		1,587,822
BUILDING AREA 13,047 Square Feet				
BUILDING SITE EUI 70 kBTU/Ft ² /Yr				
BUILDING SOURCE EUI 122 kBTU/Ft²/Yr				
* Site - Source Ratio data is provided by the Energy Star Performance Rating Methodology for Incorporating Source Energy Use document issued March 2011.				

Table 3.5

Building Benchmarks			
Description	EUI (kBtu/Sq.Ft.)	EUI/HDD (Btu/Sq.Ft./HDD)	ECI (\$/Sq.Ft.)
Existing Building	69.9	6.92	\$1.94
With Proposed Retrofits	69.0	6.83	\$1.79
EUI: Energy Use Intensity - The annual site energy consumption divided by the structure's conditioned area. EUI/HDD: Energy Use Intensity per Heating Degree Day. ECI: Energy Cost Index - The total annual cost of energy divided by the square footage of the conditioned space in the building.			

3.3 AkWarm© Building Simulation

For the purposes of this study, the Homer City Hall was modeled using AkWarm© energy use software to establish a baseline space heating and cooling energy usage. Climate data from Homer was used for analysis. From this, the model was be calibrated to predict the impact of theoretical energy savings measures. Once annual energy savings from a particular measure were predicted and the initial capital cost was estimated, payback scenarios were approximated.

Limitations of AkWarm© Models

- The model is based on typical mean year weather data for Homer. This data represents the average ambient weather profile as observed over approximately 30 years. As such, the gas and electric profiles generated will not likely compare perfectly with actual energy billing information from any single year. This is especially true for years with extreme warm or cold periods, or even years with unexpectedly moderate weather.
- The heating and cooling load model is a simple two-zone model consisting of the building's core interior spaces and the building's perimeter spaces. This simplified approach loses accuracy for buildings that have large variations in cooling/heating loads across different parts of the building.
- The model does not model HVAC systems that simultaneously provide both heating and cooling to the same building space (typically done as a means of providing temperature control in the space).

The energy balances shown in Section 3.1 were derived from the output generated by the AkWarm© simulations.

4. ENERGY COST SAVING MEASURES

4.1 Summary of Results

The energy saving measures are summarized in Table 4.1. Please refer to the individual measure descriptions later in this report for more detail.

Table 4.1 Homer City Hall, Homer, Alaska PRIORITY LIST – ENERGY EFFICIENCY MEASURES							
Rank	Feature	Improvement Description	Annual Energy Savings	Materials Cost	Savings to Investment Ratio, SIR	Simple Payback (Years)	CO ₂ Savings
1	Lighting - Power Retrofit: Administration South Overlook Recessed Lights	Replace with 2 LED 14W Module StdElectronic	\$16 / 0.1 MMBTU	\$7	24.82	0.4	64.4
2	Lighting - Power Retrofit: Basement Entry Exterior Canopy, Southwest Corner	Replace with 2 LED 36W Module StdElectronic	\$170 / 2.5 MMBTU	\$100	15.51	0.6	808.0
3	Lighting - Power Retrofit: Administration Office Hallway	Replace with 3 LED 13W Module StdElectronic	\$29 / 0.2 MMBTU	\$30	10.16	1.0	119.1
4	Lighting - Power Retrofit: Top Floor North Entry Foyer Recessed Lighting	Replace with 4 LED 13W Module StdElectronic	\$26 / 0.2 MMBTU	\$40	6.75	1.5	105.4
5	Lighting - Power Retrofit: High Use T8 Fixtures	Replace with 350 LED 18W Module StdElectronic	\$1,603 / 8.5 MMBTU	\$3,542	4.98	2.2	6,405.4
6	Lighting - Power Retrofit: Elevator	Replace with 4 LED 8W Module StdElectronic	\$42 / 0.0 MMBTU	\$39	4.91	0.9	154.1
7	Lighting - Power Retrofit: Low Use T12 Fixtures	Replace with 22 LED 18W Module StdElectronic	\$34 / 0.2 MMBTU	\$223	2.18	6.6	133.2
8	Lighting - Power Retrofit: Exterior Small Wall Pack	Replace with 4 LED 24W Module StdElectronic	\$39 / 0.6 MMBTU	\$305	1.88	7.8	185.6
	TOTAL, cost-effective measures		\$1,960 / 12.2 MMBTU	\$4,286	4.94	2.2	7,975.1
The following measures were <i>not</i> found to be cost-effective:							
9	Lighting - Power Retrofit: Low Use T8 Fixtures	Replace with 8 LED 18W Module StdElectronic	\$4 / 0.0 MMBTU	\$81	0.64	22.3	14.2
10	Lighting - Power Retrofit: Low Use CFL	Replace with 3 LED 14W Module StdElectronic	\$0 / 0.0 MMBTU	\$10	-0.59	999.9	-1.6
	TOTAL, all measures		\$1,963 / 12.2 MMBTU	\$4,377	4.85	2.2	7,987.7

4.2 Interactive Effects of Projects

The savings for a particular measure are calculated assuming all recommended EEMs coming before that measure in the list are implemented. If some EEMs are not implemented, savings for the remaining EEMs will be affected. For example, if ceiling insulation is not added, then savings from a project to replace the heating system will be increased, because the heating system for the building supplies a larger load.

In general, all projects are evaluated sequentially so energy savings associated with one EEM would not also be attributed to another EEM. By modeling the recommended project sequentially, the analysis accounts for interactive affects among the EEMs and does not “double count” savings.

Interior lighting, plug loads, facility equipment, and occupants generate heat within the building. When the building is in cooling mode, these items contribute to the overall cooling demands of the building; therefore, lighting efficiency improvements will reduce cooling requirements in air-conditioned buildings. Conversely, lighting-efficiency improvements are anticipated to slightly increase heating requirements. Heating penalties and cooling benefits were included in the lighting project analysis.

4.5 Electrical & Appliance Measures

4.5.1 Lighting Measures

The goal of this section is to present any lighting energy conservation measures that may also be cost beneficial. It should be noted that replacing current bulbs with more energy-efficient equivalents will have a small effect on the building heating and cooling loads. The building cooling load will see a small decrease from an upgrade to more efficient bulbs and the heating load will see a small increase, as the more energy efficient bulbs give off less heat.

4.5.1a Lighting Measures – Replace Existing Fixtures/Bulbs

Rank	Location	Existing Condition	Recommendation		
1	Administration South Overlook Recessed Lights	2 FLUOR CFL, Spiral 32 W with Manual Switching	Replace with 2 LED 14W Module StdElectronic		
Installation Cost	\$7	Estimated Life of Measure (yrs)	13	Energy Savings (\$/yr)	\$16
Breakeven Cost	\$165	Simple Payback (yrs)	0	Energy Savings (MMBTU/yr)	0.1 MMBTU
		Savings-to-Investment Ratio	24.8		
Auditors Notes: Replace lamps at the administration office south overlook area in southwest corner. https://www.amazon.com/dp/B074PJ4RM4/?colid=1FR7FQ9MTA4IS&coliid=I2EKUI7WR4MVQO&ref=lv_ov_lig_pab					

Rank	Location	Existing Condition	Recommendation		
2	Basement Entry Exterior Canopy, Southwest Corner	2 MH 100 Watt Magnetic with Manual Switching	Replace with 2 LED 36W Module StdElectronic		
Installation Cost	\$100	Estimated Life of Measure (yrs)	11	Energy Savings (\$/yr)	\$170
Breakeven Cost	\$1,555	Simple Payback (yrs)	1	Energy Savings (MMBTU/yr)	2.5 MMBTU
		Savings-to-Investment Ratio	15.5		
Auditors Notes: Replace all existing lamps at exterior recessed lighting fixtures. Bypass existing ballasts. Verify new lamps will fit existing fixtures before purchase. https://www.1000bulbs.com/product/192005/PLT-5103B.html					

Rank	Location	Existing Condition	Recommendation		
3	Administration Office Hallway	3 FLUOR CFL, Plug-in 32W Six Tube with Manual Switching	Replace with 3 LED 13W Module StdElectronic		
Installation Cost	\$30	Estimated Life of Measure (yrs)	13	Energy Savings (\$/yr)	\$29
Breakeven Cost	\$305	Simple Payback (yrs)	1	Energy Savings (MMBTU/yr)	0.2 MMBTU
		Savings-to-Investment Ratio	10.2		
Auditors Notes: Replace existing lamps. https://www.amazon.com/dp/B01A0CIUXG/?coliid=IBMZBQ6GTQABY&colid=1FR7FQ9MTA4IS&psc=0&ref=lv_ov_lig_dp_it					

Rank	Location	Existing Condition	Recommendation		
4	Top Floor North Entry Foyer Recessed Lighting	4 FLUOR CFL, Plug-in 26W Quad Tube StdElectronic with Manual Switching	Replace with 4 LED 13W Module StdElectronic		
Installation Cost	\$40	Estimated Life of Measure (yrs)	13	Energy Savings (\$/yr)	\$26
Breakeven Cost	\$270	Simple Payback (yrs)	2	Energy Savings (MMBTU/yr)	0.2 MMBTU
		Savings-to-Investment Ratio	6.7		
Auditors Notes: Replace existing lamps. https://www.amazon.com/dp/B01A0CIUXG/?coliid=IBMZBQ6GTQABY&colid=1FR7FQ9MTA4IS&psc=0&ref=lv_ov_lig_dp_it					

Rank	Location	Existing Condition	Recommendation		
5	High Use T8 Fixtures	350 FLUOR T8 4' F32T8 32W Standard Instant StdElectronic with Manual Switching	Replace with 350 LED 18W Module StdElectronic		
Installation Cost	\$3,542	Estimated Life of Measure (yrs)	14	Energy Savings (\$/yr)	\$1,603
Breakeven Cost	\$17,636	Simple Payback (yrs)	2	Energy Savings (MMBTU/yr)	8.5 MMBTU
		Savings-to-Investment Ratio	5.0		
Auditors Notes: Replace all T8 lamps in areas not otherwise specified in the low use improvement option. Bypass existing ballasts. https://www.amazon.com/dp/B01G4GWHCW/?coliid=I2R7MD0JXZCC5&colid=1FR7FQ9MTA4IS&psc=0&ref=lv_ov_lig_dp_it					

Rank	Location	Existing Condition	Recommendation		
6	Elevator	4 FLUOR T8 2' F17T8 17W Standard with Manual Switching	Replace with 4 LED 8W Module StdElectronic		
Installation Cost	\$39	Estimated Life of Measure (yrs)	5	Energy Savings (\$/yr)	\$42
Breakeven Cost	\$194	Simple Payback (yrs)	1	Energy Savings (MMBTU/yr)	0.0 MMBTU
		Savings-to-Investment Ratio	4.9		
Auditors Notes: Replace lighting in elevator. Bypass ballast. https://www.amazon.com/dp/B00R8SJ7UG/ref=twister_B00R8SJ41S?encoding=UTF8&psc=1					

Rank	Location	Existing Condition	Recommendation		
7	Low Use T12 Fixtures	22 FLUOR T12 4' F40T12 40W Standard Magnetic with Manual Switching	Replace with 22 LED 18W Module StdElectronic		
Installation Cost	\$223	Estimated Life of Measure (yrs)	20	Energy Savings (\$/yr)	\$34
Breakeven Cost	\$486	Simple Payback (yrs)	7	Energy Savings (MMBTU/yr)	0.2 MMBTU
		Savings-to-Investment Ratio	2.2		
Auditors Notes: Replace existing T12 lamps in Server Room, Elevator Room, Basement Telephone Room, and Basement Vault. Bypass existing ballasts. https://www.amazon.com/dp/B01G4GWHCW/?coliid=I2R7MD0JXZCC5&colid=1FR7FQ9MTA4IS&psc=0&ref=lv_ov_lig_dp_it					

Rank	Location	Existing Condition	Recommendation
8	Exterior Small Wall Pack	4 INDUCT Sylvania Icetron 40W System with Manual Switching	Replace with 4 LED 24W Module StdElectronic
Installation Cost	\$305	Estimated Life of Measure (yrs)	20
Breakeven Cost	\$572	Simple Payback (yrs)	8
		Savings-to-Investment Ratio	1.9
Auditors Notes: This type of fixture cannot be re-lamped. Replaces existing induction fixture with new fixture mounted on exterior vertical walls. https://www.homedepot.com/p/Halco-Lighting-Technologies-ProLED-Mini-Wallpack-24-Watt-Bronze-Outdoor-Integrated-LED-Dimmable-Dusk-to-Dawn-Large-Wall-Pack-Light-Cool-White-MWP24-U40BZ-PC-10172/306826290			

Rank	Location	Existing Condition	Recommendation
9	Low Use T8 Fixtures	8 FLUOR T8 4' F32T8 32W Standard Instant StdElectronic with Manual Switching	Replace with 8 LED 18W Module StdElectronic
Installation Cost	\$81	Estimated Life of Measure (yrs)	20
Breakeven Cost	\$52	Simple Payback (yrs)	22
		Savings-to-Investment Ratio	0.6
Auditors Notes: Replace existing T8 lamps in Boiler Room and Basement Storage Rooms. Bypass existing ballasts. Not cost effective for immediate replacement. Replace when existing lamp burns out. https://www.amazon.com/dp/B01G4GWHCW/?coliid=I2R7MD0JXZZCC5&colid=1FR7FQ9MTA4IS&psc=0&ref=lv_ov_lig_dp_it			

Rank	Location	Existing Condition	Recommendation
10	Low Use CFL	3 FLUOR CFL, Spiral 15 W with Manual Switching	Replace with 3 LED 14W Module StdElectronic
Installation Cost	\$10	Estimated Life of Measure (yrs)	20
Breakeven Cost	-\$6	Simple Payback (yrs)	1000
		Savings-to-Investment Ratio	-0.6
Auditors Notes: Replace compact fluorescent lamps in Basement Custodial Rooms and Basement Copy Bathroom. Not cost effective for immediate replacement. Replace when existing lamp burns out. https://www.amazon.com/dp/B01N8P5M6K/?coliid=I2AZR08QXF4AX2&colid=1FR7FQ9MTA4IS&psc=0&ref=lv_ov_lig_dp_it			

Appendix A – Energy Audit Report – Project Summary

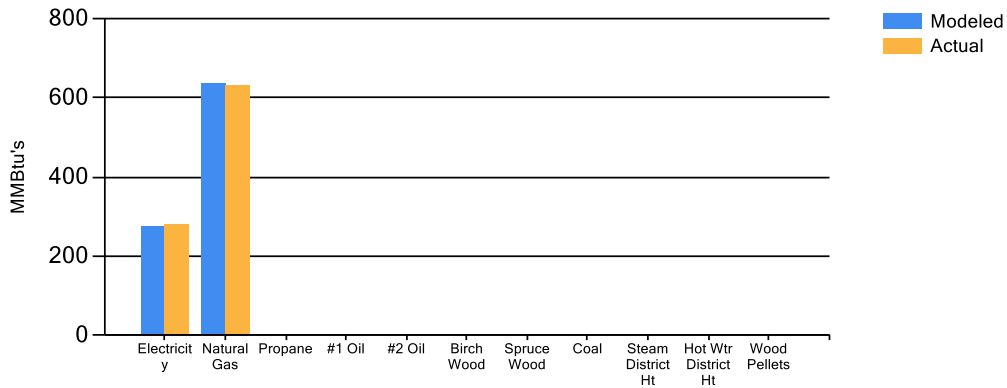
ENERGY AUDIT REPORT – PROJECT SUMMARY	
General Project Information	
PROJECT INFORMATION	AUDITOR INFORMATION
Building: Homer City Hall	Auditor Company: Wisdom and Associates, Inc.
Address: 491 East Pioneer Ave	Auditor Name: Robert Moss
City: Homer	Auditor Address: 7984 Kenai Spur Highway Kenai, AK 99611
Client Name: Carey Meyer	Auditor Phone: (907) 283-0629
Client Address: 3575 Heath Street Homer, AK 99603	Auditor FAX:
Client Phone: (907) 235-3145	Auditor Comment:
Client FAX:	
Design Data	
Building Area: 13,047 square feet	Design Space Heating Load: Design Loss at Space: 97,195 Btu/hour with Distribution Losses: 97,195 Btu/hour Plant Input Rating assuming 82.0% Plant Efficiency and 25% Safety Margin: 148,164 Btu/hour Note: Additional Capacity should be added for DHW and other plant loads, if served.
Typical Occupancy: 20 people	Design Indoor Temperature: 70 deg F (building average)
Actual City: Homer	Design Outdoor Temperature: 0 deg F
Weather/Fuel City: Homer	Heating Degree Days: 10,097 deg F-days
Utility Information	
Electric Utility: Homer Electric Assn - Commercial - Sm	Natural Gas Provider: Enstar Natural Gas - G3
Average Annual Cost/kWh: \$0.232/kWh	Average Annual Cost/ccf: \$1.030/ccf

Building Benchmarks			
Description	EUI (kBtu/Sq.Ft.)	EUI/HDD (Btu/Sq.Ft./HDD)	ECI (\$/Sq.Ft.)
Existing Building	69.9	6.92	\$1.94
With Proposed Retrofits	69.0	6.83	\$1.79
EUI: Energy Use Intensity - The annual site energy consumption divided by the structure's conditioned area. EUI/HDD: Energy Use Intensity per Heating Degree Day. ECI: Energy Cost Index - The total annual cost of energy divided by the square footage of the conditioned space in the building.			

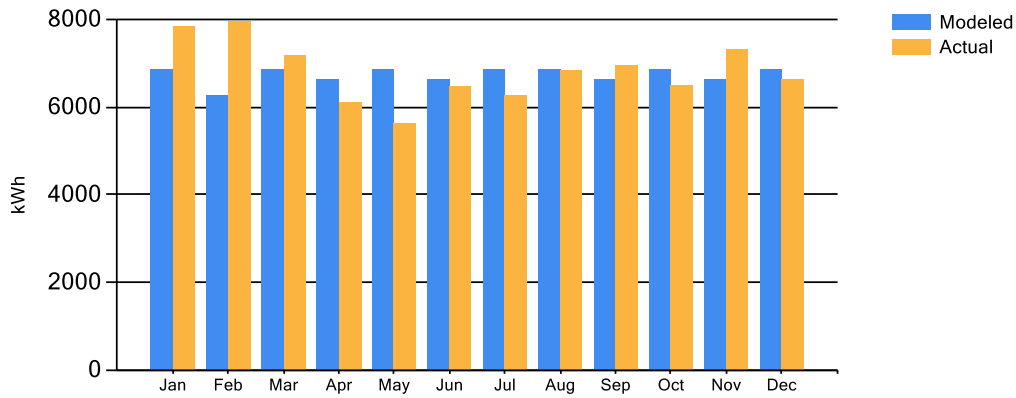
Appendix B – Actual Fuel Use versus Modeled Fuel Use

The Orange bars show Actual fuel use, and the Blue bars are AkWarm’s prediction of fuel use.

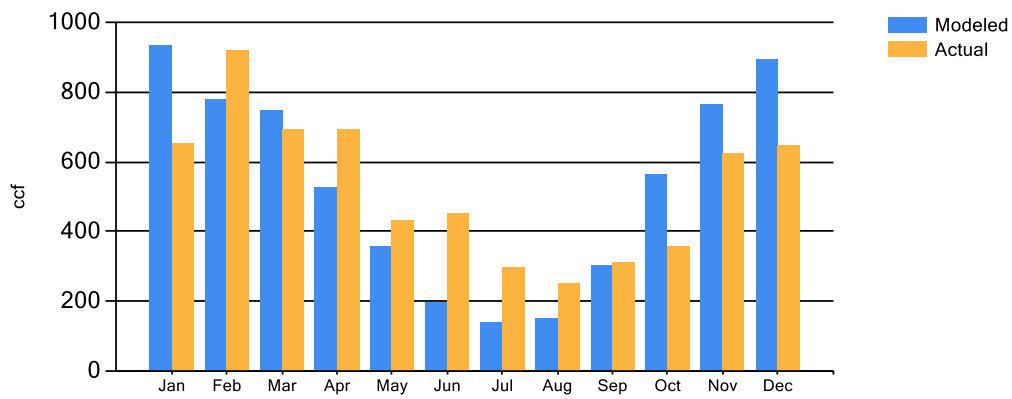
Annual Fuel Use



Electricity Fuel Use



Natural Gas Fuel Use



Appendix C - Electrical Demands

Estimated Peak Electrical Demand (kW)												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Current	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4
As Proposed	27.6	27.6	27.6	27.6	27.6	27.6	27.6	27.6	27.6	27.6	27.6	27.6

Estimated Demand Charges (at \$0.00/kW)												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Current	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
As Proposed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

 AkWarmCalc Ver 2.9.0.0, Energy Lib 9/27/2018

ORDINANCE REFERENCE SHEET
2019 ORDINANCE
ORDINANCE 19-04

An Ordinance of the City Council of Homer, Alaska, Repealing Homer City Code Chapter 2.96, Civil Defense.

Sponsor: Mayor

1. City Council Regular Meeting January 14, 2019 Introduction

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 Mayor

4 **ORDINANCE 19-04**

5
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
7 REPEALING HOMER CITY CODE CHAPTER 2.96 CIVIL DEFENSE.
8

9 WHEREAS, Ordinance 68-1 was adopted February 12, 1968 to conform with legal
10 requirements of the Federal Civil Defense program in effect in 1968; and
11

12 WHEREAS, In 1980, the City contracted with a professional codification firm to review
13 and make recommendations for modernizing and updating the Homer City Code resulting in
14 the language currently in this chapter; and
15

16 WHEREAS, Chapter 2.96 Civil Defense is outdated and no longer applicable under
17 current programs.
18

19 NOW THEREFORE, THE CITY OF HOMER ORDAINS:
20

21 Section 1. Homer City Code Chapter 2.96 Civil Defense is hereby repealed.
22

23 Chapter 2.96
24 CIVIL DEFENSE

25 Sections:

26 ~~2.96.010 Purpose.~~

27 ~~2.96.020 Civil Defense Organization Created.~~

28 ~~2.96.030 Civil Defense Organization Membership.~~

29 ~~2.96.040 Appointment of Director and staff.~~
30

31 Prior legislation: Ord. 68-1.
32

33 ~~2.96.010 Purpose.~~

34 This chapter shall create Civil Defense as an agency of government for the City and
35 provide for a Civil Defense Organization with a Director and staff. [Code 1967 § 17-
36 100.1; Code 1981 § 5.32.010].
37

38 ~~2.96.020 Civil Defense Organization Created.~~

39 There is created the Civil Defense Organization for the City as an agency of the
40 government. [Code 1967 § 17-100.2; Code 1981 § 5.32.020].
41

42 ~~2.96.030 Civil Defense Organization Membership.~~

43 ~~All City officers and employees of this City, together with those volunteer forces~~
44 ~~enrolled to aid them prior to or during a disaster, shall constitute the Civil Defense~~
45 ~~Organization, as provided by law. [Code 1967 § 17-100.4; Code 1981 § 5.32.030].~~
46 ~~2.96.040 Appointment of Director and staff.~~
47 ~~The City Council shall appoint a Civil Defense Director and a staff to serve at the~~
48 ~~pleasure of the Mayor. [Code 1967 § 17-100.3; Code 1981 § 5.32.040].~~

49
50 Section 2. This Ordinance shall take effect upon its adoption by the Homer City
51 Council.

52
53 Section 3. This Ordinance is of a permanent and general character and shall be
54 included in the Homer City Code.

55
56 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this ___ day of _____, 2019.

57
58 CITY OF HOMER

59
60 _____
61 KEN CASTNER, MAYOR

62 ATTEST:

63
64 _____
65 MELISSA JACOBSEN, MMC, CITY CLERK

66
67 YES:

68 NO:

69 ABSTAIN:

70 ABSENT:

71
72 First Reading:

73 Public Hearing:

74 Second Reading:

75 Effective Date:

76
77 Reviewed and Approved as to form and content:

78
79 _____
80 Katie Koester, City Manager

Holly Wells, City Attorney

81
82 Date: _____

Date: _____

CITY OF HOMER, ALASKA

ORDINANCE NO. 68-1

AN ORDINANCE CREATING CIVIL DEFENSE AS AN AGENCY OF GOVERNMENT FOR THE CITY OF HOMER, ALASKA, AND PROVIDING FOR A CIVIL DEFENSE ORGANIZATION WITH A DIRECTOR AND STAFF.

THE CITY OF HOMER ORDAINS:

Section 1. CREATION OF AGENCY. There is hereby created the Civil Defense organization for the City of Homer, Alaska, as an agency of said government.

Section 2. APPOINTMENT OF DIRECTOR AND STAFF. The City Council shall appoint a Civil Defense Director and a staff to serve at the pleasure of the Mayor of Homer, Alaska.

Section 3. CIVIL DEFENSE ORGANIZATION. All City officers and employees of this City, together with those volunteer forces enrolled to aid them prior to or during a disaster, shall constitute the Civil Defense Organization, as provided by law.

Section 4. EMERGENCY MEASURE. This ordinance is hereby declared to be an emergency measure, and shall take effect immediately upon its passage and publication, as provided by law.

First Reading: 2/12/68

Effective Date: 2/12/68

ATTEST:

CITY OF HOMER

Edna A. Beaman
City Clerk

211

Larry C. Adner
Mayor

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 19-001

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING A LEASE ASSIGNMENT FROM HOMER ENTERPRISES LLC. TO AKSNOWGRL RENTALS, LLC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS FOR A NEW TWENTY YEAR LEASE WITH OPTIONS FOR TWO CONSECUTIVE FIVE YEAR RENEWALS FOR A PORTION OF LOT 5, AS SHOWN ON THE SUBDIVISION PLAT ENTITLED HOMER SPIT FILED AS AMENDED PLAT NUMBER 89-34, AT AN ANNUAL RATE OF \$16,590.48.

WHEREAS, AKSnowgrl Rentals, LLC applied to transfer the Homer Enterprises LLC lease to AKSnogril Rentals, LLC as part of its purchase of the Sport' Shed; and

WHEREAS, AKSnowgrl Rentals, LLC submitted a complete application pursuant to Homer City Code (HCC) 18; and

WHEREAS, AKSnowgrl Rentals, LLC has indicated in their lease application their intention of continuing the business previously listed in the lease between the City and Homer Enterprises LLC without changes; and

WHEREAS, Per HCC 18.08.110 the lease is in compliance and the past lease history has shown contractual obligations are satisfactorily met; and

WHEREAS, The lease assignment will be based on the City's updated lease template which reflects the new and current code requirements; and

WHEREAS, The City Administration and the Port and Harbor Advisory Commission on December 12, 2018 reviewed the application pursuant HCC 18.08.060 and recommend a new 20-year lease with options for 2 consecutive 5-year renewals on a portion of Lot 5, as shown on the subdivision plat entitled HOMER SPIT filed as amended plat number 89-34; and

WHEREAS, HCC 18.08.160 (4) states the Council shall approve or deny the request for lease assignment via resolution.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves the lease assignment of the Homer Enterprises, LLC. Lease from Homer Enterprises, LLC to AKSnowgrl Rentals, LLC, and authorizes the City Manager to execute a new twenty year lease

43 with options for two consecutive five year renewals on a portion of Lot 5, as shown on the
44 subdivision plat entitled HOMER SPIT filed as amended plat number 89-34, at an annual base
45 rent of \$16,590.48 for the purpose of operating a marine supply shop.

46

47 PASSED AND ADOPTED by the Homer City Council on this ___ day of _____, 2019.

48

49

CITY OF HOMER

50

51

52

53

KEN CASTNER, MAYOR

54

55 ATTEST:

56

57

58

59 MELISSA JACOBSEN, MMC, CITY CLERK

60

61 Fiscal Note: \$16,590.48 Annually



Memorandum 19-008

TO: MAYOR CASTNER & HOMER CITY COUNCIL

FROM: PORT & HARBOR ADVISORY COMMISSION

THROUGH: KATIE KOESTER, CITY MANAGER
RACHEL TUSSEY, DEPUTY CITY CLERK I

DATE: DECEMBER 13, 2018

SUBJECT: THE SPORT SHED LEASE RE-ASSIGNMENT TO AKSNOWGRL RENTALS, LLC

At their regular meeting on December 12, 2018, the Port and Harbor Advisory Commission reviewed and discussed the lease re-assignment and new lease proposal from Jenifer Kumfer, AKSnowGrl Rentals, who is assuming ownership of The Sport Shed beginning 2019.

The Commission reviewed the application, draft lease, and the approval recommendation from the City Manager; below is the commission's meeting minute excerpt:

- B. Sport Shed Lease Re-Assignment to AKSnowGrl Rentals, LLC
 - i. AKSnowGrl Rentals Lease Application for The Sport Shed
 - ii. Proposed Lease for AKSnowGrl Rentals, LLC

Chair Zimmerman opened the floor for discussion. Commissioner Ulmer noted the completeness of AKSnowGrl Rental's proposal and application.

HARTLEY/ZEISET MOVED TO SUSPEND THE RULES TO ALLOW THE APPLICANT TO SPEAK FREELY WITH THE COMMISSION.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Commissioner Donich inquired if the applicant had erosion control plans for The Sport Shed. Jenifer Kumfer, AKSnowGrl Rentals, LLC, provided her plan on how the business will manage erosion on the leased lot. There was discussion among the commissioners and Port Director/Harbormaster Hawkins on the Corps of Engineers and State of Alaska's plan and previous work done on the Homer Spit to address storm damage/erosion control.

Commissioner Hartley asked Ms. Kumfer if the use of the property and business would remain the same (currently used as store front, rooms, and storage). Ms. Kumfer confirmed that it will. There was brief discussion on the components of the draft lease.

ULMER/DONICH MOVED TO RECOMMEND TO CITY COUNCIL TO APPROVE A LEASE RE-ASSIGNMENT FROM THE SPORT SHED TO AKSNOWGRL RENTALS, LLC, AND TO AUTHORIZE THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS FOR A NEW 20-YEAR LEASE WITH OPTIONS FOR 2 CONSECUTIVE 5-YEAR RENEWALS FOR A PORTION OF LOT 5, HOMER SPIT AMENDED, AT AN INITIAL ANNUAL RENT OF \$16,590.48.

There was no further discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RECOMMENDATION

The Port and Harbor Advisory Commission recommends that City Council approve a lease re-assignment from The Sport Shed to AKSnowGrl Rentals, LLC, and to authorize the City Manager to execute the appropriate documents for a new 20-year lease with options for 2 consecutive 5-year renewals for a portion of Lot 5, Homer Spit Amended, at an initial annual rent of \$16,590.48.

CITY OF HOMER LEASE APPLICATION CHECKLIST

Applicant Name: AKSnowGrl Rentals, LLC/Jenifer Kumfer

Synopsis: New management- AKSnowGrl Rentals, LLC. is assuming ownership from The Sport Shed's current owner Tabor Ashment beginning 2019. Business and building plan to remain the same. AKSnowGrl Rentals is owned by The Sport Shed's current employee Jennifer Kumfer.

Action:

- Lease approval.
- Lease approval with conditions. Explain.
- Lease denial. Explain.
- Lease application incomplete.

Katie Koester 12.5.18
Katie Koester, City Manager Date

A. A responsive lease application / proposal shall include:

1. A completed application form provided by the City

YES	NO	N/A	INCOMPLETE
------------	-----------	------------	-------------------

NOTES:

2. Any applicable fees.

YES	NO	N/A	INCOMPLETE
------------	-----------	------------	-------------------

NOTES: Paid in full 11/9/18

3. A clear and precise narrative description of the proposed use of the property

YES	NO	N/A	INCOMPLETE
------------	-----------	------------	-------------------

NOTES: See attached letter from Jenifer Kumfer, AkSnowGrl Rentals, LLC

4. A specific time schedule and benchmarks for development

YES	NO	N/A	INCOMPLETE
------------	-----------	------------	-------------------

NOTES: No new development proposed

5. A proposed site plan drawn to scale that shows at a minimum property lines, easements, existing structures and other improvements, utilities, and the proposed development including all structures and their elevations, parking facilities, utilities, and other proposed improvements.

YES	NO	N/A	INCOMPLETE
-----	----	-----	------------

NOTES: Survey dated 4/8/2009

6. Any other information that is directly pertinent to the proposal scoring criteria contained herein

YES	NO	N/A	INCOMPLETE
-----	----	-----	------------

NOTES:

7. All other **required attachments** requested on the application form including, but not limited to, the following documentation: applicant information, plot plan, development plan, insurance, proposed subleases, environmental information, agency approvals and permits, fees, financial information, partnership and corporation statement, certificate of good standing issued by an entity's state of domicile, and references.

- Applicant information
- Plot Plan
- Development Plan (**Existing**)
- Insurance (**Homer Insurance**)
- Proposed Subleases (**No proposed subleases**)
- Environmental Information (**N/A**)
- Agency approvals and permits (**Fire Marshall approval granted in 2009; no additional review needed at this time**)
- Financial Information (**2019 financial statement provided**)
- Partnership information and a copy of the partnership agreement OR (**N/A**)
- Corporation information and a copy of the Articles of Incorporation and Bylaws (**Submitted-AkSnowGrl Rentals, LLC**)
- Certificate of good standing issued by the entity's state if domicile (**Good standing confirmed 11/27/18**)
- Appropriate References (Total of 4 persons or firms with whom the applicant or its owners have conducted business transactions with during the past three years. Two references must have knowledge of your financial management history (One of which **MUST** be your principal financial institution) and two must have knowledge of your business expertise).

YES	NO	N/A	INCOMPLETE
-----	----	-----	------------

NOTES:

8. Any other information required by the solicitation or request for proposals.

YES	NO	N/A	INCOMPLETE
-----	----	-----	------------

NOTES:



Lease Application/Assignment Form

Directions:

1. Please submit this application form to the City Manager's Office, 491 Pioneer Avenue, Homer, AK, 99603.
2. Please answer all questions on this form, or put "N/A" in the space if it is non-applicable.
3. Please include all applicable fees in the form of a check, made payable to the City of Homer.

Applicant Name:	JENIFER KUMFER
Business Name:	AKSNOWGRL RENTALS, LLC
Social Security Number:	
FEIN#	83-2265146
Mailing Address:	1285 EAGLE VIEW DR. HOMER, AK 99603
City, State, ZIP code:	HOMER, AK 99603
Business Telephone No.	907-299-0381
Representative's Name:	JENIFER KUMFER
Mailing Address:	1285 EAGLE VIEW DR. HOMER, AK 99603
City, State, ZIP code:	SAME AS ABOVE
Business Telephone No.	SAME AS ABOVE
Property Location:	3815 HOMER SPIT ROAD KPB PARCEL# 181-031-05
THE SPORT SHED.	LOT 5, HOMER SPIT AMENDED, PLAT NO. 89-34
Legal Description:	LOT 5, HOMER SPIT AMENDED, PLAT NO. 89-34 KPB PARCEL NO: 181-031-05
Type of Business to be placed on property:	THE SPORT SHED, BAIT AND TACKLE SHOP
Duration of Lease requested:	TRANSFER OF CURRENT LEASE GRANTED NOVEMBER, 2, 2009 - NOVEMBER 2029 w 2 add'l 5yr. periods.
Options to re-new:	NEW 20 year with two, consecutive five year periods?

**The following materials must be submitted when applying for a lease of
City of Homer real property**

1.	Plot Plan	<p>A drawing of the proposed leased property showing:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Size of lot - dimensions and total square footage (to scale) <input checked="" type="checkbox"/> Placement and size of buildings, storage units, miscellaneous structures planned (to scale). <input checked="" type="checkbox"/> Water and sewer lines – location of septic tanks, if needed. <input checked="" type="checkbox"/> Parking spaces – numbered on the drawing with a total number indicated 																				
2.	Development Plan Please see Attached.	<p><input type="checkbox"/> List the time schedule from project initiation to project completion, including major project milestones.</p> <table border="0"> <thead> <tr> <th style="text-align: left;">Dates</th> <th style="text-align: left;">Tasks</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table> <p>For each building, indicate:</p> <table border="0"> <thead> <tr> <th style="text-align: left;">Building Use</th> <th style="text-align: left;">Dimensions and square footage</th> </tr> </thead> <tbody> <tr> <td>Store front, Rooms, Storage Bldg.</td> <td>13,180 Sq. Ft.</td> </tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table>	Dates	Tasks	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	Building Use	Dimensions and square footage	Store front, Rooms, Storage Bldg.	13,180 Sq. Ft.	_____	_____	_____	_____
Dates	Tasks																					
_____	_____																					
_____	_____																					
_____	_____																					
_____	_____																					
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Building Use	Dimensions and square footage																					
Store front, Rooms, Storage Bldg.	13,180 Sq. Ft.																					
_____	_____																					
_____	_____																					
3.	Insurance	<p><input checked="" type="checkbox"/> Attach a statement of proof of insurability of lessee for a minimum liability insurance for combined single limits of \$1,000,000 showing the City of Homer as co-insured. Additional insurance limits may be required due to the nature of the business, lease or exposure. Environmental insurance may be required. If subleases are involved, include appropriate certificates of insurance.</p>																				
4.	Subleases N/A	<p><input type="checkbox"/> Please indicate and provide a detailed explanation of any plans that you may have for subleasing the property. The City of Homer will generally require payment of 25% of proceeds paid Lessee by subtenants. Refer to chapter 13 of the Property Management Policy and Procedures manual.</p>																				
5.	Health Requirements SEE ATTACHED WATER/SEWER BILLS. ? N/A	<p><input type="checkbox"/> Attach a statement documenting that the plans for the proposed waste disposal system, and for any other necessary health requirements, have been submitted to the State Department of Environmental Conservation for approval. Granting of this lease shall be contingent upon the lessee obtaining all necessary approvals from the State DEC.</p>																				

6.	Agency Approval	<input checked="" type="checkbox"/> Attach statement(s) of proof that your plans have been inspected and approved by any agency which may have jurisdiction of the project; i.e. Fire Marshall, Army Corps of Engineers, EPA, etc. The granting of this lease shall be contingent upon lessee obtaining approval, necessary permits, and/or inspection statements from all appropriate State and/or Federal agencies.
7.	Fees <i>Pd 11/9/18</i> <i>✓ #102</i> <i>\$280⁰⁰</i>	All applicable fees must be submitted prior to the preparation and/or execution of a lease. <input checked="" type="checkbox"/> Application fee - \$30.00. Covers costs associated with processing the application. <i>Please make check payable to the City of Homer.</i> <input type="checkbox"/> Lease fee - \$300.00. Covers the costs of preparing and processing the actual lease. <input checked="" type="checkbox"/> Assignment fee - \$250.00. Covers the costs of preparing and processing the lease transfer. <i>Please make check payable to the City of Homer.</i>
8.	Financial Data	Please indicate lessee's type of business entity: <input type="checkbox"/> Sole or individual proprietorship. <input type="checkbox"/> Partnership. <input checked="" type="checkbox"/> Corporation. <input type="checkbox"/> Other – Please explain: _____ <hr/> <input checked="" type="checkbox"/> Financial Statement – <i>Please attach a financial statement showing the ability of the lessee to meet the required financial obligations.</i> <input type="checkbox"/> Surety Information – Has any surety or bonding company ever been required to perform upon your default or the default of any of the principals in you organization holding more than a 10% interest <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach a statement naming the surety or bonding company, date and amount of bond, and the circumstances surrounding the default or performance. <input type="checkbox"/> Bankruptcy information - Have you or any of the principals of your organization holding more than a 10% interest ever been declared bankrupt or are presently a debtor in a bankruptcy action? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. If yes, please attach a statement indicating state, date, Court having jurisdiction, case number and to amount of assets and debt. <input type="checkbox"/> Pending Litigation – Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.

9.	Partnership Statement	<input type="checkbox"/> If the applicant is a partnership, please provide the following: Date of organization: _____ Type: <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership Statement of Partnership Recorded? <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ Has partnership done business in Alaska? <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ Name, address, and partnership share. If partner is a corporation, please complete corporation statement. <i>Please attach a copy of your partnership agreement.</i>
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N/A

10.	Corporation Statement	<input checked="" type="checkbox"/> If the applicant is a corporation, please provide the following: Date of Incorporation: <u>October, 12, 2018</u> State of Incorporation: <u>Alaska</u> Is the Corporation authorized to do business in Alaska? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Is so, as of what Date? <u>October 22, 2018</u> Corporation is held? <input type="checkbox"/> Publicly <input type="checkbox"/> Privately If publicly held, how and where is the stock traded? _____ Officers & Principal Stockholders [10%+]: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Title</th> <th style="text-align: left;">Address</th> <th style="text-align: left;">Share</th> </tr> </thead> <tbody> <tr> <td><u>JENIFER KUMFER</u></td> <td><u>OWNER</u></td> <td><u>1205 EAGLE VIEW DR. HOMER, AK 99603</u></td> <td><u>100%</u></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <input checked="" type="checkbox"/> Please furnish a copy of Articles of Incorporation and By-laws. Please furnish name and title of officer authorized by Articles and/or By-laws to execute contracts and other corporate commitments. <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Title</th> </tr> </thead> <tbody> <tr> <td><u>JENIFER KUMFER</u></td> <td><u>OWNER-OFFICER-MANAGER</u></td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Name	Title	Address	Share	<u>JENIFER KUMFER</u>	<u>OWNER</u>	<u>1205 EAGLE VIEW DR. HOMER, AK 99603</u>	<u>100%</u>									Name	Title	<u>JENIFER KUMFER</u>	<u>OWNER-OFFICER-MANAGER</u>				
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<u>JENIFER KUMFER</u>	<u>OWNER-OFFICER-MANAGER</u>																									

<p>11. Applicant References</p>	<p>Please list four persons or firms with whom the Applicant or its owners have conducted business transactions with during the past three years. Two references named shall have knowledge of your financial management history, of which at least one must be your principal financial institution. Two of the references must have knowledge of your business expertise.</p> <hr/> <p>Name: _____ Firm: <u>ALASKA USA FCU</u> Title: <u>BUSINESS DEPT.</u> Address: <u>ANCHORAGE FOR BUSINESS - LOCAL HOMER</u> Telephone: <u>907-563-4567</u> Nature of business association with Applicant: <u>BANK - PRINCIPLE FINANCIAL INSTITUTION.</u></p> <hr/> <p>Name: <u>TABOR ASHMENT</u> Firm: <u>CURRENT OWNER OF THE SPORT SHED.</u> Title: <u>CURRENT OWNER -</u> Address: _____ Telephone: <u>907-299-1162</u> Nature of business association with Applicant: <u>I Have been employee of his for past 3 years. I managed store for him the past 2. I am purchasing store from him.</u></p> <hr/> <p>Name: <u>Bryan Baker</u> Firm: <u>Slippery Fish Adventures</u> Title: <u>Charter owner / Operator</u> Address: <u>bryan@slipperyfish.com</u> Telephone: <u>(561) 632-5654</u> Nature of business association with Applicant: <u>Purchased bait from me while I worked @ SportShed - I handled his account with SportShed.</u></p> <hr/> <p>Name: <u>Chad Mathews ; Wes; Dave</u> Firm: <u>O'fish'ial Charters</u> Title: <u>Ower ; Deck hands</u> Address: <u>4025 HOMER SPIT RD UNIT 7 HOMER, AK 99603</u> Telephone: <u>(907) 299-6991</u> Nature of business association with Applicant: <u>Worked in on daily basis - sold bait and fishing supplies and handled his charging account (A/R) with SportShed.</u></p>
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I hereby certify that the above information is true and correct to the best of my knowledge.

Signature:

Date:

Jennifer Krumpal

11.5.2018

AkSnowGrl Rentals, LLC
DBA The Sport Shed
Jenifer Kumfer
1285 Eagle View Dr.
Homer, AK 99603
907-299-0381
aksnowgrl@gmail.com

To: The City of Homer

Re: The Sport Shed Land Lease Transfer

AKSNOWGRL Rentals, LLC intends to purchase via owner financing from Tabor Ashment the buildings/business AKA The Sport Shed located at 3815 Homer Spit Road, Homer, AK 99603 effective January 1, 2019. AKSNOWGRL Rentals, LLC needs to secure the transfer of Land Lease from the City of Homer in order to close the purchase with an effective date of January, 1, 2019. AKSNOWGRL Inc., and AKSNOWGRL Rentals, LLC intend to continue operations as they have occurred in previous years as a bait and Tackle supply store with three rental rooms.

The Sport Shed has operated as a bait and tackle / marine supply shop on the Homer spit for the past 27 years. The business sells bait and tackle to charter businesses that operate out of Homer and customers from all over the United States. Fishing licenses are sold here in large quantity (being noted as one of the highest sellers of fishing licenses in the state behind Fred Meyer). We provide rental fishing poles for tourists that visit Homer via various travel methods to include cruise ships; often when a charter boat gets cancelled, tourists find themselves in our shop renting poles to fish in the Nick Dudiak Fishing Lagoon located immediately across the street. There are three rental rooms located above the store that are rented out on a nightly basis. Each of these rooms contains a queen bed and two twins, a full kitchen and bathroom for guests to enjoy a night. It is the full intention of the new owner to maintain the store and rooms and to keep and operate the business as a bait and tackle supply store.

Jenifer Kumfer has been an employee of The Sport Shed from 2015-current and has managed the daily operations of the business for the past two years. She has established working relationships with most of the charter businesses that operate on the spit. She has working knowledge of how the store runs on a daily basis and over the last two years has handled pretty much all aspects of the business other than paying the bills. She intends to purchase/ take over the business from Tabor beginning January 1, 2019.

There is a current agreement between the buyer (AKSNOWGRL RENTALS, LLC, Jenifer Kumfer) and the seller (Tabor Ashment), that the transfer of the business and assets will begin January 1, 2019. The Land lease transfer is needed to close the sale.

Thank you for your time,

Jenifer Kumfer - Owner
AKSNOWGRL, INC - President
AKSNOWGRL RENTALS, LLC - Operating Manager

WELCOME PROPERTY SEARCH CONTACT US RETURN TO KP8 HOME



Kenai Peninsula Borough, Alaska

Assessing Department

Go Back Property Search Print Report Property Taxes

General Info

Property Owner: HOMER ENTERPRISES LLC 3815 HOMER SPIT RD # A HOMER AK 99603-8010	Property ID	18103105LH01
Change of Address	Address	3815 HOMER SPIT RD
Owner(s)	Transfer Date	10/25/2010
	Document / Book Page	20100035110
	Acreage	0.0000
	Tax Authority Group	20 - HOMER CITY

Legal Description

Description
T 6S R 13W SEC 35 Seward Meridian HM LSEHOLD EST CREATED BY LSE @10-3511 ON L T 5 HOMER SPIT SUB AMD, 89-34

Disclaimer

2017 VALUES ARE NOT CERTIFIED AND ARE SUBJECT TO APPEAL

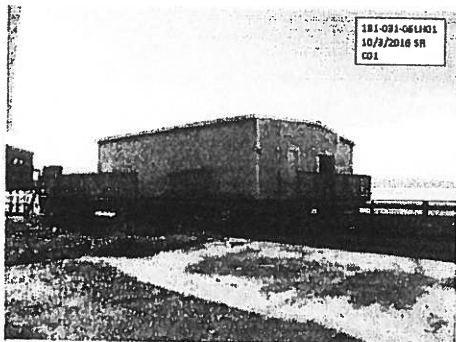
CERTIFIED VALUES FOR 2017 WILL NOT BE AVAILABLE UNTIL JUNE 1, 2017

Value History

Year	2017	2016	2015	2014	2013	2012	2011
Reason	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification
Land Assd	\$215,600	\$68,100	\$68,100	\$68,100	\$68,100	\$68,100	\$68,100
Imp Assd	\$169,600	\$240,000	\$251,500	\$257,500	\$256,200	\$233,800	\$237,300
Total Assd	\$385,200	\$308,100	\$319,600	\$325,600	\$324,300	\$301,900	\$305,400

Extension Details

C01 C02



Attributes

Floor Areas

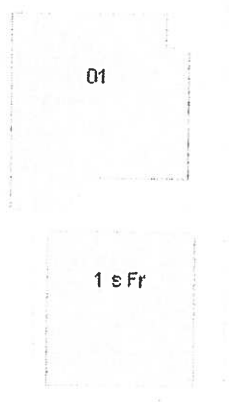
Story	Use	Attribute	Code	Detail
1	EQUIPBLD	Class	1B	Medium construction
		Roofing Cover	2	Metal
		Exterior Wall	140	Stud -Textured Plywood

Address 3815 HOMER SPIT RD
 Grade Avg
 Year Built 1968
 Value \$29,000

Sketch Legend

Improvements								
Code	Description	Year	Building	Length	Width	Units	Unit Type	Value
FREEZER		3000	C02	0	0	0	SF	\$7,700
LEANTO	Lean-to	1998	C02	26	6	132	SF	\$300
BOATD	Waterfront Boat Dock	1986	C01	36	8	1,630	SF	\$17,300
BOATD	Waterfront Boat Dock	198	C02	49	24	2,643	SF	\$28,100

C01 - Extension Details

<p>Address 3815 HOMER SPIT RD Grade Avg Year Built 1968 Value \$29,000</p>	<p>Scale: 1/4" = 1'-0"</p> 
---	---

Attributes

Story	Use	Attribute	Code	Detail
	0	Class	1B	Medium construction
	0	Roofing Cover	2	Metal
	0	Stories	1	
1	EQUIPBLD	Exterior Wall	140	Stud -Textured Plywood

Floor Areas

Code	Description	Story	Gross	Heated	AC
EQUIPBLD	Equipment (Shop) Building	1	1,224	1,224	0
Total			1,224	1,224	0

Structures

Code	Year	Bldg	Length	Width	Units	Unit Type	Value
BOATD	1986	C01	36.00	8.00	1630	SF	\$17,300

C02 - Extension Details

Address 3815 HOMER SPIT RD
 Grade Low
 Year Built 1985
 Value \$122,000

01

1 s Fr

02

1 s Fr

03

Attribute

Story	Use	Attribute	Code	Detail
	0	Class	1	Wood frame
	0	Class	0	Metal/wood joist
	0	Class	1B	Medium construction
	0	Roofing Cover	2	Metal
	0	Stories	2	
1	GENRET	Exterior Wall	154	Stud -Textured Plywood
2	RESSF	Exterior Wall	154	Stud -Textured Plywood

Floor Areas

Code	Description	Story	Gross	Heated	AC
GENRET	Retail Store	1	1,488	1,488	0
RESSF	Residence - Single Family	2	1,488	1,488	0
	Total		2,976	2,976	0

Exterior Features

Code	Description	Story	Size	Heated	AC
WDDK-R	0		90.00	0	0
WDDK-R/	0		448.00	0	0

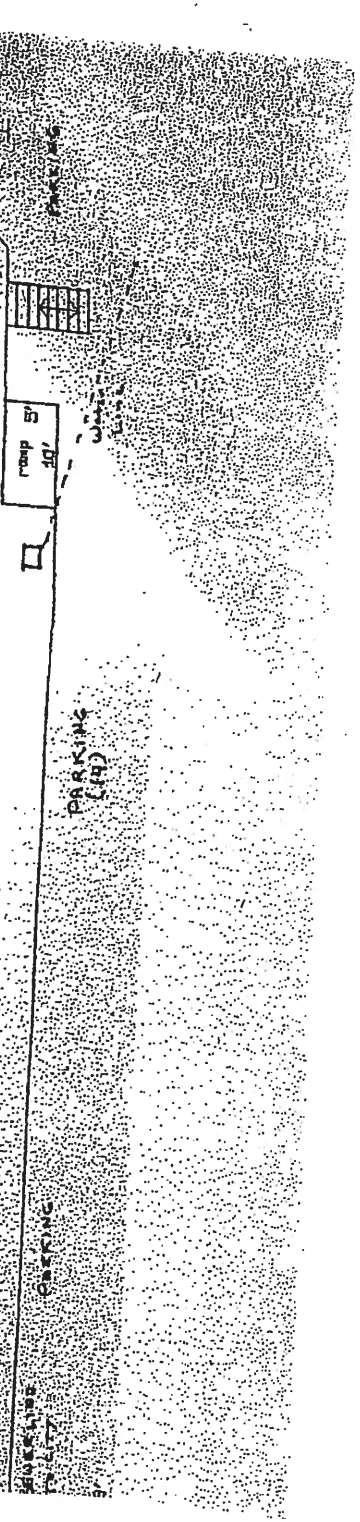
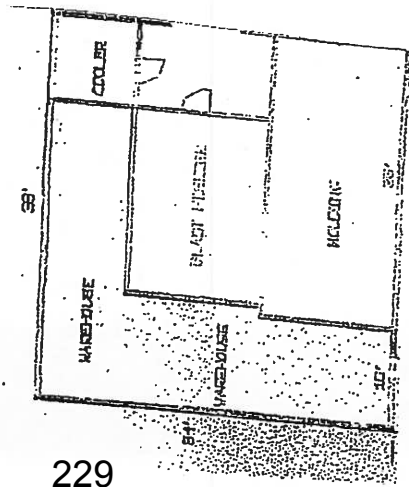
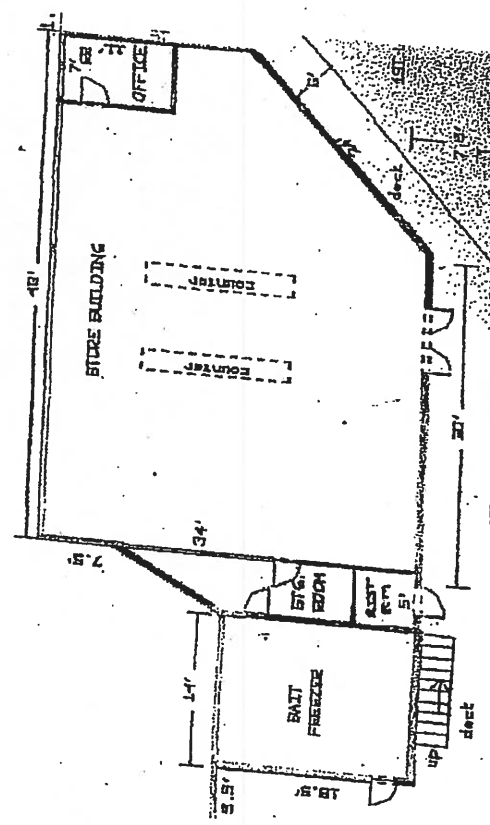
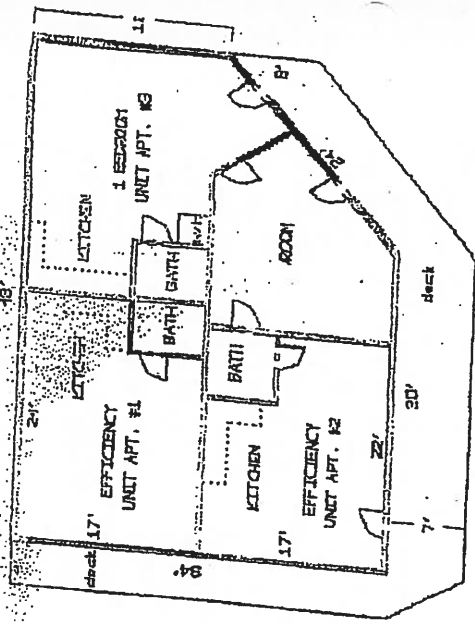
Structures

Code	Year	Bldg	Length	Width	Units	Unit Type	Value
LEANTO	1998	C02	26.00	6.00	132	SF	\$300
FREEZER	3000	C02	0.00	0.00	0	SF	\$7,700
BOATD	198	C02	49.00	24.00	2643	SF	\$28,100

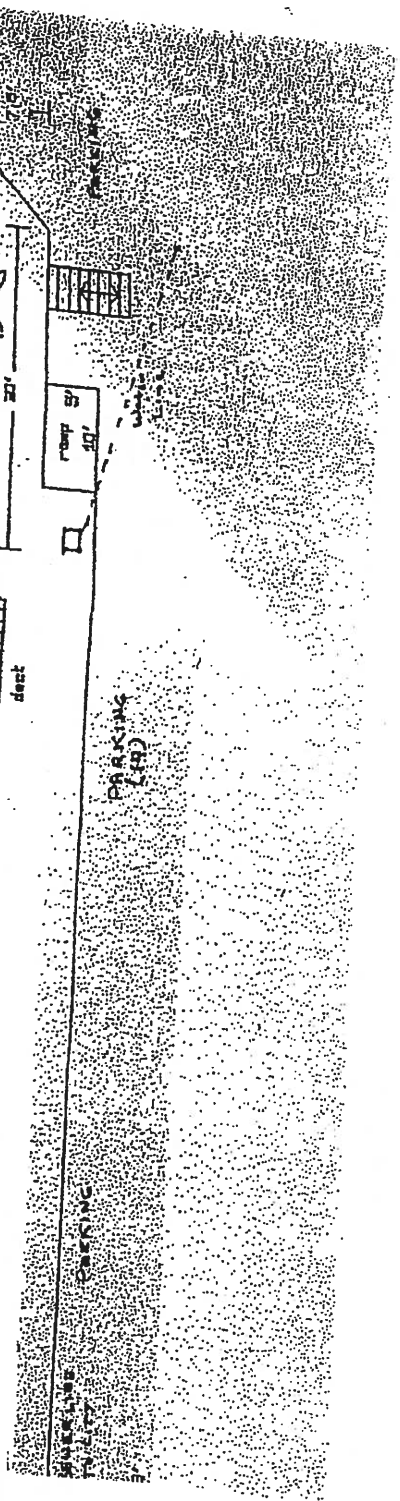
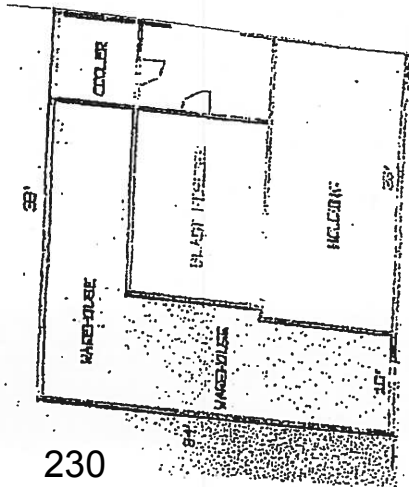
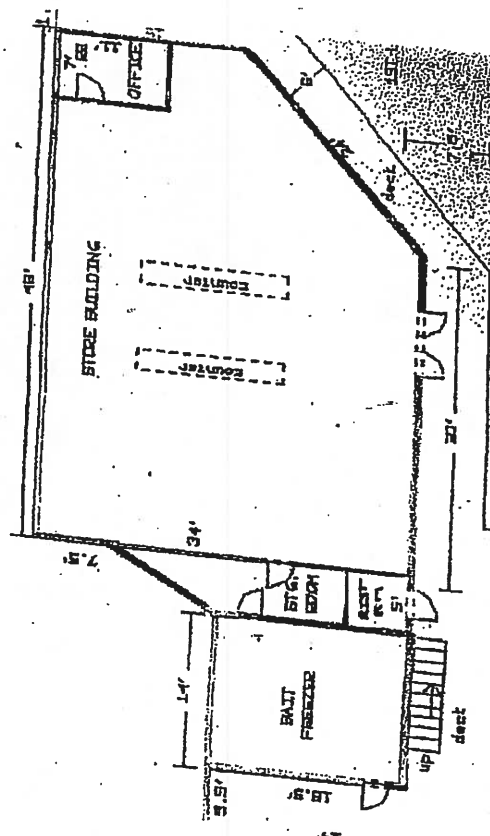
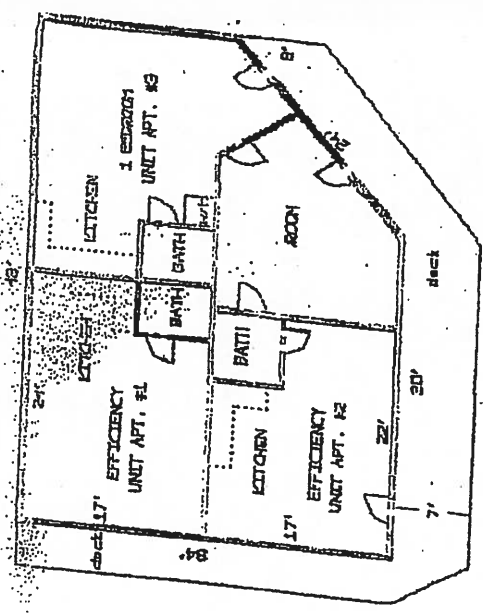
Land Details

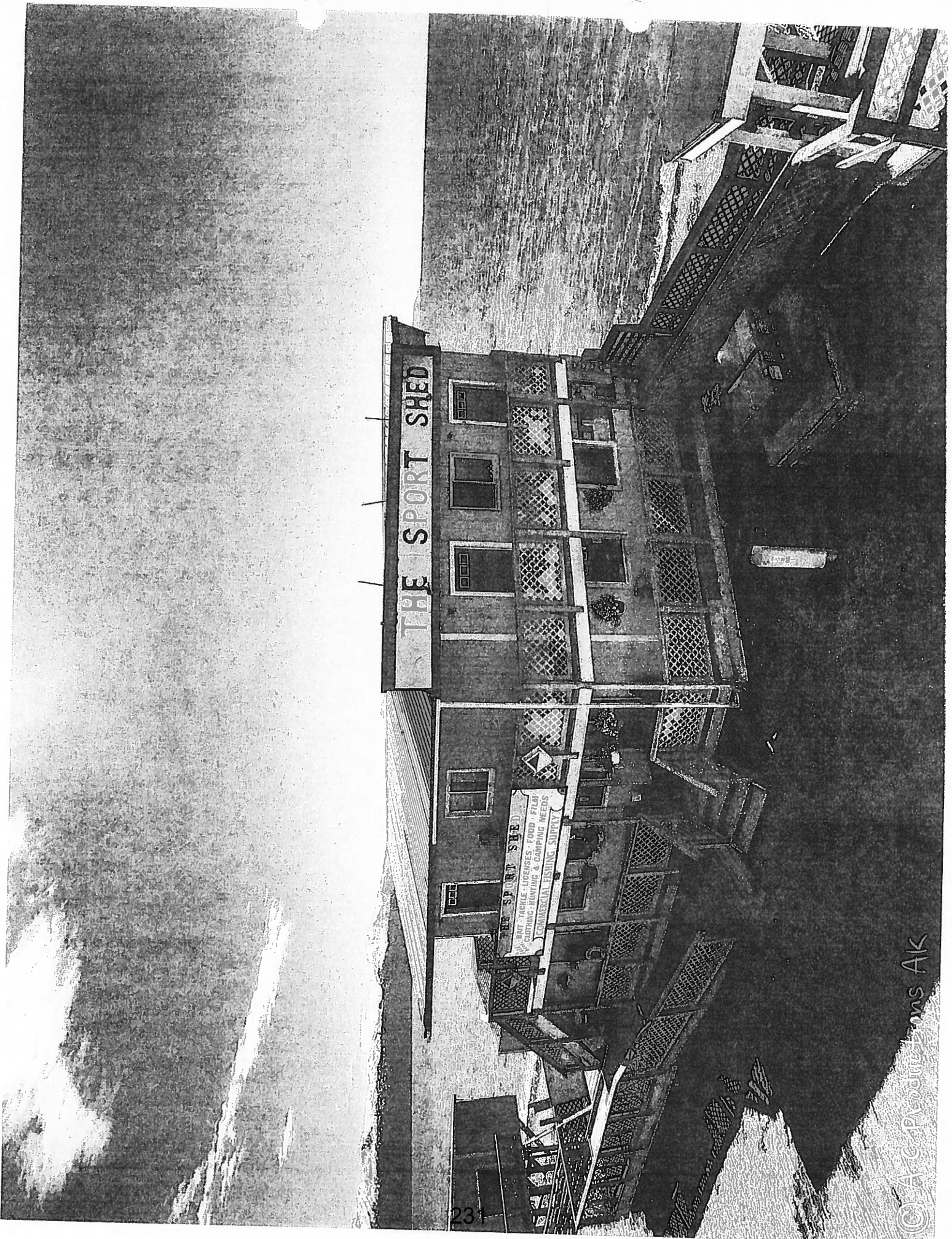
Primary Use	Land Type	Acres	Eff Frontage	Eff Depth	Asd Value
P	Possessory Interest	0.0000	0.00	0.00	\$215,600

2ND LEVEL



2ND LEVEL





THE SPORT SHED

SPORT SHED
SPORT TACKLE - LICENSES - FOOD - FISH
CLOTHING - HUNTING & CAMPING NEEDS
COMMERCIAL FISHING SUPPLY

From:

HOMER INSURANCE CENTER, INC
509 STERLING HWY, STE 201
HOMER, ALASKA 99603

Phone: 907-235-3881
Fax: 907-235-3882

To:
THE SPORT SHED
AKSNOWGRL RENTALS LLC DBA:
1285 EAGLE VIEW DR.
HOMER, AK 99603

Date: 11/07/2018
Policy #: PENDING
Policy Dates 11/07/2018 To 11/07/2019
Company:

To: City of Homer

Re: Jenifer Kumfer / The Sport Shed ~ Aksnowgrl Rentals LLC DBA:

Our office has submitted out to several Insurance Markets to obtain Commercial Liability Insurance Coverage for the The Sport Shed located at 3815 Homer Spit Rd Homer, AK 99603.

We should have our quotes by early next week and will be binding coverage for Jenifer once we receive & review our quote options with Jenifer.

General Liability at \$2,000,000 / 1,000,000 naming the City of Homer as additional insured are included in our requests and will be issued to the City when coverage is bound.

Please feel free to call if you have any questions.

Stephanie Green / Agent ~ Owner, Homer Insurance Center Inc.



Entity Details

Name(s)

Type **Name**
Legal Name AKSNOWGRL RENTALS, LLC
Entity Type:
 Limited Liability Company
Entity #:
 10093014
Status:
 Good Standing
AK Formed Date:
 10/15/2018
Duration/Expiration:
 Perpetual
Home State:
 ALASKA
Next Biennial Report Due:
 1/2/2020
Entity Mailing Address:
 1285 EAGLE VIEW DRIVE, HOMER, AK 99603
Entity Physical Address:
 3815 HOMER SPIT ROAD #A, HOMER, AK 99603

Registered Agent

Agent Name:
 JENIFER KUMFER
Registered Mailing Address:
 1285 EAGLE VIEW DRIVE, HOMER, AK 99603
Registered Physical Address:
 1285 EAGLE VIEW DRIVE, HOMER, AK 99603

Officials

Show Former

AK Entity #	Name	Titles	Owned
	Jenifer Kumfer	Member, Manager	100

Filed Documents

Date Filed	Type	Filing	Certificate
10/15/2018	Creation Filing	Click to View	Click to View
11/02/2018	Initial Report	Click to View	

<https://www.commerce.alaska.gov/cbp/main/Search/Entities>

Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

AKSNOWGRL RENTALS LLC

1285 EAGLE VIEW DR HOMER AK 99603

owned by

AKSNOWGRL RENTALS, LLC

is licensed by the department to conduct business for the period

October 22, 2018 through December 31, 2020
for the following line of business:

53 - Real Estate, Rental and Leasing

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.
This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Mike Navarre
Commissioner



Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

THE SPORT SHED

1285 EAGLE VIEW DR HOMER AK 99603

owned by

AKSNOWGRL, INC.

is licensed by the department to conduct business for the period

November 03, 2018 through December 31, 2020

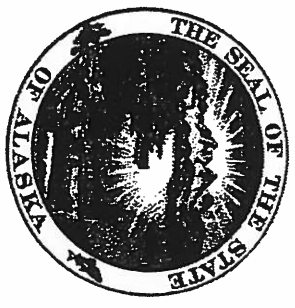
for the following line of business:

42 - Trade

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.

Mike Navarre



AKSNOWGRL RENTALS LLC
JENIFER M KUMFER SOLE MBR
1285 EAGLE VIEW DR
HOMER, AK 99603

Date of this notice: 10-19-2018

Employer Identification Number:
83-2265146

Form: SS-4

Number of this notice: CP 575 G

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 83-2265146. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

A limited liability company (LLC) may file Form 8832, *Entity Classification Election*, and elect to be classified as an association taxable as a corporation. If the LLC is eligible to be treated as a corporation that meets certain tests and it will be electing S corporation status, it must timely file Form 2553, *Election by a Small Business Corporation*. The LLC will be treated as a corporation as of the effective date of the S corporation election and does not need to file Form 8832.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. **This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.** You may give a copy of this document to anyone asking for proof of your EIN.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub.

Your name control associated with this EIN is AKSN. You will need to provide this information, along with your EIN, if you file your returns electronically.

Thank you for your cooperation.

State of Alaska
Office of the State Fire Marshal
Plan Review

This is to certify that the plans for this building were reviewed by the *State Fire Marshal*
on June 02, 2009 for conformance with AS 18.70.010 -- 100: 13 AAC 50.027.

This certificate shall be posted in a conspicuous place on the premises named
Sport Shed, The and shall remain
posted until construction is completed.

NOTICE: Any changes or modifications to the approved plans **must** be resubmitted for
review by the *State Fire Marshal*.

Plan Review #: **2009Anch1274**

By:



Authority AS 18.70.080
Form: 12-741
(6-01)

Full Plan Review

Timothy Fisher
Plans Examiner

ARTICLES OF ORGANIZATION

OF

AKSNOWGRL RENTALS, LLC

Limited Liability Company

I, the undersigned, being a natural person over the age of nineteen (19) years, desiring to form a Limited Liability Company pursuant to AS 10.50, the Alaska Corporations Code, do hereby adopt the following Articles of Organization:

ARTICLE I

The name of the Limited Liability Company shall be **AKSNOWGRL RENTALS, LLC**.

ARTICLE II

The purpose for which the Limited Liability Company is organized is to engage in any lawful business other than banking and insurance. The Standard Industrial Code is 531190 Lessors of Other Real Estate Property.

ARTICLE III

The duration of the Limited Liability Company shall be perpetual.

ARTICLE IV

The internal affairs of the Limited Liability Company shall be managed by a Manager.

ARTICLE V

The initial registered office of the Limited Liability Company shall be located at 1285 Eagle View Drive, Homer, Alaska, 99603, the mailing address is 1285 Eagle View Drive, Homer, Alaska, 99603, and the initial registered agent

at that address shall be JENIFER MAE KUMFER. The physical office of the Limited Liability Company shall be located at 3815 Homer Spit Road #A, Homer, Alaska, 99603.

ARTICLE VI

The name and address of the Manager shall be:

JENIFER MAE KUMFER
1285 Eagle View Drive
Homer, Alaska, 99603

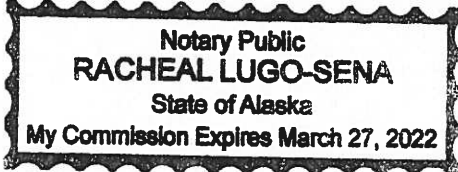
IN WITNESS WHEREOF, I hereby accept appointment as Organizer for the above name Limited Liability Company on this 12th day of October, 2018.

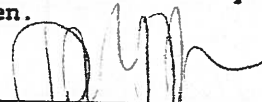

JENIFER MAE KUMFER

STATE OF ALASKA)
: ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 12th day of October, 2018, before me the undersigned Notary Public in and for the State of Alaska, personally appeared JENIFER MAE KUMFER known to me to be the person named in the foregoing instrument, and acknowledged to me that she executed the same freely and voluntarily for the uses and purposes therein contained.

IN WITNESS HEREOF, I have hereunto set my hand and seal the day and year first hereinabove written.




NOTARY PUBLIC, State of Alaska
My Commission Expires: March 27 2022



THE STATE

of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

FOR DIVISION USE ONLY

Articles of Organization

Domestic Limited Liability Company

Web-10/15/2018 12:29:21 PM

1 - Entity Name

Legal Name: AKSNOWGRL RENTALS, LLC

2 - Purpose

The purpose for which the Limited Liability Company is organized is to engage in any lawful business other than banking and insurance.

3 - NAICS Code

531190 - LESSORS OF OTHER REAL ESTATE PROPERTY

4 - Registered Agent

Name: JENIFER KUMFER

Mailing Address: 1285 Eagle View Drive, Homer, AK 99603

Physical Address: 1285 Eagle View Drive, Homer, AK 99603

5 - Entity Addresses

Mailing Address: 1285 Eagle View Drive, Homer, AK 99603

Physical Address: 3815 Homer Spit Road #A, Homer, AK 99603

6 - Management

The limited liability company is managed by a manager.

7 - Officials

Name	Address	% Owned	Titles
JENIFER KUMFER			Organizer

Name of person completing this online application

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: JEFFREY DOLIFKA

State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

AKSNOWGRL RENTALS, LLC



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective October 15, 2018.

A handwritten signature in cursive script that reads "Mike Navarre".

Mike Navarre
Commissioner

GROUND LEASE AND SECURITY AGREEMENT

BETWEEN

CITY OF HOMER, ALASKA

AND

AKSNOWGRL RENTALS, LLC

Dated February 1, 2019

GROUND LEASE AND SECURITY AGREEMENT

GROUND LEASE AND SECURITY AGREEMENT (“Lease”) dated as of February 1, 2019, between the CITY OF HOMER, an Alaska municipal corporation (“Landlord”), whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and AKSNOWGRL RENTALS an Alaskan limited liability company (“Tenant”), whose address is 1285 Eagleview Drive, Homer, Alaska 99603.

Attached as **Exhibit A** is a schedule naming each owner of Tenant and describing the percentage of ownership of each. Also attached to **Exhibit A** are a certificate of good standing issued by the state under whose laws Tenant is organized, and, if Tenant is a foreign entity, a certificate of authority issued by the State of Alaska. Attached as **Exhibit B** is a true and correct copy of a resolution of Tenant authorizing Tenant to enter into this Lease and authorizing the undersigned individual(s) or officer(s) to execute the Lease on behalf of Tenant.

RECITALS

WHEREAS, Landlord owns certain properties having a strategic location near the waterfront and marine-related public infrastructure; and

WHEREAS, it is the policy of Landlord to retain ownership of these properties, and to make them available for leasing, in order to encourage growth in targeted economic sectors, to insure that Landlord receives the maximum benefit from a large investment in public infrastructure, and to provide land for businesses that require close proximity to the waterfront or infrastructure to operate efficiently and profitably; and

WHEREAS, Landlord has accepted Tenant’s proposal to lease and develop the property leased herein, because Tenant’s proposed use of the property should further Landlord’s goals for the development of Landlord’s properties, and Tenant’s proposal to lease and develop the property is a material inducement to Landlord leasing the property to Tenant; and

NOW, THEREFORE, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:

ARTICLE 1. DEFINITIONS AND ATTACHMENTS

1.01 Definitions. As used herein, the term:

(a) “Additional Rent” includes all amounts defined or referred to in this lease as additional rent, as well as all charges in the nature of rent such as taxes, utilities and insurance, regardless of whether such amounts are due directly to or collectible by Landlord or to a third party under the terms of this Lease or under applicable law and including any of the preceding amounts that Landlord pays to a third party on behalf of Tenant, before or after any event of default.

(b) “Annual Rent Adjustment” and “Annual Rent Adjustment Date” are defined in Section 4.01(b).

(c) “Base Rent” is defined in Section 4.01.

(d) “Complete” and “Completion” mean, with regard to an improvement, that construction of the improvement is finished and the improvement is fully operational and ready for occupancy or use for its intended purpose, including without limitation the issuance of any applicable certificate of occupancy and other applicable permits, licenses, certificates or inspection reports necessary to the improvement’s legally authorized use.

(e) “Council” means the City Council of the City of Homer, Alaska.

(f) “Default Rate” means an annual rate of interest equal to the lesser of (i) the maximum rate of interest for which Tenant may lawfully contract in Alaska, or (ii) ten and one-half percent (10.5%).

(g) “Environmental Laws” means all local, state, and federal laws, ordinances, regulations, and orders related to environmental protection; or the use, storage, generation, production, treatment, emission, discharge, remediation, removal, disposal, or transport of any Hazardous Substance.

(h) “Excusable Delay” means delay due to strikes, acts of God, inability to obtain labor or materials, orders of any governmental authority having jurisdiction, removal of Hazardous Materials discovered at any time after the commencement of the Term, enemy action, civil commotion, fire, unusual inclement weather, unavoidable casualty or similar causes beyond the reasonable control of Tenant.

(i) “Extended Term” is defined in Section 3.05 if this Lease provides for extension at the option of the Tenant.

(j) “Five Year Rent Adjustment” and “Five Year Rent Adjustment Date” are defined in Section 4.01(a).

(k) “Hazardous Substance” means any substance or material defined or designated as hazardous or toxic waste; hazardous or toxic material; hazardous, toxic, or radioactive substance; or other similar term by any federal, state, or local statute, regulation, or ordinance or common law presently in effect or that may be promulgated in the future as such statutes, regulations, and ordinances may be amended from time to time.

(l) “Initial Term” is defined in Section 3.01.

(m) “Lease Ordinance” means such ordinances or other portions and provisions of the Homer City Code as may be enacted from time to time to dictate Landlord’s policies and requirements in leasing real property, currently enacted as Chapter 18.08 of the Homer City Code, as such may be amended, reenacted, supplemented or recodified from time to time, and as used herein the term shall refer to the Lease Ordinance as currently in effect at the time its terms would have operative effect on this Lease.

(n) “Leasehold Mortgage” is defined in Section 13.01.

(o) “Property” is defined in Section 2.01.

(p) “Rent” means Base Rent plus any Additional Rent.

(q) “Qualified Mortgagee” is defined in Section 13.03.

(r) “Required Improvements” is defined in Section 6.02.

(s) "Term" means the Initial Term plus any Extended Term.

1.02 Attachments. The following documents are attached hereto, and such documents, as well as all drawings and documents prepared pursuant thereto and all documents, policies and endorsements delivered hereunder, including without limitation all copies of required insurance policies and/or endorsements, shall be deemed to be a part hereof:

Exhibit "A" Schedule of Organization, Owners, Percentage of Ownership

Exhibit "B" Conformed Copy of Resolution Authorizing Lease and Authorizing Signers to Sign Lease Agreement on Behalf of Tenant

Exhibit "C" Legal Description of Property

Exhibit "D" Tenant's Lease Proposal

Exhibit "E" Site Plan

Exhibit "F" Required Improvements Floor Plan

Exhibit "G" Permission to Obtain Insurance Policies

ARTICLE 2. THE PROPERTY

2.01 Lease of Property. Subject to the terms and conditions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the following described property (the "Property"):

A portion of Lot 5, as shown on the subdivision plant entitled HOMER SPIT filed as amended plat number 89-34 , Homer Recording District, State of Alaska, as depicted on **Exhibit C**, containing 22,388 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 181-03-105;

subject, however, to reservations, restrictions, easements and encumbrances of record, and to encroachments that may be revealed by an inspection of the Property.

2.02 Quiet Enjoyment. Landlord covenants that Tenant, upon paying the Rent and other charges and performing its other obligations under this Lease shall have quiet enjoyment of the Property during the Term without hindrance or interference by Landlord or by any person claiming an interest in the Property through Landlord.

2.03 Property Accepted "As Is." Tenant has inspected the Property, has made its own determination as to the suitability of the Property for Tenant's intended use, and accepts the Property "AS IS." None of landlord, its agents, or its employees make any warranties, expressed or implied, concerning the condition of the Property, including without limitation the habitability or fitness of the Property for any particular purpose, including those uses authorized by this Lease, or subsurface and soil conditions, including the presence of any Hazardous Substance.

2.04 No Subsurface or Mineral Rights. This Lease does not confer mineral rights, any rights to extract natural resources, or any rights with regard to the subsurface of the Property below the level necessary for the uses of the Property permitted in this Lease, all of which rights are, as between Landlord and Tenant, reserved to Landlord.

ARTICLE 3. TERM

3.01 Lease Term. The term of this Lease is 20 years, commencing on February 1, 2019, and ending on January 31, 2039 (the “Term”).

3.02 Lease Renewal.

(a) Tenant represents and warrants that it has determined that the duration of the Term, including any available Extended Terms, will be sufficient for Tenant to amortize any investment that it makes in connection with this Lease, including without limitation any investment in leasehold improvements, including any Required Improvements as Tenant may be required to develop. Tenant acknowledges that it has no right of any kind to continue using or occupying the Property after the expiration or earlier termination of the Term, including without limitation any option to renew this Lease, or any option to extend the Term other than as may be provided in Section 3.05.

(b) Notwithstanding the preceding subsection (a), not less than 12 months and not more than 18 months before the expiration of the Term, Tenant may apply to Landlord to enter into a new lease for the Property that is exempted from competitive bidding under and pursuant to the Lease Ordinance.

3.03 Surrender of Possession. Upon the expiration or earlier termination of the Term, unless Tenant and Landlord have entered into a new lease for the Property commencing upon the termination of the Term, Tenant shall promptly and peaceably surrender the Property, clean, free of debris, and in as good order and condition as at the commencement of the Term, ordinary wear and tear excepted. If Tenant fails to surrender the Property in the required condition, Landlord may restore the Property to such condition and Tenant shall pay the cost thereof, plus interest at the Default Rate, on demand. Section 6.08 governs the disposition of improvements on the Property at the expiration or earlier termination of the Term.

3.04 Holding Over. Tenant’s continuing in possession of the Property after the expiration or earlier termination of the Term will not renew or extend this Lease. In the absence of any agreement renewing or extending this Lease, Tenant’s continued possession of the Property after the end of the Term will be a tenancy from month to month, terminable upon 30 days written notice by either party at any time, at a monthly rental equal to 150% of the monthly Base Rent in effect at the end of the Term, subject to all other terms of this Lease. For good cause, Landlord may waive all or part of the increase in Base Rent during the holdover period.

3.05. Options to Extend Lease Term.

(a) At its option and in its sole discretion, Tenant may seek to extend the Term for two (2) additional, consecutive five(5) year periods (each an “Extended Term”), provided that:

- (1) Tenant gives Landlord written notice of its exercise of the option not more than one year and not less than 120 days before day the Term would otherwise expire; and
- (2) the City Manager determines that the lessee is in full compliance with the terms of the lease at the time of renewal.

(b) Tenant’s failure to exercise an option to extend the Term in strict compliance with all the requirements in subsection (a) renders that option and all options as to subsequent Extended Terms null and void.]

ARTICLE 4. RENT, TAXES, ASSESSMENTS AND UTILITIES

4.01 Base Rent. Tenant shall pay to Landlord an initial annual rent of \$ 16,590.48 (as such may later be adjusted per the terms of this Lease, the “Base Rent”). Base Rent is payable monthly in advance in installments of \$1382.54, plus sales and all other taxes Landlord is authorized or obligated to collect on such transactions, on February 1, 2019, and on the 1st day of each month thereafter, at the office of the City of Homer, 491 East Pioneer Avenue, Homer, Alaska 99603-7645, or at such other place as Landlord may designate in writing. All Base Rent shall be paid without prior demand or notice and without deduction or offset. Base Rent that is not paid on or before the due date will bear interest at the Default Rate. Base Rent is subject to adjustment as provided in Section 4.02.

4.02 Rent Adjustments.

(a) **Five-Year Appraised Rent Adjustments.** On February 1, 2019, and in every fifth year thereafter, Landlord will obtain an appraisal by a qualified real estate appraiser of the fair rental value of the Property as if privately owned in fee simple, excluding the value of alterations, additions or improvements (other than utilities) made by Tenant (or by Tenant’s predecessors under the Lease, if Tenant is party to this Lease by assignment). Following receipt of each such appraisal, the Base Rent will be adjusted (the “Five Year Rent Adjustment”), effective on the anniversary of the commencement of the term (each such date is a “Five Year Rent Adjustment Date”), to an amount equal to the greater of (1) the area of the Property in square feet, multiplied by the fair rental value per square foot determined by the appraisal, and (2) the Base Rent in effect immediately before the Five Year Rent Adjustment Date. The Base Rent as adjusted on a Five Year Rent Adjustment Date thereafter shall be the Base Rent.

(b) **Annual Rent Adjustments.** In addition to the rent adjustments under Section 4.02(a), the Base Rent also shall be adjusted annually (the “Annual Rent Adjustment”), effective on the anniversary of the commencement of the term in every year without a Five Year Rate Adjustment (each such date is an “Annual Rent Adjustment Date”), by the increase, if any, for the previous year in the cost of living as stated in the Consumer Price Index, All Urban Consumers, Anchorage, Alaska Area, All Items 2000 – present = 100 (“CPI-U”), as published by the United States Department of Labor, Bureau of Labor Statistics most recently before the Annual Rent Adjustment Date. If the CPI-U is revised or ceases to be published, Landlord instead shall use such revised or other index, with whatever adjustment in its application is necessary, to most nearly approximate in Landlord’s judgment the CPI-U for the relevant period.

4.03 Taxes, Assessments and Other Governmental Charges. Tenant shall pay prior to delinquency all taxes, installments of assessments that are payable in installments and other governmental charges lawfully levied or assessed upon or with respect to the Property, improvements on the Property and personal property that is situated on the Property; provided that Tenant may contest in good faith any such tax, assessment or other governmental charge without subjecting the Property to lien or forfeiture. If an assessment on the Property that is not payable in installments becomes due during the Term, Tenant shall be obligated to pay the fraction of the assessment that is determined by dividing the number of years remaining in the Term by 10. If the Term of this Lease is subsequently extended renewed (i.e. if Tenant and Landlord later enter into a new lease without putting the Property out for competitive bidding as referenced in Section 2.02), then the part of the assessment that Tenant shall be liable for shall be determined by adding the extended or renewal term to the number of years remaining in the Term when the assessment became due. If the Term commences or expires during a tax year, the taxes or assessments payable for that year will be prorated between Landlord and Tenant. Tenant shall exhibit to Landlord, on demand, receipts evidencing payment of all such taxes, assessments and other governmental charges. Any taxes, installments of assessments on the Property that are due to or collectible by Landlord, or for which Landlord becomes liable that are attributable to any portion of the Term, shall be Additional Rent.

4.04 Utility Charges. Tenant shall pay all charges for utility and other services provided to or used on the Property, including without limitation gas, heating oil, electric, water, sewer, heat, snow removal, telephone, internet service and refuse removal. Tenant shall be solely responsible for the cost of utility connections. Any of the preceding due to or collectible by Landlord shall be Additional Rent.

4.05 Tenant to Pay for City Services. Tenant shall pay for all services provided by the City of Homer that are related to the use or operation of the Property, improvements thereon and Tenant's activities thereon, at the rates established by the City of Homer from time to time for such services, including without limitation wharfage, crane use, ice, and other Port and Harbor services. Tenant shall provide the City of Homer with the information necessary to determine the amount of service charges owed, keep written records of such information for not less than two years after such charges are due, and, upon request, make such records available to the City of Homer for inspection and audit.

4.06 Additional Rent and Landlord's Right to Cure Tenant's Default. All costs or expenses that Tenant is required to pay under this Lease at Landlord's election will be treated as Additional Rent, and Landlord may exercise all rights and remedies provided in this Lease in the event of nonpayment. If Tenant defaults in making any payment required of Tenant or defaults in performing any term, covenant or condition of this Lease that involves the expenditure of money by Tenant, Landlord may, but is not obligated to, make such payment or expenditure on behalf of Tenant, and any and all sums so expended by Landlord, with interest thereon at the Default Rate from the date of expenditure until repaid, will be Additional Rent and shall be repaid by Tenant to Landlord on demand, provided, however, that such payment or expenditure by Landlord will not waive Tenant's default, or affect any of Landlord's remedies for such default.

4.07 Security Deposit. Upon execution of this Lease, and in addition to any other security or credit support provided by or for the benefit of Tenant in entering into this Lease, Tenant shall deposit with Landlord an amount equal to 10% of the annual Base Rent as security for Tenant's performance of its obligations under this Lease. Landlord may commingle the security deposit with other funds of Landlord, and its obligations with respect to such security deposit shall only be as a debtor and not as a trustee or fiduciary. If Tenant defaults in performing any obligation under this Lease, including without limitation the payment of rent, Landlord may apply all or any portion of the security deposit to the payment of any sum in default or any damages suffered by Landlord as result of the default, or any sum that Landlord may be required to incur by reason of the default. Upon demand, Tenant shall deposit with Landlord the amount so applied so that Landlord will have the full deposit on hand at all times during the Term.

ARTICLE 5. SECURITY INTEREST

To secure the performance of Tenant's obligations under this Lease, including without limitation the obligations to pay rent and other sums to be paid by Tenant, Tenant grants to Landlord a lien and security interest in the following collateral: ("Collateral"): (1) all security deposits or other monies owing from Landlord to Tenant (as collateral in the possession of the secured party); (2) all insurance proceeds from any policy insuring the Property or improvements thereon; (3) all compensation payable to Tenant as a result of eminent domain proceedings or a transfer in lieu thereof; (4) all rents from Tenant's subletting of all or a part of the Property; and (5) all improvements on the Property, including any Required Improvements. Said lien and security interest will be in addition to Landlord's liens provided by law.

This Lease shall constitute a mortgage by Tenant as mortgagor of all right, title and interest of Tenant in and to any and all improvements on the Property, including any Required Improvements, in favor of Landlord as mortgagee, and the recorded memorandum of this Lease shall reference Landlord as mortgagee of such improvements. In addition, Tenant shall execute,

such financing statements and other instruments as Landlord may now or hereafter reasonably request to evidence the liens, mortgages and security interests granted by Tenant hereunder, including any deed of trust pertaining to additions, alterations and improvements on the Property. This Lease also constitutes a security agreement under the Uniform Commercial Code as enacted in Alaska (“UCC”), and Landlord will have all rights and remedies of a secured party under the UCC regarding the Collateral.

ARTICLE 6. USE AND IMPROVEMENT OF PROPERTY

6.01 Use of Property. Tenant shall use and, if applicable, improve the Property only in the manner described in Tenant’s proposal or application for the Property as more fully set forth on **Exhibit D**. Tenant’s undertaking to use and, if applicable, improve the Property as described on Exhibit D is a material inducement to Landlord leasing the Property to Tenant, and Tenant shall not use or improve the Property for any purpose other than as described on Exhibit D without Landlord’s written consent, which consent Landlord may withhold in its sole discretion.

6.02 Required Improvements. Tenant shall, at Tenant’s sole expense, construct, and at all times during the Term keep and maintain as the minimum development on the Property the Required Improvements as described on Exhibit D and as depicted more specifically in the site plan and floor plans in **Exhibit E** and **Exhibit F**, respectively. If the Required Improvements are not in place at the commencement of the Term, Tenant shall commence construction of the Required Improvements within one year after the date of commencement of the Term, prosecute the construction of the Required Improvements with diligence, and Complete construction of the Required Improvements within one additional year.

6.03 Construction Prerequisites. Tenant may not commence any construction on the Property, including without limitation construction of the Required Improvements, without first satisfying the following conditions:

(a) Not less than thirty (30) days before commencing construction, Tenant shall submit to Landlord preliminary plans and specifications, and an application for a City of Homer zoning permit, for the construction, showing the layout of proposed buildings and other improvements, ingress and egress, dimensions and locations of utilities, drainage plans, and any other information required for the zoning permit or other required permits. The preliminary plans and specifications are subject to Landlord’s approval, which will not be unreasonably withheld, as well as all specific requirements for the issuance of any permits or zoning variances. Landlord shall communicate approval or disapproval in the manner provided for notices hereunder, accompanying any disapproval with a statement of the grounds therefor. Tenant shall be responsible for complying with all laws governing the construction, including any specific requirements for the issuance of any permits or zoning variances, notwithstanding Landlord’s approval of preliminary plans and specifications under this paragraph.

(b) Not less than fifteen (15) days before commencing construction, Tenant shall deliver to Landlord one complete set of final working plans and specifications as approved by the governmental agencies whose approval is required for Tenant to commence construction. The final working plans and specifications shall conform substantially to the preliminary plans and specifications previously approved by Landlord, subject to changes made to comply with suggestions, requests or requirements of a governmental agency or official in connection with the application for permit or approval.

(c) Not less than five (5) days before commencing construction, Tenant shall give Landlord written notice of its intent to commence construction, and furnish to Landlord the following:

- (1) Proof that all applicable federal, state and local permits required for the construction have been obtained.
- (2) For construction, alteration or restoration of Required Improvements, a current certificate of insurance with the coverages specified in Section 9.04(c).

6.04 Extensions of Time for Completion of Required Improvements. Landlord shall grant an extension of the time to Complete the Required Improvements for a period of time equal to the duration of an Excusable Delay, upon Tenant's written request describing the nature of the Excusable Delay, provided Tenant has commenced construction in a timely manner and is proceeding diligently to Complete construction.

6.05 Additional and Replacement Improvements.

(a) Construction of alterations, additions improvements that are not consistent with terms of this Lease or the proposed uses for the Property set forth on Exhibit D is prohibited unless the improvements are authorized by an amendment to this Lease approved by the Council via resolution.

(b) Subject to Section 6.05(a), upon satisfying the conditions in section 6.03, Tenant at any time may, but is not obligated to, construct new improvements on the Property and demolish, remove, replace, alter, relocate, reconstruct or add to existing improvements; provided that Tenant is not then in default under this Lease and provided further that Tenant continuously maintains on the Property the Required Improvements, or their equivalent of equal or greater value. Once any work is begun, Tenant shall with reasonable diligence prosecute to Completion all construction of improvements, additions, alterations, or other work. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.

6.06 As-Built Survey. Within 30 days after Completion of construction of any improvements on the Property involving construction, alteration, addition, removal or demolition of the foundation, structure, utility services, ingress and egress, or any major changes of all or any part of any structure or improvement on the Property, Tenant shall provide Landlord with three copies of an as-built survey of the Property prepared by a registered professional surveyor, showing the location of all improvements on the Property, including underground utilities, pipelines and pre-existing improvements. Tenant shall accompany the as-built survey with a description of all changes from the approved plans or specifications made during the course of the work.

6.07 Ownership of Improvements. Other than the Required Improvements, any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property by Tenant will be and remain the property of Tenant at all times during the Term and may be removed or replaced by Tenant during the Term, subject to the provisions Section 6.08.

6.08 Disposition of Improvements at End of Term.

(a) Unless excepted by operation of the following subsection (b), any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property become the property of Landlord upon expiration or earlier termination of the Term.

(b) One year before the expiration of the Term, the Landlord and Tenant shall determine if the buildings, fixtures and improvements constructed or maintained on the Property, including the Required Improvements, are structurally sound and in good condition. If such buildings, fixtures and improvements constructed or maintained on the Property are structurally sound and in good condition, Tenant shall leave such improvements intact with all components, including without limitation doors, windows, and plumbing, electrical and mechanical fixtures and

systems, in good condition and ready for use or occupancy, upon expiration of the Term, and Tenant shall execute, acknowledge, and deliver to Landlord a proper instrument in writing releasing and quitclaiming to Landlord all of Tenant's interest in such buildings, fixtures and improvements. Tenant shall be obligated to and shall remove, prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property that are not structurally sound and in good condition, and Landlord shall not have or obtain any ownership interest in such buildings, fixtures and improvements by reason of this Lease.

(c) If Landlord terminates this Lease because of a default by Tenant prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property shall, at Landlord's option, become the property of Landlord, which may use or dispose of them in its sole discretion. If Landlord elects not to obtain ownership of such buildings, fixtures and improvements under the preceding sentence or elects to remove any of such buildings, fixtures or improvements for any reason, Tenant shall be obligated to and shall remove such buildings, fixtures or improvements.

(d) Tenant shall notify Landlord before commencing the removal of an improvement as required under the preceding subsections (b) and/or (c) and coordinate the removal work with Landlord. Once Tenant commences the removal work, Tenant shall prosecute the removal with reasonable diligence to Completion and shall repair all damages to the Property caused by such removal no later than the expiration of the Term. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.

(e) If Tenant fails to remove any improvements from the Property that Tenant is required to remove under and per the terms of the preceding subsections (b), (c) and/or (d), Tenant shall pay Landlord the costs that Landlord incurs in removing and disposing of the improvements and repairing damages to the Property caused by such removal.

ARTICLE 7. CARE AND USE OF THE PROPERTY

7.01 Maintenance of the Property. Tenant at its own cost and expense shall keep the Property and all buildings and improvements that at any time may be situated thereon in a clean, safe and orderly condition, and in good repair at all times during the Term.

7.02 Repair of Improvements.

(a) Except as provided in Section 7.02(b), in the event any buildings or improvements situated on the Property by Tenant are damaged or destroyed by fire, earthquake, tsunami, or other casualty, Tenant shall at Tenant's expense restore the same to good and tenantable condition or shall remove the same as soon as is reasonably possible, but in no event may the period of restoration exceed 18 months nor may the period of removal exceed 45 days.

(b) Unless Tenant is excused from the obligation under this paragraph, if the Required Improvements or any part thereof are damaged or destroyed by fire, earthquake, tsunami, or other casualty, rendering the Required Improvements totally or partially inaccessible or unusable, Tenant shall at Tenant's expense restore the Required Improvements to substantially the same condition as they were in immediately before such damage, provided that:

- (1) if the cost of repairing or restoring the Required Improvements, less any available insurance proceeds not reduced by applicable deductibles and coinsurance, exceeds 10% of the replacement cost of the Required Improvements, then Tenant may terminate this Lease by giving notice to Landlord of Tenant's election to terminate within 15 days after determining the restoration cost and replacement cost, and this Lease shall terminate as of the date of such notice;

- (2) if the repair or restoration of the Required Improvements would be contrary to law, either party may terminate this Lease immediately by giving notice to the other party; or
- (3) if such damage or casualty to the Required Improvements occurs within three years before the end of the Term, Tenant may, in lieu of restoring or replacing the Required Improvements, terminate this Lease by giving written notice of termination to Landlord within 120 days after such damage or casualty.

Nothing in this paragraph relieves Tenant of the obligation to surrender the Property upon the expiration or earlier termination of the Term in the condition required by Section 3.03.

7.03 Nuisances Prohibited. Tenant at all times shall keep the Property in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests; junk, abandoned or discarded property, including without limitation vehicles, equipment, machinery or fixtures; and litter, rubbish or trash. Tenant shall not use the Property in any manner that will constitute waste or a nuisance. Landlord, at Tenant's expense and without any liability to Tenant, may remove or abate any such junk, abandoned or discarded property, litter, rubbish or trash, or nuisance on the Property after 15 days written notice to Tenant, or after (4) four hour notice to Tenant in writing, by telephone, facsimile or in person if Landlord makes a written finding that such removal or abatement is required to prevent imminent harm to public health, safety or welfare. Tenant shall pay Landlord all the costs of such removal, plus interest at the Default Rate, as Additional Rent under this Lease. This section does not limit or waive any other remedy available to the City of Homer to abate any nuisance or for the violation of the Homer City Code.

7.04 Compliance with Laws. Tenant's improvement and use of the Property shall comply with all governmental statutes, ordinances, rules and regulations, including without limitation the City of Homer Zoning Code and all applicable building codes, now or hereafter in effect.

7.05 Liens. Except as provided in Article 13, Tenant may not permit any lien, including without limitation a mechanic's or materialman's lien, to be recorded against the Property. If any such lien is recorded against the Property, Tenant shall cause the same to be removed; provided that Tenant may in good faith and at Tenant's own expense contest the validity of any such lien without subjecting the Property to foreclosure, and in the case of a mechanic's or materialman's lien, if Tenant has furnished the bond required in A.S. 34.35.072 (or any comparable statute hereafter enacted providing for a bond freeing the Property from the effect of such a lien claim). Tenant shall indemnify and save Landlord harmless from all liability for damages occasioned by any such lien, together with all costs and expenses (including attorneys' fees) incurred by Landlord in negotiating, settling, defending, or otherwise protecting against such lien and shall, in the event of a judgment of foreclosure of the lien, cause the same to be discharged and removed prior to any attempt at execution of such judgment.

7.06 Radio Interference. Upon Landlord's request, Tenant shall discontinue the use on the Property of any source of electromagnetic radiation that interferes with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

7.07 Signs. Tenant may only erect signs on the Property that comply with state and local sign laws and ordinances. City Planning Department approval is required prior to the erection of any sign on the Property.

7.08 Garbage Disposal. Tenant shall keep any garbage, trash, rubbish or other refuse in industry standard containers until removed, and cause all garbage, trash, rubbish or other refuse on the Property to be collected and transported to a Kenai Peninsula Borough solid waste facility or transfer station at least once a week. Tenant may not place garbage, trash, rubbish or other refuse

from the Property in Landlord's garbage disposal facilities on the Homer Spit or any other public facility.

7.09 Access Rights of Landlord. Landlord's agents and employees shall have the right, but not the obligation, to enter the Property at all reasonable times to inspect the use and condition of the Property; to serve, post or keep posted any notices required or allowed under the provisions of this Lease, including notices of non-responsibility for liens; and to do any act or thing necessary for the safety or preservation of the Property.

ARTICLE 8. ASSIGNMENT AND SUBLEASE

8.01 Assignment or Sublease Absent Consent is Void.

(a) Tenant shall not assign or sublease its interest in this Lease or in the Property without compliance with applicable provisions of the Lease Ordinance, including applying for and receiving consent of Council, and any attempted assignment or sublease absent such compliance is and shall be null and void and of no effect and, at Landlord's election, will constitute an event of default hereunder.

(b) If Tenant seeks to assign or sublease its interest in this Lease or in the Property, in addition to compliance with applicable provisions of the Lease Ordinance, Tenant shall request consent of Council to such assignment or sublease in writing at least 30 days prior to the effective date of the proposed assignment or sublease, accompanied by a copy of the proposed assignment or sublease. If Tenant subleases any portion of the Property, Tenant shall be assessed Additional Rent equal to 10% of the current Base Rent for the subleased area.

(c) No consent to any assignment or sublease waives Tenant's obligation to obtain Landlord's consent to any subsequent assignment or sublease. An assignment of this Lease shall require the assignee to assume the Tenant's obligations hereunder, and shall not release Tenant from liability hereunder unless Landlord specifically so provides in writing.

8.02. Events that Constitute an Assignment. If Tenant is a partnership or limited liability company, a withdrawal or change, voluntary, involuntary or by operation of law, of one or more partners or members owning 25% or more of the entity, or the dissolution of the entity, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance. If Tenant is a corporation, any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or other transfer of a controlling percentage of the capital stock of Tenant, or the sale of 25% of the value of the assets of Tenant, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance; provided that if Tenant is a corporation the stock of which is traded through an exchange or over the counter, a sale or other transfer of a controlling percentage of the capital stock of Tenant will not constitute such an assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing at least 25% of the total combined voting power of all classes of Tenant's capital stock issued, outstanding and entitled to vote for the election of directors.

8.03. Costs of Landlord's Consent to be Borne by Tenant. As a condition to Landlord's consent to any assignment or sublease under section 8.01 and the Lease Ordinance, Tenant shall pay Landlord's reasonable costs, including without limitation attorney's fees and the expenses of due diligence inquiries, incurred in connection with any request by Tenant for Landlord's consent to the assignment or sublease.

ARTICLE 9. LIABILITY, INDEMNITY AND INSURANCE

9.01 Limitation of Landlord Liability. Landlord, its officers and employees shall not be liable to Tenant for any damage to the Property or the buildings and improvements thereon, or for death or injury of any person or damage to any property, from any cause; however, this provision shall not affect the liability of Landlord, its officers and employees on any claim to the extent the claim arises from their negligence or willful misconduct.

9.02 Indemnity Generally. Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from all claims arising from death or injury of any person or damage to any property occurring in or about the Property; however, this provision shall not apply to any claim to the extent the claim arises from the sole negligence or willful misconduct of Landlord, its officers and employees.

9.03 Indemnity for Emergency Service Costs. Without limiting the generality of Section 9.02, in the event of a major fire or other emergency, Tenant shall reimburse Landlord for the cost of providing fire-fighting and other emergency service to Tenant, the Property or at any other location where the fire or emergency requiring response arises from or is related to the use of the Property or Tenant's operations. For purposes of this section, a major fire or other emergency is one that requires more than five man-hours of effort by the City of Homer Fire Department.

9.04 Insurance Requirements.

(a) Without limiting Tenant's obligations to indemnify under this Lease, Tenant at its own expense shall maintain in force such policies of insurance with a carrier or carriers reasonably satisfactory to Landlord and authorized to conduct business in the state of Alaska, as Landlord may reasonably determine are required to protect Landlord from liability arising from Tenant's activities under this Lease, including the minimum insurance requirements set forth for tenants under the Lease Ordinance. Landlord's insurance requirements in the Lease Ordinance (or any superseding policy permitted under the Lease Ordinance) specify only the minimum acceptable coverage and limits, and if Tenant's policy contains broader coverage or higher limits, Landlord shall be entitled to such coverage to the extent of such higher limits.

(b) Without limiting the generality of the foregoing, Tenant shall maintain in force at all times during the Term the following minimum policies of insurance:

- (1) Comprehensive general liability insurance with limits of liability not less than a combined single limit for bodily injury and property damage of \$1,000,000 each occurrence and \$2,000,000 aggregate. This insurance shall also be endorsed to provide contractual liability insuring Tenant's obligations to indemnify under this Lease.
- (2) Comprehensive automobile liability covering all owned, hired and non-owned vehicles with coverage limits not less than \$1,000,000 occurrence combined single limit for bodily injury and property damage.
- (3) Workers' compensation insurance as required by AS 23.30.045. This coverage shall include employer's liability protection not less than \$1,000,000 per person, \$1,000,000 per occurrence. Where applicable, coverage for all federal acts (i.e. U.S. Longshoremen and Harbor Worker's Compensation and Jones Acts) shall also be included. The workers' compensation insurance shall contain a waiver of subrogation clause in favor of Landlord.
- (4) Based on the authorized uses of the Property stated in Section 6.01, environmental insurance is not required. However, if Tenant uses the Property, with or without authorization from the Landlord, for purposes other than those stated in paragraph

Section 6.01, if Landlord so elects, and within 10 days after Landlord gives notice of such election, Tenant shall procure and at all times thereafter maintain, at its expense, environmental remediation and environmental impairment liability, including sudden and accidental coverage, gradual pollution coverage, and clean-up cost coverage associated with any activity by Tenant or others on, from, or related to the Property, with coverage limits not less than \$1,000,000 for any one accident or occurrence. Coverage shall extend to loss arising as a result of the work or services or products furnished, used or handled in connection with Tenant's operations contemplated under this Lease.

(5) Property insurance covering the Required Improvements described in Section 6.02 in an amount not less than full replacement cost of the Required Improvements. This policy shall include boiler and machinery coverage.

(c) During any construction of the Required Improvements and during any subsequent alteration or restoration of the Required Improvements at a cost in excess of \$250,000 per job, Tenant shall maintain builder's risk insurance in an amount equal to the completed value of the project.

(d) Tenant shall furnish Landlord with certificates evidencing the required insurance not later than the date as of which this Lease requires the insurance to be in effect, and the provision of any such certificates due at or prior to the commencement of the Term shall be a condition precedent to the commencement of the Term. The certificates and the insurance policies required by this Section shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire, and limits of liability will not be reduced, without at least 30 days' prior written notice to Landlord. Landlord shall be named as an additional insured under all policies of liability insurance required of Tenant. Landlord's acceptance of a deficient certificate of insurance does not waive any insurance requirement in this Lease. Tenant also shall grant Landlord permission to obtain copies of insurance policies from all insurers providing required coverage to Tenant by executing and delivering to Landlord such authorizations substantially in the form of **Exhibit G** as Landlord may request.

ARTICLE 10. ENVIRONMENTAL MATTERS

10.01 Use of Hazardous Substances. Tenant shall not cause or permit the Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce or process any Hazardous Substance, except as is necessary or useful to Tenant's authorized uses of the Property stated in Section 6.01, and only in compliance with all applicable Environmental Laws. Any Hazardous Substance permitted on the Property as provided in this section, and all containers therefor, shall be handled, used, kept, stored and disposed of in a manner that complies with all applicable Environmental Laws, and handled only by properly trained personnel.

10.02 Prevention of Releases. Tenant shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of Tenant or any of its agents, employees, contractors, tenants, subtenants, invitees or other users or occupants of the Property, a release of any Hazardous Substance onto the Property or onto any other property.

10.03 Compliance with Environmental Laws. Tenant at all times and in all respects shall comply, and will use its best efforts to cause all tenants, subtenants and other users and occupants of the Property to comply, with all Environmental Laws, including without limitation the duty to undertake the following specific actions: (i) Tenant shall, at its own expense, procure, maintain in effect and comply with all conditions of, any and all permits, licenses and other governmental and regulatory approvals required by all Environmental Laws, including without limitation permits required for discharge of (appropriately treated) Hazardous Substances into the ambient air or any

sanitary sewers serving the Property; and (ii) except as discharged into the ambient air or a sanitary sewer in strict compliance with all applicable Environmental Laws, all Hazardous Substances from or on the Property to be treated and/or disposed of by Tenant will be removed and transported solely by duly licensed transporters to a duly licensed treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

10.04 Notice. Tenant shall promptly give Landlord (i) written notice and a copy of any notice or correspondence it receives from any federal, state or other government agency regarding Hazardous Substances on the Property or Hazardous Substances which affect or will affect the Property; (ii) written notice of any knowledge or information Tenant obtains regarding Hazardous Substances or losses incurred or expected to be incurred by Tenant or any government agency to study, assess, contain or remove any Hazardous Substances on or near the Property, and (iii) written notice of any knowledge or information Tenant obtains regarding the release or discovery of Hazardous Substances on the Property.

10.05 Remedial Action. If the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment or disposal at the Property of any Hazardous Substance (i) gives rise to liability (including but not limited to a response action, remedial action or removal action) under any Environmental Law, (ii) causes a significant public health effect, or (iii) pollutes or threatens to pollute the environment, Tenant shall, at its sole expense, promptly take any and all remedial and removal action necessary to clean up the Property and mitigate exposure to liability arising from the Hazardous Substance, whether or not required by law.

10.06 Indemnification. Subject to Section 10.09, Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from and against any and all claims, disbursements, demands, damages (including but not limited to consequential, indirect or punitive damages), losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including experts', consultants' and attorneys' fees and expenses, and including without limitation remedial, removal, response, abatement, cleanup, legal, investigative and monitoring costs), imposed against Landlord, arising directly or indirectly from or out of, or in any way connected with (i) the failure of Tenant to comply with its obligations under this Article; (ii) any activities on the Property during Tenant's past, present or future possession or control of the Property which directly or indirectly resulted in the Property being contaminated with Hazardous Substances; (iii) the discovery of Hazardous Substances on the Property whose presence was caused during the possession or control of the Property by Tenant; (iv) the clean-up of Hazardous Substances on the Property; and (v) any injury or harm of any type to any person or damage to any property arising out of or relating to Hazardous Substances on the Property or from the Property on any other property. The liabilities, losses, claims, damages, and expenses for which Landlord is indemnified under this section shall be reimbursable to Landlord as and when the obligation of Landlord to make payments with respect thereto are incurred, without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and Tenant shall pay such liability, losses, claims, damages and expenses to Landlord as so incurred within 10 days after notice from Landlord itemizing in reasonable detail the amounts incurred (provided that no itemization of costs and expenses of counsel to Landlord is required where, in the determination of Landlord, such itemization could be deemed a waiver of attorney-client privilege).

10.07 Survival of Obligations. The obligations of Tenant in this Article, including without limitation the indemnity provided for in Section 10.06, are separate and distinct obligations from Tenant's obligations otherwise provided for herein and shall continue in effect after the expiration of the Term.

10.08 Claims against Third Parties. Nothing in this Article shall prejudice or impair the rights or claims of Tenant against any person other than Landlord with respect to the presence of Hazardous Substances as set forth above.

10.09 Extent of Tenant's Obligations. Tenant's obligations under this Article apply only to acts, omissions or conditions that (i) occur in whole or in part during the Term or during any time of Tenant's possession or occupancy of the Property prior to or after the Term of this Lease; or (ii) are proximately caused in whole or in part by the occupancy of, use of, operations on, or actions on or arising out of the Property by Tenant or its employees, agents, customers, invitees or contractors.

10.10 Inspection at Expiration of Term. Within 90 days before the expiration of the Term, Tenant shall at its own expense obtain a Phase I environmental inspection of the Property, and conduct any further inspection, including without limitation test holes, that is indicated by the results of the Phase I inspection. Tenant, at its own expense, shall remediate any contamination of the Property that is revealed by the inspections and that is Tenant's responsibility under this Article.

ARTICLE 11. CONDEMNATION

11.01 Article Determines Parties' Rights and Obligations. If any entity having the power of eminent domain exercises that power to condemn the Property, or any part thereof or interest therein, or acquires the Property, or any part thereof or interest therein by a sale or transfer in lieu of condemnation, the interests of Landlord and Tenant in the award or consideration for such transfer and the effect of the taking or transfer upon this Lease will be as provided in this Article.

11.02 Total Taking. If all of the Property is taken or so transferred, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority.

11.03. Partial Taking. If the taking or transfer of part of the Property causes the remainder of the Property to be not effectively and practicably usable in the opinion of the Tenant for the purpose of operation thereon of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority. If the taking or transfer of part of the Property leaves the remainder of the Property effectively and practicably usable in the opinion of Tenant for the operation of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate as to the portion of the Property so taken or transferred on the date title to the Property vests in the condemning authority, but will continue in full force and effect as to the portion of the Property not so taken or transferred, and the Base Rent will abate in the proportion that the portion of the Property taken bears to all of the Property.

11.04 Compensation. Landlord and Tenant each may make a claim against the condemning or taking authority for the amount of just compensation due to it. Tenant shall make no claim against Landlord for damages for termination of the leasehold or interference with Tenant's business, even if Landlord is the condemning or taking authority. Neither Tenant nor Landlord will have any rights in or to any award made to the other by the condemning authority; provided, that if a single award to Landlord includes specific damages for loss of Tenant's leasehold interest separately awarded in the eminent domain proceeding and not as a part of the damages recoverable by Landlord, Landlord will transmit such separately awarded damages to Tenant.

ARTICLE 12. DEFAULT

12.01. Events of Default. Each of the following shall constitute an event of default under this Lease:

(a) The failure of Tenant to pay Rent or any other sum of money due under this Lease within ten (10) days after the date such payment is due.

(b) The failure of Tenant to perform or observe any covenant or condition of this Lease, other than a default in the payment of money described in the preceding subsection (a), which is not cured within thirty (30) days after notice thereof from Landlord to Tenant, unless the default is of a kind that cannot be cured within such 30-day period, in which case no event of default shall be declared so long as Tenant shall commence the curing of the default within such 30 day period and thereafter shall diligently and continuously prosecute the curing of same.

(c) The use of the Property or buildings and improvements thereon for purposes other than those permitted herein, to which Landlord has not given its written consent.

(d) The commencement of a case under any chapter of the federal Bankruptcy Code by or against Tenant, or the filing of a voluntary or involuntary petition proposing the adjudication of Tenant as bankrupt or insolvent, or the reorganization of Tenant, or an arrangement by Tenant with its creditors, unless the petition is filed or case commenced by a party other than Tenant and is withdrawn or dismissed within ninety (90) days after the date of its filing.

(e) The admission in writing by Tenant of its inability to pay its debts when due; the appointment of a receiver or trustee for the business or property of Tenant, unless such appointment shall be vacated within ten (10) days after its entry; Tenant making an assignment for the benefit of creditors; or the voluntary or involuntary dissolution of Tenant.

12.02 Landlord's Remedies. Upon the occurrence of an event default, Landlord has all of the following remedies, all in addition to any other remedies that Landlord may have at law or in equity:

(a) Landlord may terminate this Lease by written notice to Tenant, upon which termination Tenant shall immediately surrender possession of the Property, vacate the Property, and deliver possession of the Property to Landlord. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates this Lease in accordance with this subsection (a), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

(b) Landlord may by written notice declare Tenant's right to possession of the Property terminated without terminating this Lease. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates Tenant's right of possession in accordance with this subsection (b), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

(c) Subject to Section 12.01(e), Landlord may relet the Property in whole or in part for any period equal to or greater or less than the remainder of the Term, as applicable, for any sum that Landlord may deem reasonable.

(d) Landlord may collect any and all rents due or to become due from subtenants or other occupants of the Property.

(e) Landlord may recover from Tenant, with or without terminating this Lease, actual attorney's fees and other expenses incurred by Landlord by reason of Tenant's default and elect to recover damages described under either (1) or (2):

- (1) from time to time, an amount equal to the sum of all Base Rent and other sums that have become due and remain unpaid, less the rent, if any, collected by Landlord on reletting the Property reduced by the amount of all expenses incurred by Landlord in connection with reletting the Property; or
- (2) immediately upon Tenant's default, an amount equal to the difference between the Base Rent and the fair rental value of the Property for the remainder of the Term, discounted to the date of such default at a rate per annum equal to the rate at which Landlord could borrow funds for the same period as of the date of such default.

(f) Reentry or reletting of the Property, or any part thereof, shall not terminate this Lease, unless accompanied by Landlord's written notice of termination to Tenant.

12.03 Assignment of Rents. Tenant immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any subletting of all or a part of the Property, and Landlord, as assignee and attorney-in-fact for Tenant, or a receiver for Tenant appointed on Landlord's application, may collect such rent and apply it toward Tenant's obligations under this Lease, except that Tenant has the right to collect such rent until the occurrence of an event of default by Tenant.

ARTICLE 13. LEASEHOLD MORTGAGES

13.01. Mortgage of Leasehold Interest. Tenant shall have the right at any time, and from time to time, to subject the leasehold estate and any or all of Tenant's improvements situated on the Property to one or more deeds of trust, mortgages, and other collateral security instruments as security for a loan or loans or other obligation of Tenant (each a "Leasehold Mortgage"), subject to the remainder of this Article 13.

13.02 Subordinate to Lease. The Leasehold Mortgage and all rights acquired under it shall be subject and subordinate to all the terms of this Lease, and to all rights and interests of Landlord except as otherwise provided in this Lease.

13.03 Notice to Landlord. Tenant shall give Landlord notice before executing each Leasehold Mortgage, and shall accompany the notice with a true copy of the note and the Leasehold Mortgage as proposed for execution. Upon Landlord's written consent to the Leasehold Mortgage and upon execution of the Leasehold Mortgage by all parties, the mortgagee shall become a Qualified Mortgagee as that term is used in this Lease. Tenant also shall deliver to Landlord a true and correct copy of any notice from a Qualified Mortgagee of default or acceleration of the maturity of the note secured by a Leasehold Mortgage promptly following Tenant's receipt thereof.

13.04 Modification or Termination. No action by Tenant or Landlord to cancel, surrender, or materially modify the economic terms of this Lease or the provisions of Article 11 will be binding upon a Qualified Mortgagee without its prior written consent.

13.05 Notice to Qualified Mortgagee.

(a) If Landlord gives any notice hereunder to Tenant, including without limitation a notice of an event of default, Landlord shall give a copy of the notice to each Qualified Mortgagee at the address previously designated by it.

(b) If a Qualified Mortgagee changes its address or assigns the Leasehold Mortgage, the Qualified Mortgagee or assignee may change the address to which such copies of notices hereunder shall be sent by written notice to Landlord. Landlord will not be bound to recognize any assignment of a Qualified Mortgage unless and until Landlord has been given written notice thereof, a copy of the executed assignment, and the name and address of the assignee. Thereafter, the assignee will be deemed to be the Qualified Mortgagee hereunder with respect to the assigned Leasehold Mortgage.

(c) If a Leasehold Mortgage is held by more than one person, Landlord shall not be required to give notices to the Qualified Mortgagee of the Leasehold Mortgage unless and until all of the holders of the Leasehold Mortgage give Landlord an original executed counterpart of a written designation of one of their number to receive notices hereunder. Notice given to the one so designated is effective as notice to all them.

13.06 Performance of Tenant Obligations.

(a) A Qualified Mortgagee may perform any obligation of Tenant and remedy any default by Tenant under this Lease within the time periods specified in the Lease, and Landlord shall accept such performance with the same force and effect as if furnished by Tenant; provided, however, that the Qualified Mortgagee will not thereby be subrogated to the rights of Landlord.

(b) Tenant may delegate irrevocably to a Qualified Mortgagee the non-exclusive authority to exercise any or all of Tenant's rights hereunder, but no such delegation will be binding upon Landlord unless and until either Tenant or the Qualified Mortgagee gives Landlord a true copy of a written instrument effecting such delegation.

(c) If Tenant defaults in the payment of any monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 10 days after the expiration of any grace or cure periods granted Tenant herein. If Tenant defaults in the performance of any non-monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 30 days after the expiration of any grace or cure periods granted Tenant herein.

13.07 Possession by Qualified Mortgagee. A Qualified Mortgagee may take possession of the Property and vest in the interest of Tenant in this Lease upon the performance of the following conditions:

(a) The payment to Landlord of any and all sums due to Landlord under this Lease, including without limitation accrued unpaid rent.

(b) The sending of a written notice to Landlord and Tenant of the Qualified Mortgagee's intent to take possession of the Property and assume the Lease.

(c) The curing of all defaults not remediable by the payment of money within an additional 30 days after the date upon which such default was required to be cured by Tenant under the terms of this Lease.

13.08 No Liability of Mortgagee Without Possession. A Qualified Mortgagee shall have no liability or obligation under this Lease unless and until it sends to Landlord the written notice described in paragraph 13.07(b). Nothing in this Lease or in the taking of possession of the Property and assumption of the Lease by a Qualified Mortgagee or a subsequent assignee shall relieve Tenant of any duty or liability to Landlord under this Lease.

13.09 New Lease. If a Qualified Mortgagee acquires Tenant's leasehold as a result of a judicial or non-judicial foreclosure under a Leasehold Mortgage, or by means of a deed in lieu of foreclosure, the Qualified Mortgagee thereafter may assign or transfer Tenant's leasehold to an assignee upon obtaining Landlord's written consent thereto, which consent will not be unreasonably withheld or delayed but which assignment will be subject to all of the other provisions of Article 8 and any provisions of the Lease Ordinance concerning acceptable assignees. Upon such acquisition by a Qualified Mortgagee or its assignee of Tenant's leasehold, Landlord will execute and deliver a new ground lease of the Property to the Qualified Mortgagee or its assignee not later than 120 days after such party's acquisition of Tenant's leasehold. The new ground lease will be identical in form and content to this Lease, except with respect to the parties thereto, the term thereof (which will be co-extensive with the remaining Term hereof), and the elimination of any requirements that Tenant fulfilled prior thereto, and the new ground lease will have priority equal to the priority of this Lease. Upon execution and delivery of the new ground lease, Landlord will cooperate with the new tenant, at the sole expense of said new tenant, in taking such action as may be necessary to cancel and discharge this Lease and to remove Tenant from the Property.

ARTICLE 14. GENERAL PROVISIONS

14.01 Authority. Tenant represents and warrants that it has complete and unconditional authority to enter into this Lease; this Lease has been duly authorized by Tenant's governing body; this Lease is a binding and enforceable agreement of and against Tenant; and the person executing the Lease on Tenant's behalf is duly and properly authorized to do so.

14.02 Estoppel Certificates. Either party shall at any time and from time to time upon not less than 30 days prior written request by the other party, execute, acknowledge and deliver to such party, or to its designee, a statement in writing certifying that this Lease is in full force and effect and has not been amended (or, if there has been any amendment thereof, that the same is in full force and effect as amended and stating the amendment or amendments); that there are no defaults existing, (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the Base Rent and other charges have been paid in advance. The requesting party shall pay the cost of preparing an estoppel certificate, including the cost of conducting due diligence investigation and attorney's fees.

14.03 Delivery of Notices -Method and Time. All notices, demands or requests from one party to another shall be delivered in person or be sent by (i) mail, certified or registered, postage prepaid, (ii) reputable overnight air courier service, or (iii) electronic mail or facsimile transmission (accompanied by reasonable evidence of receipt of the transmission and with a confirmation copy mailed by first class mail no later than the day after transmission) to the address for the recipient in Section 14.04 and will be deemed to have been given at the time of delivery or, if mailed, three (3) days after the date of mailing.

14.04 Addresses for Notices. All notices, demands and requests from Tenant to Landlord shall be given to Landlord at the following address:

City Manager
City of Homer
491 East Pioneer Avenue
Homer, Alaska 99603
Facsimile: (907) 235-3148
Email: _____

All notices, demands or requests from Landlord to Tenant shall be given to Tenant at the following address:

AKSNOWGRL RENTALS, LLC
Attn: Jenifer Kumfer
1285 Eagleview Dr.
Homer, AK 99603
Facsimile: _____
Email: _____

Each party may, from time to time, designate a different address or different agent for service of process by notice given in conformity with Section 14.03.

14.05 Time of Essence. Time is of the essence of each provision of this Lease.

14.06 Computation of Time. The time in which any act provided by this Lease is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday or a holiday, and then it is also excluded. The term “holiday” will mean all holidays as defined by the statutes of Alaska.

14.07 Interpretation. Each party hereto has been afforded the opportunity to consult with counsel of its choice before entering into this Lease. The language in this Lease shall in all cases be simply construed according to its fair meaning and not for or against either party as the drafter thereof.

14.08 Captions. The captions or headings in this lease are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Lease.

14.09 Independent Contractor Status. Landlord and Tenant are independent contractors under this Lease, and nothing herein shall be construed to create a partnership, joint venture, or agency relationship between Landlord and Tenant. Neither party shall have any authority to enter into agreements of any kind on behalf of the other and shall have no power or authority to bind or obligate the other in any manner to any third party.

14.10 Parties Interested Herein. Nothing in this Lease, express or implied, is intended or shall be construed to give to any person other than Landlord, Tenant and any Qualified Mortgagee any right, remedy or claim, legal or equitable, under or by reason of this Lease. The covenants, stipulations and agreements contained in this Lease are and shall be for the sole and exclusive benefit of Landlord, Tenant and any Qualified Mortgagee, and their permitted successors and assigns.

14.11 Multi-Party Tenant. If Tenant is comprised of more than one natural person or legal entity, the obligations under this Lease imposed upon Tenant are joint and several obligations of

all such persons and entities. All notices, payments, and agreements given or made by, with, or to any one of such persons or entities will be deemed to have been given or made by, with, or to all of them, unless expressly agreed otherwise by Landlord in writing.

14.12 Broker's Commissions. Each of the parties represents and warrants that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.

14.13 Successors and Assigns. This Lease shall be binding upon the successors and assigns of Landlord and Tenant, and shall inure to the benefit of the permitted successors and assigns of Landlord and Tenant.

14.14 Waiver. No waiver by a party of any right hereunder may be implied from the party's conduct or failure to act, and neither party may waive any right hereunder except by a writing signed by the party's authorized representative. The lapse of time without giving notice or taking other action does not waive any breach of a provision of this Lease. No waiver of a right on one occasion applies to any different facts or circumstances or to any future events, even if involving similar facts and circumstances. No waiver of any right hereunder constitutes a waiver of any other right hereunder.

14.15 Attorney's Fees.

(a) If Landlord is involuntarily made a party to any litigation concerning this Lease or the Property by reason of any act or omission of Tenant, or if Landlord is made a party to any litigation brought by or against Tenant without any fault on the part of Landlord, then Tenant shall pay the amounts reasonably incurred and expended by Landlord, including the reasonable fees of Landlord's agents and attorneys and all expenses incurred in defense of such litigation.

(b) In the event of litigation between Landlord and Tenant concerning enforcement of any right or obligation under this Lease, the non-prevailing party shall reimburse the prevailing party for the attorney's fees reasonably incurred and expended by the prevailing party in the litigation.

14.16 Severability. If any provision of this Lease shall for any reason be held to be invalid, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Lease, such provision shall be construed so as to make it enforceable to the greatest extent permitted, such provision shall remain in effect to the greatest extent permitted and the remaining provisions of this Lease shall remain in full force and effect.

14.17 Entire Agreement, Amendment. This Lease constitutes the entire and integrated agreement between Landlord and Tenant concerning the subject matter hereof, and supersedes all prior negotiations, representations or agreements, either written or oral. No affirmation, representation or warranty relating to the subject matter hereof by any employee, agent or other representative of Landlord shall bind Landlord or be enforceable by Tenant unless specifically set forth in this Lease. This Lease may be amended only by written instrument executed and acknowledged by both Landlord and Tenant.

14.18 Governing Law and Venue. This Lease will be governed by, construed and enforced in accordance with, the laws of the State of Alaska. Any action or suit arising between the parties in relation to or in connection with this Lease, or for the breach thereof, shall be brought in the trial courts of the State of Alaska for the Third Judicial District at Homer.

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on _____, 20__, by Jenifer Kumfer, as owner of AKSNOWGRL RENTALS, LLC on behalf of AKSNOWGRL RENTALS, LLC.

Notary Public in and for Alaska

My Commission Expires: _____

EXHIBIT A

**SCHEDULE OF ORGANIZATION, OWNERS,
PERCENTAGE OF OWNERSHIP**

Tenant, AKSNOWGRL RENTALS, LLC, is a limited liability company organized under the laws of the state of Alaska. Attached to this exhibit is a certificate issued by that state certifying that Tenant is in good standing and describing its legal organization. If Tenant is a foreign entity authorized to conduct business in Alaska, its certificate of authority is also attached

The members and their percentage of ownership are as follows:

Name Jenifer Kumfer 100 %

Address: 1285 Eagleview Dr., Homer AK 99603

Name _____ %

Address: _____

Name _____ %

Address: _____

TOTAL 100 %

Department of Commerce, Community, and Economic Development
**CORPORATIONS, BUSINESS &
PROFESSIONAL LICENSING**

[SOA](#) / [DCCED](#) / [CBPL](#) / [Search](#) / [Corporations](#) / [Entity Details](#)

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	AKSNOWGRL RENTALS, LLC

Entity Type:

Limited Liability Company

Entity #:

10093014

Status:

Good Standing

AK Formed Date:

10/15/2018

Duration/Expiration:

Perpetual

Home State:

ALASKA

Next Biennial Report Due:

1/2/2020

Entity Mailing Address:

1285 EAGLE VIEW DRIVE, HOMER, AK 99603

Entity Physical Address:

3815 HOMER SPIT ROAD #A, HOMER, AK 99603

Registered Agent

Agent Name:

JENIFER KUMFER

Registered Mailing Address:

1285 EAGLE VIEW DRIVE, HOMER, AK 99603

Registered Physical Address:

1285 EAGLE VIEW DRIVE, HOMER, AK 99603

Officials Show Former

AK Entity #	Name	Titles	Owned
	Jenifer Kumfer	Member, Manager	100

Filed Documents

Date Filed	Type	Filing	Certificate
10/15/2018	Creation Filing	Click to View	Click to View
11/02/2018	Initial Report	Click to View	

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EXHIBIT B

**CONFORMED COPY OF RESOLUTION AUTHORIZING LEASE AND
AUTHORIZING SIGNERS TO SIGN LEASE AGREEMENT ON BEHALF
OF TENANT**

EXHIBIT C

LOCATION OF PROPERTY

(Section 2.01)

A portion of Lot 5, as shown on the subdivision plat entitled HOMER SPIT filed as amended plat number 89-34 in the Homer Recording District, City of Homer, Kenai Peninsula Borough, State of Alaska, also being within the southeast $\frac{1}{4}$ of Section 35, Township 6 South, Range 13 West of the Seward Meridian, and more certainly described as;

Beginning at a point on the edge of the right-of-way of the Homer Spit road, the east corner of Lot 4 being also the northerly corner of said Lot % as shown on Sheet Two of said subdivision plat;

Thence along the boundary of Lot 5, coincident with the edge of the right-of-way of the Homer Spit Road S $45^{\circ}45'50''$ E 150.92 feet to the beginning of a curve to the left;

Thence along the arc of said curve to the left 128.88 feet, said curve having a radius of 5819.33 feet, a central angle of $1^{\circ}16'08''$ and is subtended by a chord bearing S $46^{\circ}23'55''$ E for 128.875 feet to the east corner of said Lot 5, said corner being in common with Lot 6; Thence leaving said right-of-way, S $42^{\circ}58'02''$ W 71.96 feet along the boundary common with Lot 5 and Lot 6;

Thence leaving said boundary N $45^{\circ}45'50''$ W 353.43 feet to the north boundary of Lot 5 being in common with Lot 4;

Thence along said common boundary N $89^{\circ}51'14''$ E 100.82 feet to the Point of beginning. Containing an area of 22,388 square feet (0.514 acre);

Also known as Kenai Peninsula Borough Tax Parcel No. 181-03-105;

Also known as 3815 Homer Spit Rd #A, Homer AK 99603

EXHIBIT D
TENANT'S PROPOSED USE OF THE PROPERTY
(Section 6.01)

AkSnowGrl Rentals, LLC
DBA The Sport Shed
Jenifer Kumfer
1285 Eagle View Dr.
Homer, AK 99603
907-299-0381
aksnowgrl@gmail.com

To: The City of Homer

Re: The Sport Shed Land Lease Transfer

AKSNOWGRL Rentals, LLC intends to purchase via owner financing from Tabor Ashment the buildings/business AKA The Sport Shed located at 3815 Homer Spit Road, Homer, AK 99603 effective January 1, 2019. AKSNOWGRL Rentals, LLC needs to secure the transfer of Land Lease from the City of Homer in order to close the purchase with an effective date of January, 1, 2019. AKSNOWGRL Inc., and AKSNOWGRL Rentals, LLC intend to continue operations as they have occurred in previous years as a bait and Tackle supply store with three rental rooms.

The Sport Shed has operated as a bait and tackle / marine supply shop on the Homer spit for the past 27 years. The business sells bait and tackle to charter businesses that operate out of Homer and customers from all over the United States. Fishing licenses are sold here in large quantity (being noted as one of the highest sellers of fishing licenses in the state behind Fred Meyer). We provide rental fishing poles for tourists that visit Homer via various travel methods to include cruise ships; often when a charter boat gets cancelled, tourists find themselves in our shop renting poles to fish in the Nick Dudiak Fishing Lagoon located immediately across the street. There are three rental rooms located above the store that are rented out on a nightly basis. Each of these rooms contains a queen bed and two twins, a full kitchen and bathroom for guests to enjoy a night. It is the full intention of the new owner to maintain the store and rooms and to keep and operate the business as a bait and tackle supply store.

Jenifer Kumfer has been an employee of The Sport Shed from 2015-current and has managed the daily operations of the business for the past two years. She has established working relationships with most of the charter businesses that operate on the spit. She has working knowledge of how the store runs on a daily basis and over the last two years has handled pretty much all aspects of the business other than paying the bills. She intends to purchase/ take over the business from Tabor beginning January 1, 2019.

There is a current agreement between the buyer (AKSNOWGRL RENTALS, LLC, Jenifer Kumfer) and the seller (Tabor Ashment), that the transfer of the business and assets will begin January 1, 2019. The Land lease transfer is needed to close the sale.

Thank you for your time,

Jenifer Kumfer - Owner
AKSNOWGRL, INC - President
AKSNOWGRL RENTALS, LLC - Operating Manager



Lease Application/Assignment Form

Directions:

1. Please submit this application form to the City Manager's Office, 491 Pioneer Avenue, Homer, AK, 99603.
2. Please answer all questions on this form, or put "N/A" in the space if it is non-applicable.
3. Please include all applicable fees in the form of a check, made payable to the City of Homer.

Applicant Name:	JENIFER KUMFER
Business Name:	AKSNOW6RL RENTALS, LLC
Social Security Number:	
FEIN#	83-2265146
Mailing Address:	1285 EAGLE VIEW DR. HOMER, AK 99603
City, State, ZIP code:	HOMER, AK 99603
Business Telephone No.	907-299-0381
Representative's Name:	JENIFER KUMFER
Mailing Address:	1285 EAGLE VIEW DR. HOMER, AK 99603
City, State, ZIP code:	SAME AS ABOVE
Business Telephone No.	SAME AS ABOVE
Property Location:	3815 HOMER SPIT ROAD KPB PARCEL# THE SPORT SHED. LOT 5, HOMER SPIT AMENDED, PLAT NO. 89-34
Legal Description:	LOT 5, HOMER SPIT AMENDED, PLAT NO. 89-34 KPB PARCEL NO: 181-031-05
Type of Business to be placed on property:	THE SPORT SHED, BAIT AND TACKLE SHOP
Duration of Lease requested:	TRANSFER OF CURRENT LEASE GRANTED NOVEMBER, 2, 2009 - NOVEMBER 2029 w 2 add'l 5yr. periods.
Options to re-new:	NEW 20 year with two, consecutive five year periods?

**The following materials must be submitted when applying for a lease of
City of Homer real property**

1.	Plot Plan	<p>A drawing of the proposed leased property showing:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Size of lot - dimensions and total square footage (to scale) <input checked="" type="checkbox"/> Placement and size of buildings, storage units, miscellaneous structures planned (to scale). <input checked="" type="checkbox"/> Water and sewer lines – location of septic tanks, if needed. <input checked="" type="checkbox"/> Parking spaces – numbered on the drawing with a total number indicated 																				
2.	<p>Development Plan</p> <p><i>Please see Attached.</i></p>	<p><input type="checkbox"/> List the time schedule from project initiation to project completion, including major project milestones.</p> <table border="0"> <thead> <tr> <th style="text-align: left;">Dates</th> <th style="text-align: left;">Tasks</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table> <p>For each building, indicate:</p> <table border="0"> <thead> <tr> <th style="text-align: left;">Building Use</th> <th style="text-align: left;">Dimensions and square footage</th> </tr> </thead> <tbody> <tr> <td><i>Store front, Rooms, Storage Bldg.</i></td> <td><i>13,180 Sq. Ft.</i></td> </tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table>	Dates	Tasks	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	Building Use	Dimensions and square footage	<i>Store front, Rooms, Storage Bldg.</i>	<i>13,180 Sq. Ft.</i>	_____	_____	_____	_____
Dates	Tasks																					
_____	_____																					
_____	_____																					
_____	_____																					
_____	_____																					
_____	_____																					
Building Use	Dimensions and square footage																					
<i>Store front, Rooms, Storage Bldg.</i>	<i>13,180 Sq. Ft.</i>																					
_____	_____																					
_____	_____																					
3.	Insurance	<p><input checked="" type="checkbox"/> Attach a statement of proof of insurability of lessee for a minimum liability insurance for combined single limits of \$1,000,000 showing the City of Homer as co-insured. Additional insurance limits may be required due to the nature of the business, lease or exposure. Environmental insurance may be required. If subleases are involved, include appropriate certificates of insurance.</p>																				
4.	<p>Subleases</p> <p><i>N/A</i></p>	<p><input type="checkbox"/> Please indicate and provide a detailed explanation of any plans that you may have for subleasing the property. The City of Homer will generally require payment of 25% of proceeds paid Lessee by subtenants. Refer to chapter 13 of the Property Management Policy and Procedures manual.</p>																				
5.	<p>Health Requirements</p> <p><i>SEE ATTACHED WATER / SEWER BILLS. ? N/A</i></p>	<p><input type="checkbox"/> Attach a statement documenting that the plans for the proposed waste disposal system, and for any other necessary health requirements, have been submitted to the State Department of Environmental Conservation for approval. Granting of this lease shall be contingent upon the lessee obtaining all necessary approvals from the State DEC.</p>																				

EXHIBIT E
SITE PLANS
(Section 6.02)

WELCOME PROPERTY SEARCH CONTACT US RETURN TO KP&B HOME



Kenai Peninsula Borough, Alaska Assessing Department

Go Back Property Search Print Report Property Taxes

General Info

Property Owner: HOMER ENTERPRISES LLC 3815 HOMER SPIT RD # A HOMER AK 99603-8010	Property ID	18103105LH01
Change of Address	Address	3815 HOMER SPIT RD
Owner(s)	Transfer Date	10/25/2010
	Document / Book Page	20100035110
	Acreage	0.0000
	Tax Authority Group	20 - HOMER CITY

Legal Description

Description

T 6S R 13W SEC 35 Seward Meridian HM LSEHOLD EST CREATED BY LSE @10-3511 ON L T 5 HOMER SPIT SUB AMD, 89-34

Disclaimer

2017 VALUES ARE NOT CERTIFIED AND ARE SUBJECT TO APPEAL

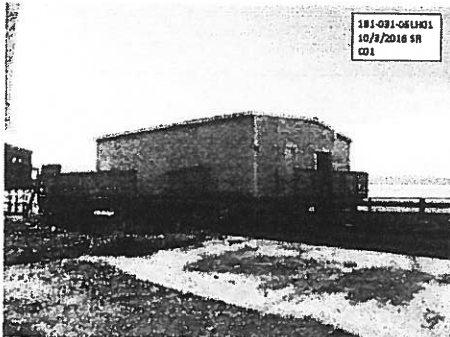
CERTIFIED VALUES FOR 2017 WILL NOT BE AVAILABLE UNTIL JUNE 1, 2017

Value History

Year	2017	2016	2015	2014	2013	2012	2011
Reason	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification
Land Assd	\$215,600	\$68,100	\$68,100	\$68,100	\$68,100	\$68,100	\$68,100
Imp Assd	\$169,600	\$240,000	\$251,500	\$257,500	\$256,200	\$233,800	\$237,300
Total Assd	\$385,200	\$308,100	\$319,600	\$325,600	\$324,300	\$301,900	\$305,400

Extension Details

C01 C02



Attributes

Floor Areas

Story	Use	Attribute	Code	Detail
		Class	1B	Medium construction
		Roofing Cover	2	Metal
		Stories	1	
1	EQUIPBLD	Exterior Wall	140	Stud -Textured Plywood

Address 3815 HOMER SPIT RD
 Grade Avg
 Year Built 1968
 Value \$29,000

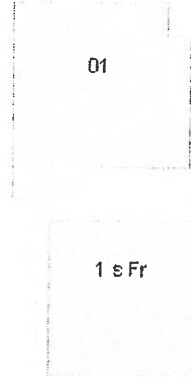
Sketch Legend

Improvements								
Code	Description	Year	Building	Length	Width	Units	Unit Type	Value
FREEZER		3000	C02	0	0	0	SF	\$7,700
LEANTO	Lean-to	1998	C02	26	6	132	SF	\$300
BOATD	Waterfront Boat Dock	1986	C01	36	8	1,630	SF	\$17,300
BOATD	Waterfront Boat Dock	198	C02	49	24	2,643	SF	\$28,100

C01 - Extension Details

Address 3815 HOMER SPIT RD
 Grade Avg
 Year Built 1968
 Value \$29,000

Code: 15 II



Attributes

Story	Use	Attribute	Code	Detail
	0	Class	1B	Medium construction
	0	Roofing Cover	2	Metal
	0	Stories	1	
1	EQUIPBLD	Exterior Wall	140	Stud -Textured Plywood

Floor Areas

Code	Description	Story	Gross	Heated	AC
EQUIPBLD	Equipment (Shop) Building	1	1,224	1,224	0
Total			1,224	1,224	0

Structures

Code	Year	Bldg	Length	Width	Units	Unit Type	Value
BOATD	1986	C01	36.00	8.00	1630	SF	\$17,300

C02 - Extension Details

Address 3815 HOMER SPIT RD
 Grade Low
 Year Built 1985
 Value \$122,000

01: 1 s Fr

1 s Fr

02

1 s Fr

03

Attribute

Story	Use	Attribute	Code	Detail
	0	Class	1	Wood frame
	0	Class	0	Metal/wood joist
	0	Class	1B	Medium construction
	0	Roofing Cover	2	Metal
	0	Stories	2	
1	GENRET	Exterior Wall	154	Stud -Textured Plywood
2	RESSF	Exterior Wall	154	Stud -Textured Plywood

Floor Areas

Code	Description	Story	Gross	Heated	AC
GENRET	Retail Store	1	1,488	1,488	0
RESSF	Residence - Single Family	2	1,488	1,488	0
	Total		2,976	2,976	0

Exterior Features

Code	Description	Story	Size	Heated	AC
WDDK-R	0		90.00	0	0
WDDK-R/	0		448.00	0	0

Structures

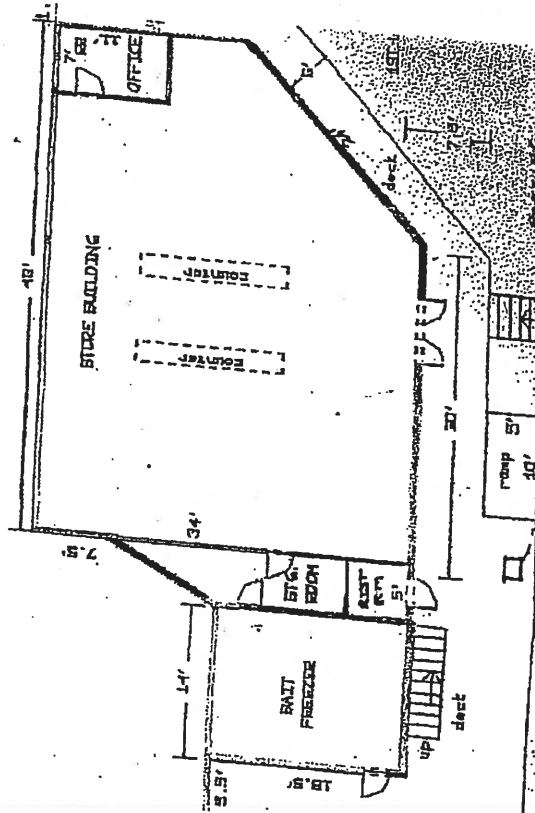
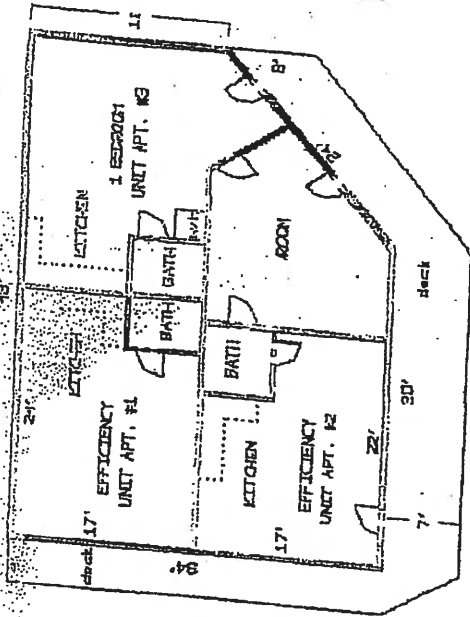
Code	Year	Bldg	Length	Width	Units	Unit Type	Value
LEANTO	1998	C02	26.00	6.00	132	SF	\$300
FREEZER	3000	C02	0.00	0.00	0	SF	\$7,700
BOATD	198	C02	49.00	24.00	2643	SF	\$28,100

Land Details

Primary Use	Land Type	Acres	Eff Frontage	Eff Depth	Asd Value
P	Possessory Interest	0.0000	0.00	0.00	\$215,600

EXHIBIT F
FLOOR PLANS
(Section 6.02)

END LEVEL



PARKING (4)

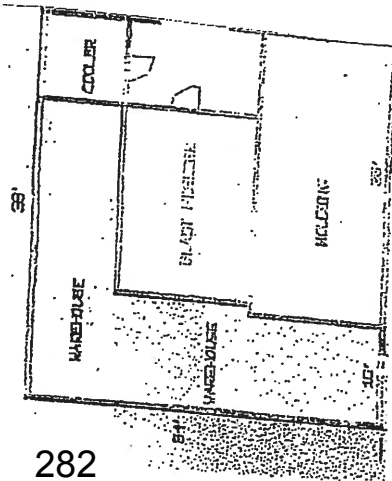


EXHIBIT G

PERMISSION TO OBTAIN INSURANCE POLICIES

(Section 9.04(d))

The City of Homer is hereby granted permission to request and obtain copies of AK SNOWGRL RENTALS, LLC (“Tenant”) insurance policies from Tenant’s broker and/or insurer, _____ . Tenant requests the broker/insurer to provide the City of Homer with information about and copies of all of Tenant’s insurance policies providing the type of coverage required by the Lease between Tenant and the City of Homer.

It is understood that the Tenant may revoke this permission at any time by written notice to City of Homer and to Tenant’s broker and/or insurer; however, such revocation will constitute a default of Tenant’s lease from the City of Homer.

Date: _____

AK SNOWGRL RENTALS, LLC

By:

_____ (printed name)
_____ (title)

By: _____

_____ (printed name)
_____ (title)

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 19-002

A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING A LEASE ASSIGNMENT FROM LEE AND KIM LLC TO Y & C LLC AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS FOR A NEW TWENTY YEAR LEASE WITH OPTIONS FOR TWO CONSECUTIVE FIVE YEAR RENEWALS FOR LOT 32, OF THE AMENDED PLAT OF THE HOMER SPIT, ACCORDING TO PLAT NO. 89-34, AT AN INITIAL ANNUAL RATE OF \$19,888.68.

WHEREAS, Lee and Kim LLC dba “Happy Face Restaurant” applied to transfer their 2014 City lease to Y & C LLC dba “Shogun Seafood & Steak BBQ Restaurant” as part of Y and C LLC’s purchase of Happy Face ; and

WHEREAS, Y & C LLC submitted a complete application pursuant Homer City Code (HCC) 18; and

WHEREAS, Y & C LLC has indicated in their lease application their intention of continuing the business previously listed in the lease between the City and Lee and Kim LLC without changes; and

WHEREAS, The City approved in Lee and Kim LLC’s 2014 lease with the proposed use of the property being a restaurant, gift shop, general store, with future allowable uses including a laundry/shower facility, and rental units; and

WHEREAS, Per HCC 18.08.110 the lease is in compliance and the past lease history has shown contractual obligations are satisfactorily met; and

WHEREAS, The lease assignment will be based on the City’s updated lease template which reflects the new and current code requirements; and

WHEREAS, Y & C LLC are aware that the initial annual rental rate of \$19,888.68 will change as a result of City Lot 32’s reappraisal in 2019 per HCC 18.08.100 ; and

WHEREAS, The City Administration and the Port and Harbor Advisory Commission on January 3rd, 2019 reviewed the application pursuant HCC 18.08.060 and recommend a new twenty year lease with options for two consecutive five-year renewals for Lot 32, of the amended plat of the Homer Spit, according to Plat No. 89-34; and

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WHEREAS, HCC 18.08.160 (4) states the Council shall approve or deny the request for lease assignment via resolution.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves the lease assignment of the Lee and Kim LLC Lease from Lee and Kim LLC to Y & C LLC, and authorizes the City Manager to execute a new twenty year lease with options for two consecutive five-year renewals for Lot 32, of the amended plat of the Homer Spit, according to Plat No. 89-34, at an initial annual base rent of \$19,888.68 for the purpose of a restaurant, gift shop, general store, with future allowable uses including a laundry/shower facility, and rental units.

PASSED AND ADOPTED by the Homer City Council on this 14th day of January, 2019.

CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: \$19,88.68 Annually



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue

Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum 19-009

TO: MAYOR CASTNER & HOMER CITY COUNCIL
FROM: PORT & HARBOR ADVISORY COMMISSION
THROUGH: KATIE KOESTER, CITY MANAGER
DATE: JANUARY 4, 2019
SUBJECT: THE HAPPY FACE LEASE RE-ASSIGNMENT TO Y & C, LLC

At the special meeting held on January 3, 2019, the Port and Harbor Advisory Commission reviewed and discussed the lease re-assignment and new lease proposal from Y & C, LLC, who is assuming ownership of The Happy Face Restaurant beginning 2019.

The Commission reviewed the application, checklist, and the approval recommendation from the City Manager; below is the commission's meeting minute excerpt:

PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA

Chair Zimmerman acknowledged Grace Chon, partner in Y&C, LLC and Happy Face Restaurant lease applicant, who was participating telephonically. Ms. Chon addressed the commission to introduce herself and shared that she is looking forward to working with the City.

NEW BUSINESS

- A. Lee & Kim, LLC dba "Happy Face Restaurant" Lease Re-assignment to Y&C, LLC
 - i. Memo from Port & Harbor Staff Re: Happy Face Restaurant Lease Re-Assignment Application
 - ii. Lease Application Checklist & City Manager's Recommendation
 - ii. Y&C, LLC Lease Application

Chair Zimmerman opened the floor for discussion on the Happy Face Restaurant Lease Re-Assignment. The commissioners did not object to allowing the applicant Grace Chon of Y&C, LLC to participate in the discussion to answer any questions.

There was brief discussion among the commissioners, Port Director/Harbormaster Hawkins, and Ms. Chon on items regarding the use of the property and nature of the business.

ULMER/ZEISET MOVED TO RECOMMEND TO CITY COUNCIL TO APPROVE A LEASE RE-ASSIGNMENT FROM LEE & KIM, LLC DBA "HAPPY FACE RESTAURANT" TO Y&C, LLC, AND TO AUTHORIZE THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS FOR A NEW 20-YEAR LEASE WITH OPTIONS FOR 2 CONSECUTIVE 5-YEAR RENEWALS FOR LOT 32, HOMER SPIT AMENDED, AT AN INITIAL ANNUAL RENT OF \$19,888.68.

There was no further discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RECOMMENDATION

The Port and Harbor Advisory Commission recommends that City Council approve a lease re-assignment from Lee & Kim, LLC DBA Happy Face Restaurant to Y & C, LLC, and to authorize the City Manager to execute the appropriate documents for a new 20-year lease with options for 2 consecutive 5-year renewals for lot 32, Homer Spit Amended, at an initial annual rent of \$19,888.68.

CITY OF HOMER
LEASE APPLICATION CHECKLIST

Applicant Name: Y and C LLC dba "Shogun Seafood & Steak BBQ Restaurant"

Synopsis: Lee and Kim LLC dba "Happy Face Restaurant" wish to transfer their current City of Homer lease to Y and C LLC dba "Shogun Seafood & Steak BBQ Restaurant." Grace Chon, Organizer for Y and C LLC, states the new business will "establish a pan-Asian restaurant and gift shop for locals and tourists to enjoy." The applicant wishes to continue the existing lease as-is with a new term and understands the base rental rate for the property will increase in 2019 as a result of the 5 year re-appraisal of the property.

Action:

- Lease approval.
- Lease approval with conditions. Explain.
- Lease denial. Explain.
- Lease application incomplete.

Rick Abboud 12/26/18
Rick Abboud, Acting City Manager Date

A. A responsive lease application / proposal shall include:

1. A completed application form provided by the City

YES	NO	N/A	INCOMPLETE
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NOTES: Completed application was provided on Dec. 17, 2018

2. Any applicable fees. \$30. Application fee paid. \$300 lease fee due.

YES	NO	N/A	INCOMPLETE
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NOTES: \$330.00 paid on Dec. 17, 2018

3. A clear and precise narrative description of the proposed use of the property

YES	NO	N/A	INCOMPLETE
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NOTES: Narrative provided on applicant's resume.

4. A specific time schedule and benchmarks for development

YES	NO	N/A	INCOMPLETE
-----	----	-----	------------

NOTES: Applicant will assume permitted property uses in Lee and Kim LLC's current 2014 lease: "Tenant's proposed use of the Property is a restaurant, gift shop, general store, with future allowable uses of laundry/shower facility, and rental units." Applicant will abide by Article 6 of the base lease regarding all future construction activities.

5. A plot plan drawn to scale that shows at a minimum property lines, easements, existing structures and other improvements, utilities, and the proposed development including all structures and their elevations, parking facilities, utilities, and other proposed improvements.

YES	NO	N/A	INCOMPLETE
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NOTES: Application includes Kenai Peninsula Borough Assessing Department Property Details along with a 1995 site plan demonstrating parking. Any future improvements to the building will require City of Homer Planning Department and State of Alaska Fire Marshall review. Any proposed signage must receive a City of Homer signage permit. The applicant proposes no immediate, new development but intends to improve the site in the future.

6. Any other information that is directly pertinent to the proposal scoring criteria contained herein

YES	NO	N/A	INCOMPLETE
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NOTES: Applicant expressed respect and willingness to comply with all City of Homer regulations. Although Y and C LLC have requested a lease duration of 50 years, they are agreeable to city code limitations of a 20 year initial term with two 5-year extensions ("extended terms").

7. All other **required attachments** requested on the application form including, but not limited to:

- Applicant information
- Plot Plan- *See question #5 Notes section*
- Development Plan – *N/A*
- Insurance – *Current insurance will transfer from Lee and Kim LLC to Y and C LLC once business sale is complete*
- Proposed Subleases – *N/A*
- Environmental Information- *Alaska Food Code 2018 Establishment Permit*
- Agency approvals and permits- *State of Alaska Articles of Organization, Limited Liability Company Initial Biennial Report, and Alaska Business License; Proof of Liquor License and State of Alaska Alcoholic Beverage Control Board Restaurant Designation Permit; KPBC Certificate of Authority to collect Borough sales tax; Proof of Alaska DEC tobacco endorsement*
- Financial Information – *U.S. Small Business Administration Personal Financial Statement*
- Partnership information and a copy of the partnership agreement OR
- Corporation information and a copy of the Articles of Incorporation and Bylaws – *N/A*
- Certificate of good standing issued by the entity's state of domicile- *State of Alaska documentation*
- Four Appropriate References- *Wells Fargo representative, Han Mi Bank representative, JC Tax and Accounting Representative, and TP Electric representative*

8. Any other information required by the solicitation or request for proposals.

YES	NO	N/A	INCOMPLETE
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NOTES:

City of Homer
Lease Application

RECEIVED
DEC 12 2018

- Resubmitted
Dec. 17, 2018

BY: Zachael Friedlander ipm

Directions:

1. Please submit this application form to the City Clerk's Office, 491 Pioneer Avenue, Homer, AK 99603.
2. Please answer all questions. If the question is not applicable, indicate why it is "N/A."

Applicant Name:	Y & C LLC
Mailing Address:	4400 HOMER SPIT RD
City, State, ZIP code:	HOMER ALASKA 99603
Business Telephone No.	
Email address:	gracechon888@yahoo.com
Representative's Name:	GRACE CHON
Mailing Address:	4400 HOMER SPIT RD
City, State, ZIP code:	HOMER ALASKA 99603
Business Telephone No.	714-904-9094 (C)
Location within the airport:	HOMER ALASKA
Legal Description:	4400 HOMER SPIT AMEND L-32
Type of Business:	EXISTING: RESTAURANT GIFT, GENERAL STORE
Area and size to be leased:	EXISTING
Duration of Lease requested:	50 YEARS
Options to re-new:	50 YEARS
Proposed Lease Rate:	SAME RATE AS PRIOR TO.
Special lease requirements:	N/A

**The following materials must be submitted when applying for a lease of
City of Homer real property**

1.	Parking spaces	<p><u>A drawing of the proposed leased property showing:</u></p> <p><input type="checkbox"/> Parking spaces – needed <i>EXISTING parking plan</i></p>
2.	Development Plan	<p><input type="checkbox"/> <u>List the time schedule from project initiation to project completion, including major project milestones.</u></p> <p>Dates Tasks</p> <p>_____ <i>See Attached</i></p> <p>_____</p> <p>_____</p>
3.	Insurance <i>See Attached will transfer from Happy face Restau</i>	<p><input type="checkbox"/> Attach a statement of proof of insurability of lessee for a minimum liability insurance for combined single limits of \$1,000,000 showing the City of Homer as co-insured. Additional insurance limits may be required due to the nature of the business, lease or exposure. Environmental insurance may be required. If subleases are involved, include appropriate certificates of insurance.</p>
4.	Subleases <i>No Sublease.</i>	<p><input type="checkbox"/> Please indicate and provide a detailed explanation of any plans that you may have for subleasing the property. The City of Homer will generally require payment of 25% of proceeds paid Lessee by subtenants. Refer to chapter 13 of the Property Management Policy and Procedures manual.</p>
5.	Health Requirements <i>Restaurant license - Tobacco license Attached - Liquor license (Establishment) permit.</i>	<p><input type="checkbox"/> Attach a statement documenting that the plans for the proposed waste disposal system, and for any other necessary health requirements, have been submitted to the State Department of Environmental Conservation for approval. Granting of this lease shall be contingent upon the lessee obtaining all necessary approvals from the State DEC.</p>
6.	Agency Approval <i>Business license Fire Marshall Sales Tax</i>	<p><input type="checkbox"/> Attach statement(s) of proof that your plans have been inspected and approved by any agency which may have jurisdiction of the project; i.e. Fire Marshall, Army Corps of Engineers, EPA, etc. The granting of this lease shall be contingent upon lessee obtaining approval, necessary permits, and/or inspection statements from all appropriate State and/or Federal agencies.</p>
7.	Fees <i>received 12/17/18</i>	<p><u>All applicable fees must be submitted prior to the preparation and/or execution of a lease.</u></p> <p><input type="checkbox"/> Application fee - \$30.00.</p> <p><input type="checkbox"/> Lease/Assignment fee - \$300.00.</p>

8.	Financial Data <i>See attached</i>	<p>Please indicate lessee's type of business entity:</p> <p><input type="checkbox"/> Sole or individual proprietorship.</p> <p><input checked="" type="checkbox"/> Partnership.</p> <p><input type="checkbox"/> Corporation.</p> <p><input type="checkbox"/> Other – Please explain: _____</p> <hr/> <p><input checked="" type="checkbox"/> Financial Statement – Please attach a financial statement showing the ability of the lessee to meet the required financial obligations.</p> <p><input type="checkbox"/> Surety Information – Has any surety or bonding company ever been required to perform upon your default or the default of any of the principals in you organization holding more than a 10% interest</p> <p><input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach a statement naming the surety or bonding company, date and amount of bond, and the circumstances surrounding the default or performance.</p> <p><input type="checkbox"/> Bankruptcy information - Have you or any of the principals of your organization holding more than a 10% interest ever been declared bankrupt or are presently a debtor in a bankruptcy action?</p> <p><input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach a statement indicating state, date, Court having jurisdiction, case number and to amount of assets and debt.</p> <p><input type="checkbox"/> Pending Litigation – Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation?</p> <p><input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.</p>								
9.	Partnership Statement	<p><input type="checkbox"/> If the applicant is a partnership, please provide the following:</p> <p>Date of organization: <u>NOV 13 2018</u></p> <p>Type: <input type="checkbox"/> General Partnership <input checked="" type="checkbox"/> Limited Partnership</p> <p>Statement of Partnership Recorded? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Where <u>AK</u> When <u>NOV 13, 2018</u></p> <p>Has partnership done business in Alaska? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Where _____ When _____</p> <p>Name, address, and partnership share. If partner is a corporation, please complete corporation statement.</p> <p>Limited/ <u>Y & C LLC</u></p> <table border="0"> <tr> <td><u>General</u></td> <td><u>Name</u></td> <td><u>Address</u></td> <td><u>Share %</u></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </table>	<u>General</u>	<u>Name</u>	<u>Address</u>	<u>Share %</u>				
<u>General</u>	<u>Name</u>	<u>Address</u>	<u>Share %</u>							
		<p><u>Attached</u></p> <p>Please attach a copy of your partnership agreement.</p>								

11. Applicant References

Please list four persons or firms with whom the Applicant or its owners have conducted business transactions with during the past three years. Two references named shall have knowledge of your financial management history, of which at least one must be your principal financial institution. Two of the references must have knowledge of your business expertise.

Name: Richard Park JR
Firm: Wells Fargo
Title: Sr. Business Banking Specialist 92807
Address: 5625 E Santa Ana Canyon Rd Anaheim Ca
Telephone: 714-685-0120 cell: 657-291-3647
Nature of business association with Applicant: Grace Chon

Name: Joseph M. Chung, EA
Firm: J.C. Tax & Accounting
Title: owner/president 90703
Address: 17409 Marguardt Ave, Suite B-2 Cerritos, Ca
Telephone: 562-926-3239
Nature of business association with Applicant: Yang, Kum Ho

Name: Thomas Park
Firm: TP Electric
Title: owner/president
Address: 427 Redtail Dr. Brea, Ca 92823
Telephone: 909-208-0109
Nature of business association with Applicant: Moses Chon

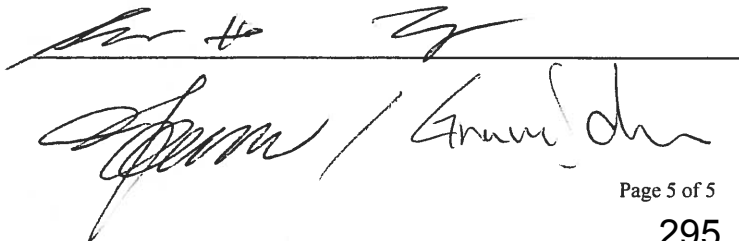
Name: Vincent Park
Firm: Hanmi Bank
Title: Branch Manager 92814
Address: 9820 Garden Grove Blvd, Garden Grove Ca
Telephone: 714-590-6900
Nature of business association with Applicant: MR. MRS Yang, Kum H

Attached.

I hereby certify that the above information is true and correct to the best of my knowledge.

Signature:

Date:



NOV 30 2018

Grace U. Chon

PRESIDENT OF Y&C LLC -PROFESSIONAL RESTAURANTEUR

14495 Persimmon Court, Corona, CA, 92880

714.904.9094

Gracechon888@yahoo.com

GOAL

To establish a new pan-Asian restaurant and gift shop for locals and tourists to enjoy. My husband and I visited Homer a few years ago and fell in love with the town and its' people. We found the perfect opportunity for us to thrive in that will allow us to retire in this beautiful town. We bring over 40 years of experience operating and opening 4 successful restaurant businesses in California and Washington.

RELEVANT EXPERIENCE

RESIDENTIAL REAL ESTATE AGENT- NEW STAR REALTY- LOS ANGELES/ CORONA, CA	2003- present
EXECUTIVE- MISSION 2 THE WORLD (CHRISTIAN NON-PROFIT)-ANAHEIM HILLS, CA	2004-2014
OWNER/ OPERATOR- WASABI & SUSHI RESTAURANT- GARDEN GROVE, CA	2001-2013
OWNER/OPERATOR- LUCKY PAINTING AND DECORATING COMPANY- LOS ANGELES, CA	1990-1997
OWNER/OPERATOR- FUJI GARDEN RESTAURANT- SANTA MONICA, CA	1987-1991
OWNER OPERATOR-OWL'S ROOST RESTAURANT- GIG HARBOR, WA	1980-1983

EDUCATION

SOUTHERN CALIFORNIA THEOLOGICAL SEMINARY	Bachelor of Theology	1986
MINNESOTA GRADUATE SCHOOL OF THEOLOGY	Master of Divinity	2007

REFERENCES UPON REQUEST

4400 Homer Spit Rd 1995 +- ?



IRE

DIVISION



Kenai Peninsula Borough, Alaska

Assessing Department

[Go Back](#)

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[Print Report](#)

[Property Taxes](#)

General Info

Property Owner:
 LEE & KIM LLC
 4400 HOMER SPIT RD
 HOMER AK 99603-8003

[Change of Address](#)

[Owner\(s\)](#)

Property ID	18103432LH01
Address	4400 HOMER SPIT RD UNIT LH01
Transfer Date	5/16/2014
Document / Book Page	20140013330
Acreage	0.5700
Tax Authority Group	20 - HOMER CITY

Legal Description

Description

T 7S R 13W SEC 1 Seward Meridian HM LSEHLD EST CREATED BY LSE 248/791 & ASN 20 14-1335 RESIDING ON LT 32 HOMER SPIT AMD

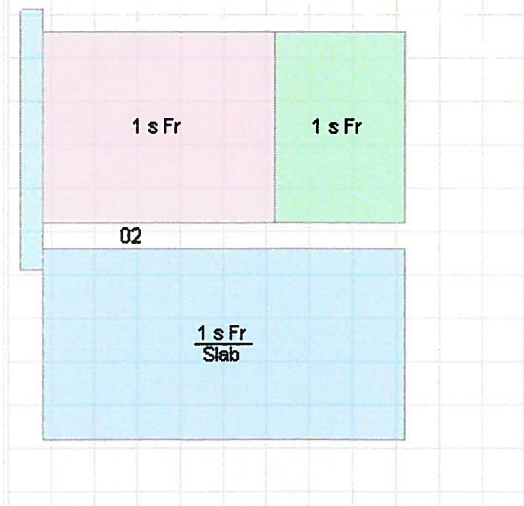
Value History

Year	2018	2017	2016	2015
Reason	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification
Land Assd	\$126,800	\$123,700	\$134,300	\$137,000
Imp Assd	\$396,000	\$399,800	\$395,500	\$507,500
Total Assd	\$522,800	\$523,500	\$529,800	\$644,500

Extension Details

C01

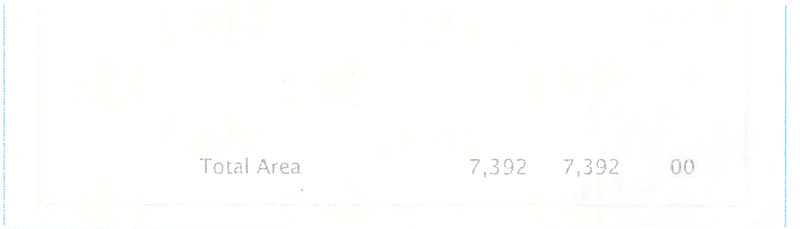
Scale: 10 ft



Attributes Floor Areas Exterior Features

Code	Description	Story	Gross	Heated	AC
GENRET	Retail Store	1	3,696	3,696	0
APARTRES	Multiple Res	2	1,320	1,320	0
RESTURNT	Restaurant	2	2,376	2,376	0

Address	4400 HOMER SPIT RD UNIT LH01
Grade	Low+
Year Built	1995
Value	\$514,200



Sketch Legend

Improvements								
Code	Description	Year	Building	Length	Width	Units	Unit Type	Value
SHEDGP	Shed - Gen Purpose Frame, up to 10'eave	1995	C01	24	16	384	SF	\$800



**Alaska Food Code
2018 Establishment Permit**

Division of Environmental Health
Food Safety & Sanitation Program

Permit Number: 5487
Issued to: Lee & Kim LLC
For: Happy Face Restaurant
For Operation of: FF-1 Food Service
Located at: 4400 Homer Split RD Homer, AK 99603

This permit, issued under the provisions of 18 AAC 31, is valid until the noted expiration date or unless suspended or revoked by the department.

This permit is not transferable for change of ownership, facility location, or type of operation. It must be posted in plain view in the establishment and is the property of the State of Alaska.

Expiration Date:
December 31, 2018

Program Manager:

**If you have questions or concerns regarding
safe food handling practices call toll free:**

1-87-SAFE-FOOD

(in Anchorage call 334-2560)





State of Alaska
Alcoholic Beverage Control Board
RESTAURANT DESIGNATION PERMIT
AS 04.16.049 and 3 AAC 304.715-795

This permit authorizes, underage persons to be present on the licensed premise for the purposes of dining or employment as indicated below.

- 1. Under AS 04.16.010(c) Bona Fide restaurant or eating place
- 2. Persons 16 years of age and older may dine unaccompanied (AS 04.16.049(a)(2))
- 3. Persons under the age of 16 years may dine accompanied by a person 21 years of age or older (AS 04.16.049(a)(3))
- 4. Persons between 16 and 20 years of age may be employed AS 04.16.049 [c] & [d].

NOTE: Under AS 04.16.049(d), a permit is not required to employ a person 18 to 20 years of age.

Lic. #	5342
Fee:	\$50

5. Limitations:

Happy Face Restaurant
4400 Homer Spit Road
Lee & Kim, LLC
4400 Homer Spit Road
Homer, AK 99603

John A. Fossil
 DIRECTOR

This permit must be displayed in close proximity to the posted Liquor License

This permit terminates upon transfer/expiration of license.

THE KENAI PENINSULA BOROUGH

CERTIFICATE OF AUTHORITY TO COLLECT BOROUGH SALES TAX

HAPPY FACE RESTAURANT

THIS IS TO CERTIFY THAT

is authorized and empowered by the Mayor of the Kenai Peninsula Borough to collect for the Borough Sales Tax on retail Sales, Rents and Services imposed pursuant to Ordinance No 5.18 of The Kenai Peninsula Borough.

This certificate is non-assignable and non-transferable and must be surrendered to the Mayor by the seller to whom it was issued upon his ceasing to do business at the location named herein, or any change in ownership, form of ownership, or any other change.

HAPPY FACE RESTAURANT
4400 HOMER SPIT RD
HOMER AK 99603

REGISTRATION
NUMBER 108164

May 1, 2014

DATE OF
REGISTRATION

Mike Savarese

THIS CERTIFICATE MUST BE DISPLAYED PROMINENTLY AT THE PLACE OF BUSINESS.

MAYOR

STATE OF ALASKA - ALCOHOLIC BEVERAGE CONTROL BOARD

LICENSE NUMBER

FORM CONTROL

XXXX
ISSUED

LIQUOR LICENSE 2019 - 2020

5342

LICENSE RENEWAL APPLICATION DUE
DECEMBER 31, 2020 (AS 04.11.270(b))

NOV 20 2018

ABC BOARD

THIS LICENSE EXPIRES MIDNIGHT
FEBRUARY 28, 2021 UNLESS DATED BELOW

TYPE OF LICENSE: Restaurant/Eating Place-Public
Convenience

LICENSE FEE: \$600.00

CITY / BOROUGH: Homer
Kenai Peninsula Borough

This license cannot be transferred without permission
of the Alcoholic Beverage Control Board

Special restriction - see reverse side

D/B/A:

Happy Face Restaurant
4400 Homer Spit Road

Mailing Address:

Lee & Kim, LLC
4400 Homer Spit Road
Homer, AK 99603

ISSUED BY ORDER OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD



DIRECTOR

THIS LICENSE MUST BE POSTED IN A VISIBLE PLACE ON THE PREMISES

04-900 (REV 9/09)

Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

HOMER GENERAL STORE

4400 HOMER SPIT RD HOMER AK 99603

owned by

Y & C LLC

ENDORSEMENT: 1099874 - 1

Effective December 14, 2018 through December 31, 2020

This business license has an endorsement for the physical address shown below:

4400 HOMER SPIT RD HOMER, ALASKA 99603



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.

Julie Anderson
Commissioner

Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

HOMER GENERAL STORE

4400 HOMER SPIT RD HOMER AK 99603

owned by

Y & C LLC

is licensed by the department to conduct business for the period

December 14, 2018 through December 31, 2020
for the following line of business:

42 - Trade

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.

Julie Anderson
Commissioner



Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

HOMER GENERAL STORE

4400 HOMER SPIT RD HOMER AK 99603

owned by

LEE & KIM LLC

TOBACCO ENDORSEMENT: 1006666 - 1

Effective October 10, 2017 through December 31, 2019

This business license has a tobacco endorsement authorizing sale of tobacco at the physical address shown below:

4400 HOMER SPIT RD HOMER, ALASKA 99611

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.

Chris Hladick
Commissioner



Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

HOMER GENERAL STORE

4400 HOMER SPIT RD HOMER AK 99603

owned by

LEE & KIM LLC

is licensed by the department to conduct business for the period

October 10, 2017 through December 31, 2019
for the following line of business:

42 - Trade

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.

Chris Hladick
Commissioner





THE STATE

of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

FOR DIVISION USE ONLY

Articles of Organization

Domestic Limited Liability Company

Web-11/13/2018 3:41:30 PM

1 - Entity Name

Legal Name: Y & C LLC

2 - Purpose

The LLC's primary purpose for Which the LLC is organized is to engage in the business of serving American Food to tourists and the general public.

3 - NAICS Code

722110 - FULL-SERVICE RESTAURANTS

4 - Registered Agent

Name: Grace Chun

Mailing Address: 4400 Homer Spit Rd, Homer, AK 99603

Physical Address: 4400 Homer Spit Rd, Homer, AK 99603

5 - Entity Addresses

Mailing Address: 4400 Homer Spit Rd, Homer, AK 99603

Physical Address: 4400 Homer Spit Rd, Homer, AK 99603

6 - Management

The limited liability company is managed by its members.

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Y & C LLC

Entity Type: Limited Liability Company

Entity #: 10094600

Status: Good Standing

AK Formed Date: 11/13/2018

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2020

Entity Mailing Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Entity Physical Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Registered Agent

Agent Name: Grace Chun

Registered Mailing Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Registered Physical Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Officials

Show Former

AK Entity #	Name	Titles	Owned
	Grace U Chun → chon	Member	25
	Jo Ja Yang	Member	25
	Kum Ho Yang	Member	25
	Moses Y Chun → chon	Member	25

Filed Documents

Date Filed	Type	Filing	Certificate
11/13/2018	Creation Filing	Click to View	Click to View
11/13/2018	Initial Report	Click to View	



THE STATE
of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

Date Filed: 11/13/2018
State of Alaska, DCCED

FOR DIVISION USE ONLY

Limited Liability Company
Initial Biennial Report

Web-11/13/2018 3:52:58 PM

Entity Name: Y & C LLC
Entity Number: 10094600
Home Country: UNITED STATES
Home State/Province: ALASKA

Registered Agent
Name: Grace Chun (CHON)
Physical Address: 4400 HOMER SPIT RD, HOMER, AK 99603
Mailing Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Entity Physical Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Entity Mailing Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Please include all officials. Check all titles that apply. Must use titles provided. Please list the names and addresses of the members of the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), there must also be at least one manager listed. Please provide the name and address of each manager of the company. You must also list the name and address of each person owning at least 5% interest in the company and the percentage of interest held by that person.

Name	Address	% Owned	Titles
Kum Ho Yang	9142 Browning Dr, Huntington Beach, CA 92646	25	Member
Jo Ja Yang	9142 Browning Dr, Huntington Beach, CA 92646	25	Member
Moses Y Chun → chon	14495 Persimmon Dr, Huntington Beach, CA 92880	25	Member
Grace U Chun → chon	14495 Persimmon Dr, Huntington Beach, CA 92880	25	Member

NAICS Code: 722110 - FULL-SERVICE RESTAURANTS

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: kang J cho



State of Alaska
 Division of Corporations, Business and Professional Licensing
CORPORATIONS SECTION
 PO Box 110806
 Juneau, AK 99811-0806
 Phone: (907) 465-2550
 Fax: (907) 465-2974
 Website: www.commerce.alaska.gov/occ

DO NOT STAMP ABOVE THIS BOX

Office Use Only **CORP**

CONTACT INFORMATION SHEET

Please return this document with your filing. This information will only be used to resolve questions with the filings attached. **NOTE:** this form will not be filed for record or appear online.

Name of entity as it appears on filing:

Y & C LLC

To resolve questions with this filing, contact:

Name: Kang Cho	
Email: kjchungam@gmail.com	Phone: 907-561-0101
Mailing address: 1563 E Tudor Rd Anchorage, AK 99507	

Return documents to:

Name: Kang Cho
Company: Matthew's Accounting
Mailing address: 1563 E Tudor Rd Anchorage, AK 99507

Attach this form to your filings. Send all documents to:
 State of Alaska, Corporations Section, PO Box 110806, Juneau, AK 99811-0806

STANDARD PROCESSING TIME for complete and correct applications submitted to this office is approximately 10-15 business days. All applications are reviewed in the date order they are received.

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes*. If you need to make a deposit immediately, you will need to make arrangements with your Financial Institution to complete a wire transfer.

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at www.irs.gov for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. **This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.** You may give a copy of this document to anyone asking for proof of your EIN.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub.

Your name control associated with this EIN is Y&CL. You will need to provide this information, along with your EIN, if you file your returns electronically.

Thank you for your cooperation.

State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Y & C LLC



IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective **November 13, 2018**.

Mike Navarre

Mike Navarre
Commissioner

no operating

Buyer



State of Alaska
Division of Corporations, Business and Professional Licensing
CORPORATIONS SECTION
PO Box 110806
Juneau, AK 99811-0806
Phone: (907) 465-2550
Fax: (907) 465-2974
Website: www.commerce.alaska.gov/occ

CERTIFICATE OF CORRECTION

All Entity Types

AS 10.06.920

Filing Fee: \$25.00 (non-refundable)

INSTRUCTIONS (Please retain for your records):

NOTICE: The Certificate of Correction will not be filed if a biennial report is due or the signatures do not match what the Corporations Section has on record. Please verify the following before completing the application.

- Have all current biennial reports be filed?
- Are all officials up to date on our records?

To verify this information please search for the entity by going to Search Corporations Database in the Corporations Section of our website at www.commerce.alaska.gov/occ. If there is a biennial report due, the report may be filed online by selecting Biennial Reports on the Corporations Section page. If the officials have changed, but no biennial report is due, please submit a Notice of Change located under Forms & Fees.

Refer to Alaska Statutes 10.06.920. An entity may submit a Certificate of Correction to correct a document that has been filed for record. The filing of the certificate by the commissioner does not alter the effective time of the writing being corrected and does not affect any right or liability accrued or incurred before the filing. An entity name may not be changed or corrected with this form.

ITEM 1: Provide the name of the entity currently on record and the Alaska Entity Number.

ITEM 2: Indicate the title of the document that needs to be corrected, and the date the document was filed for record with this Division. This information may be obtained by searching our corporations' database (see instructions above).

ITEM 3: State the correction.

ITEM 4: The Certificate of Correction must be signed by the same in the same manner as the original document. If changes have been made since the original document was filed, the current officers must sign.

NOTE: Persons who sign documents filed with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor.

Mail the Certificate of Correction and the non-refundable \$25.00 filing fee in U.S. dollars to:
State of Alaska, Corporations Section, PO Box 110806, Juneau, AK 99811-0806

STANDARD PROCESSING TIME for complete and correct applications submitted to this office is approximately 10-15 business days. All applications are reviewed in the date order they are received.



State of Alaska
 Division of Corporations, Business and Professional Licensing
CORPORATIONS SECTION
 PO Box 110806
 Juneau, AK 99811-0806
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 Website: www.commerce.alaska.gov/occ

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CERTIFICATE OF CORRECTION
 All Entity Types
 AS 10.06.920

\$25.00 Filing Fee (non-refundable)

Pursuant to Alaska Statutes 10.06.920, an entity may create a Certificate of Correction to correct a document that has been filed for record. The filing of the certificate by the commissioner does not alter the effective time of the writing being corrected and does not affect any right or liability accrued or incurred before the filing. A corporate name may not be changed or corrected with this form.

ITEM 1: Name of the Entity:

Alaska Entity #:

Y & C LLC	10094600
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ITEM 2: Provide the following information for the document being corrected:

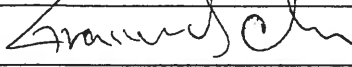
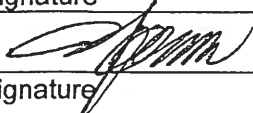
Title of the original document filed for record:	Initial Biennial Report, Articles of Organization
--	---

Date the original document filed for record (mm/dd/yyyy format):	11/13/2018
--	------------

ITEM 3: State the correction:

Attach an additional sheet if necessary.

ITEM 4: The Certificate of Correction must be signed in the same manner as the original document. Attach an additional sheet if necessary.

	Grace U Chon	LLC Member	11/16/2018
Signature	Printed Name	Title	Date
	Moses Y Chon	LLC Member	11/16/2018
Signature	Printed Name	Title	Date

NOTE: Persons who sign documents filed with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor.


Mail the Certificate of Correction and the non-refundable \$25.00 filing fee in U.S. dollars to:
State of Alaska, Corporations Section, PO Box 110806, Juneau, AK 99811-0806

STANDARD PROCESSING TIME for complete and correct applications submitted to this office is approximately 10-15 business days. All applications are reviewed in the date order they are received.

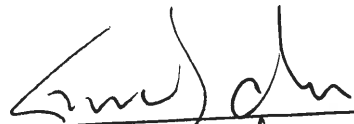
Dec 13 2018

1. Yong Kim owner of Happy Face Restaurant
& General Store DBA: Lee & Kim, LLC.

Request the City of Homer to Transfer
for my Ground Lease to Y & C LLC
DBA: Shogun Restaurant & General Store



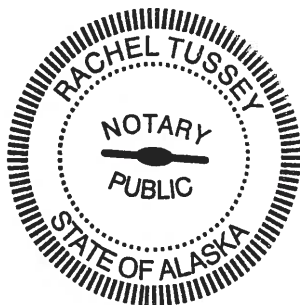
Yong Kim 12/13/18
Lee & Kim, LLC

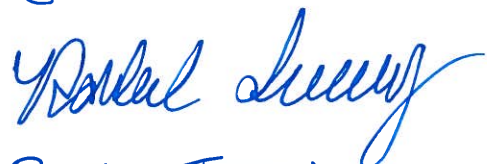


Grace Chan 12-13-18
Y & C. LLC

State of Alaska
3rd Judicial District

Subscribed and sworn to before me, Yong Kim and
Grace Chan, this 13th day of December 2018.




Rachel Tussey

My commission expires 12/10/2022

GROUND LEASE AND SECURITY AGREEMENT

BETWEEN

CITY OF HOMER, ALASKA

AND

Y & C LLC

Dated February 1, 2019

GROUND LEASE AND SECURITY AGREEMENT

GROUND LEASE AND SECURITY AGREEMENT (“Lease”) dated as of February 1, 2019, between the CITY OF HOMER, an Alaska municipal corporation (“Landlord”), whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and Y & C LLC, an Alaskan Limited Liability Company (“Tenant”) whose address is 4400 Homer Spit Road, Homer, AK, 99603.

Attached as **Exhibit A** is a schedule naming each owner of Tenant and describing the percentage of ownership of each. Also attached to **Exhibit A** is a certificate of good standing issued by the state under whose laws Tenant is organized. Attached as **Exhibit B** is a true and correct copy of a resolution of Tenant authorizing Tenant to enter into this Lease and authorizing the undersigned individual(s) or officer(s) to execute the Lease on behalf of Tenant.

RECITALS

WHEREAS, Landlord owns certain properties having a strategic location near the waterfront and marine-related public infrastructure; and

WHEREAS, it is the policy of Landlord to retain ownership of these properties, and to make them available for leasing, in order to encourage growth in targeted economic sectors, to insure that Landlord receives the maximum benefit from a large investment in public infrastructure, and to provide land for businesses that require close proximity to the waterfront or infrastructure to operate efficiently and profitably; and

WHEREAS, Landlord has accepted Tenant’s proposal to lease and develop the property leased herein, because Tenant’s proposed use of the property should further Landlord’s goals for the development of Landlord’s properties, and Tenant’s proposal to lease and develop the property is a material inducement to Landlord leasing the property to Tenant; and

NOW, THEREFORE, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:

ARTICLE 1. DEFINITIONS AND ATTACHMENTS

1.01 Definitions. As used herein, the term:

(a) “Additional Rent” includes all amounts defined or referred to in this lease as additional rent, as well as all charges in the nature of rent such as taxes, utilities and insurance, regardless of whether such amounts are due directly to or collectible by Landlord or to a third party under the terms of this Lease or under applicable law and including any of the preceding amounts that Landlord pays to a third party on behalf of Tenant, before or after any event of default.

(b) “Annual Rent Adjustment” and “Annual Rent Adjustment Date” are defined in Section 4.01(b).

(c) “Base Rent” is defined in Section 4.01.

(d) “Complete” and “Completion” mean, with regard to an improvement, that construction of the improvement is finished and the improvement is fully operational and ready for occupancy or use for its intended purpose, including without limitation the issuance of any applicable certificate of occupancy and other applicable permits, licenses, certificates or inspection reports necessary to the improvement’s legally authorized use.

(e) “Council” means the City Council of the City of Homer, Alaska.

(f) “Default Rate” means an annual rate of interest equal to the lesser of (i) the maximum rate of interest for which Tenant may lawfully contract in Alaska, or (ii) ten and one-half percent (10.5%).

(g) “Environmental Laws” means all local, state, and federal laws, ordinances, regulations, and orders related to environmental protection; or the use, storage, generation, production, treatment, emission, discharge, remediation, removal, disposal, or transport of any Hazardous Substance.

(h) “Excusable Delay” means delay due to strikes, acts of God, inability to obtain labor or materials, orders of any governmental authority having jurisdiction, removal of Hazardous Materials discovered at any time after the commencement of the Term, enemy action, civil commotion, fire, unusual inclement weather, unavoidable casualty or similar causes beyond the reasonable control of Tenant.

(i) “Extended Term” is defined in Section 3.05 if this Lease provides for extension at the option of the Tenant.

(j) “Five Year Rent Adjustment” and “Five Year Rent Adjustment Date” are defined in Section 4.01(a).

(k) “Hazardous Substance” means any substance or material defined or designated as hazardous or toxic waste; hazardous or toxic material; hazardous, toxic, or radioactive substance; or other similar term by any federal, state, or local statute, regulation, or ordinance or common law presently in effect or that may be promulgated in the future as such statutes, regulations, and ordinances may be amended from time to time.

(l) “Initial Term” is defined in Section 3.01.

(m) “Lease Ordinance” means such ordinances or other portions and provisions of the Homer City Code as may be enacted from time to time to dictate Landlord’s policies and requirements in leasing real property, currently enacted as Chapter 18.08 of the Homer City Code, as such may be amended, reenacted, supplemented or recodified from time to time, and as used herein the term shall refer to the Lease Ordinance as currently in effect at the time its terms would have operative effect on this Lease.

(n) “Leasehold Mortgage” is defined in Section 13.01.

(o) “Property” is defined in Section 2.01.

(p) “Rent” means Base Rent plus any Additional Rent.

(q) “Qualified Mortgagee” is defined in Section 13.03.

(r) “Required Improvements” is defined in Section 6.02.

(s) “Term” means the Initial Term plus any Extended Term.

1.02 Attachments. The following documents are attached hereto, and such documents, as well as all drawings and documents prepared pursuant thereto and all documents, policies and

endorsements delivered hereunder, including without limitation all copies of required insurance policies and/or endorsements, shall be deemed to be a part hereof:

Exhibit “A” Schedule of Organization, Owners, Percentage of Ownership

Exhibit “B” Conformed Copy of Resolution Authorizing Lease and Authorizing Signers to Sign Lease Agreement on Behalf of Tenant

Exhibit “C” Legal Description of Property

Exhibit “D” Tenant’s Lease Proposal

Exhibit “E” Site Plan

Exhibit “F” Permission to Obtain Insurance Policies

ARTICLE 2. THE PROPERTY

2.01 Lease of Property. Subject to the terms and conditions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the following described property (the “Property”):

Lot 32, of the Amended Plat of the Homer Spit, according to Plat No. 89-34. Homer Recording District, State of Alaska, as depicted on **Exhibit C**, containing 24,639_square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 181-034-32;

subject, however, to reservations, restrictions, easements and encumbrances of record, and to encroachments that may be revealed by an inspection of the Property.

2.02 Quiet Enjoyment. Landlord covenants that Tenant, upon paying the Rent and other charges and performing its other obligations under this Lease shall have quiet enjoyment of the Property during the Term without hindrance or interference by Landlord or by any person claiming an interest in the Property through Landlord.

2.03 Property Accepted “As Is.” Tenant has inspected the Property, has made its own determination as to the suitability of the Property for Tenant’s intended use, and accepts the Property “AS IS.” None of landlord, its agents, or its employees make any warranties, expressed or implied, concerning the condition of the Property, including without limitation the habitability or fitness of the Property for any particular purpose, including those uses authorized by this Lease, or subsurface and soil conditions, including the presence of any Hazardous Substance.

2.04 No Subsurface or Mineral Rights. This Lease does not confer mineral rights, any rights to extract natural resources, or ay rights with regard to the subsurface of the Property below the level necessary for the uses of the Property permitted in this Lease, all of which rights are, as between Landlord and Tenant, reserved to Landlord.

ARTICLE 3. TERM

3.01 Lease Term. The term of this Lease is 20 years, commencing on February 1, 2019, and ending on January 31, 2039 (the “Term”).

3.02 Lease Renewal.

(a) Tenant represents and warrants that it has determined that the duration of the Term, including any available Extended Terms, will be sufficient for Tenant to amortize any investment that it makes in connection with this Lease, including without limitation any investment in leasehold improvements, including any Required Improvements as Tenant may be required to develop. Tenant acknowledges that it has no right of any kind to continue using or occupying the Property after the expiration or earlier termination of the Term, including without limitation any option to renew this Lease, or any option to extend the Term other than as may be provided in Section 3.05.

(b) Notwithstanding the preceding subsection (a), not less than 12 months and not more than 18 months before the expiration of the Term, Tenant may apply to Landlord to enter into a new lease for the Property that is exempted from competitive bidding under and pursuant to the Lease Ordinance.

3.03 Surrender of Possession. Upon the expiration or earlier termination of the Term, unless Tenant and Landlord have entered into a new lease for the Property commencing upon the termination of the Term, Tenant shall promptly and peaceably surrender the Property, clean, free of debris, and in as good order and condition as at the commencement of the Term, ordinary wear and tear excepted. If Tenant fails to surrender the Property in the required condition, Landlord may restore the Property to such condition and Tenant shall pay the cost thereof, plus interest at the Default Rate, on demand. Section 6.08 governs the disposition of improvements on the Property at the expiration or earlier termination of the Term.

3.04 Holding Over. Tenant's continuing in possession of the Property after the expiration or earlier termination of the Term will not renew or extend this Lease. In the absence of any agreement renewing or extending this Lease, Tenant's continued possession of the Property after the end of the Term will be a tenancy from month to month, terminable upon 30 days written notice by either party at any time, at a monthly rental equal to 150% of the monthly Base Rent in effect at the end of the Term, subject to all other terms of this Lease. For good cause, Landlord may waive all or part of the increase in Base Rent during the holdover period.

3.05. Options to Extend Lease Term.

(a) At its option and in its sole discretion, Tenant may seek to extend the Term for two (2) additional, consecutive five (5) year periods (each an "Extended Term"), provided that:

- (1) Tenant gives Landlord written notice of its exercise of the option not more than one year and not less than 120 days before day the Term would otherwise expire; and
- (2) the City Manager determines that the lessee is in full compliance with the terms of the lease at the time of renewal.

(b) Tenant's failure to exercise an option to extend the Term in strict compliance with all the requirements in subsection (a) renders that option and all options as to subsequent Extended Terms null and void.

ARTICLE 4. RENT, TAXES, ASSESSMENTS AND UTILITIES

4.01 Base Rent. Tenant shall pay to Landlord an initial annual rent of \$ 19,888.68 (as such may later be adjusted per the terms of this Lease, the "Base Rent"). Base Rent is payable monthly in advance in installments of \$1,657.39, plus sales and all other taxes Landlord is authorized or obligated to collect on such transactions, on February 1, 2019, and on the first day of each month

thereafter, at the office of the City of Homer, 491 East Pioneer Avenue, Homer, Alaska 99603-7645, or at such other place as Landlord may designate in writing. All Base Rent shall be paid without prior demand or notice and without deduction or offset. Base Rent that is not paid on or before the due date will bear interest at the Default Rate. Base Rent is subject to adjustment as provided in Section 4.02.

4.02 Rent Adjustments.

(a) **Five-Year Appraised Rent Adjustments.** Starting on January 1, 2019, and in every fifth year thereafter, Landlord will obtain an appraisal by a qualified real estate appraiser of the fair rental value of the Property as if privately owned in fee simple, excluding the value of alterations, additions or improvements (other than utilities) made by Tenant (or by Tenant's predecessors under the Lease, if Tenant is party to this Lease by assignment). Following receipt of each such appraisal, the Base Rent will be adjusted (the "Five Year Rent Adjustment"), effective on the anniversary of the commencement of the term (each such date is a "Five Year Rent Adjustment Date"), to an amount equal to the greater of (1) the area of the Property in square feet, multiplied by the fair rental value per square foot determined by the appraisal, and (2) the Base Rent in effect immediately before the Five Year Rent Adjustment Date. The Base Rent as adjusted on a Five Year Rent Adjustment Date thereafter shall be the Base Rent.

(b) **Annual Rent Adjustments.** In addition to the rent adjustments under Section 4.02(a), the Base Rent also shall be adjusted annually (the "Annual Rent Adjustment"), effective on the anniversary of the commencement of the term in every year without a Five Year Rate Adjustment (each such date is an "Annual Rent Adjustment Date"), by the increase, if any, for the previous year in the cost of living as stated in the Consumer Price Index, All Urban Consumers, Anchorage, Alaska Area, All Items 2000 – present = 100 ("CPI-U"), as published by the United States Department of Labor, Bureau of Labor Statistics most recently before the Annual Rent Adjustment Date. If the CPI-U is revised or ceases to be published, Landlord instead shall use such revised or other index, with whatever adjustment in its application is necessary, to most nearly approximate in Landlord's judgment the CPI-U for the relevant period.

4.03 Taxes, Assessments and Other Governmental Charges. Tenant shall pay prior to delinquency all taxes, installments of assessments that are payable in installments and other governmental charges lawfully levied or assessed upon or with respect to the Property, improvements on the Property and personal property that is situated on the Property; provided that Tenant may contest in good faith any such tax, assessment or other governmental charge without subjecting the Property to lien or forfeiture. If an assessment on the Property that is not payable in installments becomes due during the Term, Tenant shall be obligated to pay the fraction of the assessment that is determined by dividing the number of years remaining in the Term by 10. If the Term of this Lease is subsequently extended renewed (i.e. if Tenant and Landlord later enter into a new lease without putting the Property out for competitive bidding as referenced in Section 2.02), then the part of the assessment that Tenant shall be liable for shall be determined by adding the extended or renewal term to the number of years remaining in the Term when the assessment became due. If the Term commences or expires during a tax year, the taxes or assessments payable for that year will be prorated between Landlord and Tenant. Tenant shall exhibit to Landlord, on demand, receipts evidencing payment of all such taxes, assessments and other governmental charges. Any taxes, installments of assessments on the Property that are due to or collectible by Landlord, or for which Landlord becomes liable that are attributable to any portion of the Term, shall be Additional Rent.

4.04 Utility Charges. Tenant shall pay all charges for utility and other services provided to or used on the Property, including without limitation gas, heating oil, electric, water, sewer, heat, snow removal, telephone, internet service and refuse removal. Tenant shall be solely responsible for the cost of utility connections. Any of the preceding due to or collectible by Landlord shall be Additional Rent.

4.05 Tenant to Pay for City Services. Tenant shall pay for all services provided by the City of Homer that are related to the use or operation of the Property, improvements thereon and Tenant's activities thereon, at the rates established by the City of Homer from time to time for such services, including without limitation wharfage, crane use, ice, and other Port and Harbor services. Tenant shall provide the City of Homer with the information necessary to determine the amount of service charges owed, keep written records of such information for not less than two years after such charges are due, and, upon request, make such records available to the City of Homer for inspection and audit.

4.06 Additional Rent and Landlord's Right to Cure Tenant's Default. All costs or expenses that Tenant is required to pay under this Lease at Landlord's election will be treated as Additional Rent, and Landlord may exercise all rights and remedies provided in this Lease in the event of nonpayment. If Tenant defaults in making any payment required of Tenant or defaults in performing any term, covenant or condition of this Lease that involves the expenditure of money by Tenant, Landlord may, but is not obligated to, make such payment or expenditure on behalf of Tenant, and any and all sums so expended by Landlord, with interest thereon at the Default Rate from the date of expenditure until repaid, will be Additional Rent and shall be repaid by Tenant to Landlord on demand, provided, however, that such payment or expenditure by Landlord will not waive Tenant's default, or affect any of Landlord's remedies for such default.

4.07 Security Deposit. Upon execution of this Lease, and in addition to any other security or credit support provided by or for the benefit of Tenant in entering into this Lease, Tenant shall deposit with Landlord an amount equal to 10% of the annual Base Rent as security for Tenant's performance of its obligations under this Lease. Landlord may commingle the security deposit with other funds of Landlord, and its obligations with respect to such security deposit shall only be as a debtor and not as a trustee or fiduciary. If Tenant defaults in performing any obligation under this Lease, including without limitation the payment of rent, Landlord may apply all or any portion of the security deposit to the payment of any sum in default or any damages suffered by Landlord as result of the default, or any sum that Landlord may be required to incur by reason of the default. Upon demand, Tenant shall deposit with Landlord the amount so applied so that Landlord will have the full deposit on hand at all times during the Term.

ARTICLE 5. SECURITY INTEREST

To secure the performance of Tenant's obligations under this Lease, including without limitation the obligations to pay rent and other sums to be paid by Tenant, Tenant grants to Landlord a lien and security interest in the following collateral: ("Collateral"): (1) all security deposits or other monies owing from Landlord to Tenant (as collateral in the possession of the secured party); (2) all insurance proceeds from any policy insuring the Property or improvements thereon; (3) all compensation payable to Tenant as a result of eminent domain proceedings or a transfer in lieu thereof; (4) all rents from Tenant's subletting of all or a part of the Property; and (5) all improvements on the Property, including any Required Improvements. Said lien and security interest will be in addition to Landlord's liens provided by law.

This Lease shall constitute a mortgage by Tenant as mortgagor of all right, title and interest of Tenant in and to any and all improvements on the Property, including any Required

Improvements, in favor of Landlord as mortgagee, and the recorded memorandum of this Lease shall reference Landlord as mortgagee of such improvements. In addition, Tenant shall execute, such financing statements and other instruments as Landlord may now or hereafter reasonably request to evidence the liens, mortgages and security interests granted by Tenant hereunder, including any deed of trust pertaining to additions, alterations and improvements on the Property. This Lease also constitutes a security agreement under the Uniform Commercial Code as enacted in Alaska (“UCC”), and Landlord will have all rights and remedies of a secured party under the UCC regarding the Collateral.

ARTICLE 6. USE AND IMPROVEMENT OF PROPERTY

6.01 Use of Property. Tenant shall use and, if applicable, improve the Property only in the manner described in Tenant’s proposal or application for the Property as more fully set forth on **Exhibit D**. Tenant’s undertaking to use and, if applicable, improve the Property as described on Exhibit D is a material inducement to Landlord leasing the Property to Tenant, and Tenant shall not use or improve the Property for any purpose other than as described on Exhibit D without Landlord’s written consent, which consent Landlord may withhold in its sole discretion.

Tenant’s proposed use of the Property is a restaurant, gift shop, general store, with future allowable uses: laundry/shower facility, and rental units.

6.02 Required Improvements. Tenant shall, at Tenant’s sole expense, construct, and at all times during the Term keep and maintain as the minimum development on the Property the Required Improvements as described on Exhibit D and as depicted more specifically in the site plan in **Exhibit E**. If the Required Improvements are not in place at the commencement of the Term, Tenant shall commence construction of the Required Improvements within one year after the date of commencement of the Term, prosecute the construction of the Required Improvements with diligence, and Complete construction of the Required Improvements within one additional year.

6.03 Construction Prerequisites. Tenant may not commence any construction on the Property, including without limitation construction of the Required Improvements, without first satisfying the following conditions:

(a) Not less than thirty (30) days before commencing construction, Tenant shall submit to Landlord preliminary plans and specifications, and an application for a City of Homer zoning permit, for the construction, showing the layout of proposed buildings and other improvements, ingress and egress, dimensions and locations of utilities, drainage plans, and any other information required for the zoning permit or other required permits. The preliminary plans and specifications are subject to Landlord’s approval, which will not be unreasonably withheld, as well as all specific requirements for the issuance of any permits or zoning variances. Landlord shall communicate approval or disapproval in the manner provided for notices hereunder, accompanying any disapproval with a statement of the grounds therefor. Tenant shall be responsible for complying with all laws governing the construction, including any specific requirements for the issuance of any permits or zoning variances, notwithstanding Landlord’s approval of preliminary plans and specifications under this paragraph.

(b) Not less than fifteen (15) days before commencing construction, Tenant shall deliver to Landlord one complete set of final working plans and specifications as approved by the governmental agencies whose approval is required for Tenant to commence construction. The final working plans and specifications shall conform substantially to the preliminary plans and specifications previously approved by Landlord, subject to changes made to comply with

suggestions, requests or requirements of a governmental agency or official in connection with the application for permit or approval.

(c) Not less than five (5) days before commencing construction, Tenant shall give Landlord written notice of its intent to commence construction, and furnish to Landlord the following:

- (1) Proof that all applicable federal, state and local permits required for the construction have been obtained.
- (2) For construction, alteration or restoration of Required Improvements, a current certificate of insurance with the coverages specified in Section 9.04(c).

6.04 Extensions of Time for Completion of Required Improvements. Landlord shall grant an extension of the time to Complete the Required Improvements for a period of time equal to the duration of an Excusable Delay, upon Tenant's written request describing the nature of the Excusable Delay, provided Tenant has commenced construction in a timely manner and is proceeding diligently to Complete construction.

6.05 Additional and Replacement Improvements.

(a) Construction of alterations, additions improvements that are not consistent with terms of this Lease or the proposed uses for the Property set forth on Exhibit D is prohibited unless the improvements are authorized by an amendment to this Lease approved by the Council via resolution.

(b) Subject to Section 6.05(a), upon satisfying the conditions in section 6.03, Tenant at any time may, but is not obligated to, construct new improvements on the Property and demolish, remove, replace, alter, relocate, reconstruct or add to existing improvements; provided that Tenant is not then in default under this Lease and provided further that Tenant continuously maintains on the Property the Required Improvements, or their equivalent of equal or greater value. Once any work is begun, Tenant shall with reasonable diligence prosecute to Completion all construction of improvements, additions, alterations, or other work. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.

6.06 As-Built Survey. Within 30 days after Completion of construction of any improvements on the Property involving construction, alteration, addition, removal or demolition of the foundation, structure, utility services, ingress and egress, or any major changes of all or any part of any structure or improvement on the Property, Tenant shall provide Landlord with three copies of an as-built survey of the Property prepared by a registered professional surveyor, showing the location of all improvements on the Property, including underground utilities, pipelines and pre-existing improvements. Tenant shall accompany the as-built survey with a description of all changes from the approved plans or specifications made during the course of the work.

6.07 Ownership of Improvements. Other than the Required Improvements, any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property by Tenant will be and remain the property of Tenant at all times during the Term and may be removed or replaced by Tenant during the Term, subject to the provisions Section 6.08.

6.08 Disposition of Improvements at End of Term.

(a) Unless excepted by operation of the following subsection (b), any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property become the property of Landlord upon expiration or earlier termination of the Term.

(b) One year before the expiration of the Term, the Landlord and Tenant shall determine if the buildings, fixtures and improvements constructed or maintained on the Property, including the Required Improvements, are structurally sound and in good condition. If such buildings, fixtures and improvements constructed or maintained on the Property are structurally sound and in good condition, Tenant shall leave such improvements intact with all components, including without limitation doors, windows, and plumbing, electrical and mechanical fixtures and systems, in good condition and ready for use or occupancy, upon expiration of the Term, and Tenant shall execute, acknowledge, and deliver to Landlord a proper instrument in writing releasing and quitclaiming to Landlord all of Tenant's interest in such buildings, fixtures and improvements. Tenant shall be obligated to and shall remove, prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property that are not structurally sound and in good condition, and Landlord shall not have or obtain any ownership interest in such buildings, fixtures and improvements by reason of this Lease.

(c) If Landlord terminates this Lease because of a default by Tenant prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property shall, at Landlord's option, become the property of Landlord, which may use or dispose of them in its sole discretion. If Landlord elects not to obtain ownership of such buildings, fixtures and improvements under the preceding sentence or elects to remove any of such buildings, fixtures or improvements for any reason, Tenant shall be obligated to and shall remove such buildings, fixtures or improvements.

(d) Tenant shall notify Landlord before commencing the removal of an improvement as required under the preceding subsections (b) and/or (c) and coordinate the removal work with Landlord. Once Tenant commences the removal work, Tenant shall prosecute the removal with reasonable diligence to Completion and shall repair all damages to the Property caused by such removal no later than the expiration of the Term. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.

(e) If Tenant fails to remove any improvements from the Property that Tenant is required to remove under and per the terms of the preceding subsections (b), (c) and/or (d), Tenant shall pay Landlord the costs that Landlord incurs in removing and disposing of the improvements and repairing damages to the Property caused by such removal.

ARTICLE 7. CARE AND USE OF THE PROPERTY

7.01 Maintenance of the Property. Tenant at its own cost and expense shall keep the Property and all buildings and improvements that at any time may be situated thereon in a clean, safe and orderly condition, and in good repair at all times during the Term.

7.02 Repair of Improvements.

(a) Except as provided in Section 7.02(b), in the event any buildings or improvements situated on the Property by Tenant are damaged or destroyed by fire, earthquake, tsunami, or other casualty, Tenant shall at Tenant's expense restore the same to good and tenantable condition or shall remove the same as soon as is reasonably possible, but in no event may the period of restoration exceed 18 months nor may the period of removal exceed 45 days.

(b) Unless Tenant is excused from the obligation under this paragraph, if the Required Improvements or any part thereof are damaged or destroyed by fire, earthquake, tsunami, or other casualty, rendering the Required Improvements totally or partially inaccessible or unusable, Tenant shall at Tenant's expense restore the Required Improvements to substantially the same condition as they were in immediately before such damage, provided that:

- (1) if the cost of repairing or restoring the Required Improvements, less any available insurance proceeds not reduced by applicable deductibles and coinsurance, exceeds 10% of the replacement cost of the Required Improvements, then Tenant may terminate this Lease by giving notice to Landlord of Tenant's election to terminate within 15 days after determining the restoration cost and replacement cost, and this Lease shall terminate as of the date of such notice;
- (2) if the repair or restoration of the Required Improvements would be contrary to law, either party may terminate this Lease immediately by giving notice to the other party; or
- (3) if such damage or casualty to the Required Improvements occurs within three years before the end of the Term, Tenant may, in lieu of restoring or replacing the Required Improvements, terminate this Lease by giving written notice of termination to Landlord within 120 days after such damage or casualty.

Nothing in this paragraph relieves Tenant of the obligation to surrender the Property upon the expiration or earlier termination of the Term in the condition required by Section 3.03.

7.03 Nuisances Prohibited. Tenant at all times shall keep the Property in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests; junk, abandoned or discarded property, including without limitation vehicles, equipment, machinery or fixtures; and litter, rubbish or trash. Tenant shall not use the Property in any manner that will constitute waste or a nuisance. Landlord, at Tenant's expense and without any liability to Tenant, may remove or abate any such junk, abandoned or discarded property, litter, rubbish or trash, or nuisance on the Property after 15 days written notice to Tenant, or after (4) four hour notice to Tenant in writing, by telephone, facsimile or in person if Landlord makes a written finding that such removal or abatement is required to prevent imminent harm to public health, safety or welfare. Tenant shall pay Landlord all the costs of such removal, plus interest at the Default Rate, as Additional Rent under this Lease. This section does not limit or waive any other remedy available to the City of Homer to abate any nuisance or for the violation of the Homer City Code.

7.04 Compliance with Laws. Tenant's improvement and use of the Property shall comply with all governmental statutes, ordinances, rules and regulations, including without limitation the City of Homer Zoning Code and all applicable building codes, now or hereafter in effect.

7.05 Liens. Except as provided in Article 13, Tenant may not permit any lien, including without limitation a mechanic's or materialman's lien, to be recorded against the Property. If any such lien is recorded against the Property, Tenant shall cause the same to be removed; provided that Tenant may in good faith and at Tenant's own expense contest the validity of any such lien without subjecting the Property to foreclosure, and in the case of a mechanic's or materialman's lien, if Tenant has furnished the bond required in A.S. 34.35.072 (or any comparable statute hereafter enacted providing for a bond freeing the Property from the effect of such a lien claim). Tenant shall indemnify and save Landlord harmless from all liability for damages occasioned by any such lien, together with all costs and expenses (including attorneys' fees) incurred by Landlord in negotiating, settling, defending, or otherwise protecting against such lien and shall, in the event of

a judgment of foreclosure of the lien, cause the same to be discharged and removed prior to any attempt at execution of such judgment.

7.06 Radio Interference. Upon Landlord's request, Tenant shall discontinue the use on the Property of any source of electromagnetic radiation that interferes with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

7.07 Signs. Tenant may only erect signs on the Property that comply with state and local sign laws and ordinances. City Planning Department approval is required prior to the erection of any sign on the Property.

7.08 Garbage Disposal. Tenant shall keep any garbage, trash, rubbish or other refuse in industry standard containers until removed, and cause all garbage, trash, rubbish or other refuse on the Property to be collected and transported to a Kenai Peninsula Borough solid waste facility or transfer station at least once a week. Tenant may not place garbage, trash, rubbish or other refuse from the Property in Landlord's garbage disposal facilities on the Homer Spit or any other public facility.

7.09 Access Rights of Landlord. Landlord's agents and employees shall have the right, but not the obligation, to enter the Property at all reasonable times to inspect the use and condition of the Property; to serve, post or keep posted any notices required or allowed under the provisions of this Lease, including notices of non-responsibility for liens; and to do any act or thing necessary for the safety or preservation of the Property.

ARTICLE 8. ASSIGNMENT AND SUBLEASE

8.01 Assignment or Sublease Absent Consent is Void.

(a) Tenant shall not assign or sublease its interest in this Lease or in the Property without compliance with applicable provisions of the Lease Ordinance, including applying for and receiving consent of Council, and any attempted assignment or sublease absent such compliance is and shall be null and void and of no effect and, at Landlord's election, will constitute an event of default hereunder.

(b) If Tenant seeks to assign or sublease its interest in this Lease or in the Property, in addition to compliance with applicable provisions of the Lease Ordinance, Tenant shall request consent of Council to such assignment or sublease in writing at least 30 days prior to the effective date of the proposed assignment or sublease, accompanied by a copy of the proposed assignment or sublease. If Tenant subleases any portion of the Property, Tenant shall be assessed Additional Rent equal to 10% of the current Base Rent for the subleased area.

(c) No consent to any assignment or sublease waives Tenant's obligation to obtain Landlord's consent to any subsequent assignment or sublease. An assignment of this Lease shall require the assignee to assume the Tenant's obligations hereunder, and shall not release Tenant from liability hereunder unless Landlord specifically so provides in writing.

8.02. Events that Constitute an Assignment. If Tenant is a partnership or limited liability company, a withdrawal or change, voluntary, involuntary or by operation of law, of one or more partners or members owning 25% or more of the entity, or the dissolution of the entity, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance. If Tenant is a corporation, any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or other transfer of a controlling percentage of the capital

stock of Tenant, or the sale of 25% of the value of the assets of Tenant, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance; provided that if Tenant is a corporation the stock of which is traded through an exchange or over the counter, a sale or other transfer of a controlling percentage of the capital stock of Tenant will not constitute such an assignment. The phrase “controlling percentage” means the ownership of, and the right to vote, stock possessing at least 25% of the total combined voting power of all classes of Tenant’s capital stock issued, outstanding and entitled to vote for the election of directors.

8.03. Costs of Landlord’s Consent to be Borne by Tenant. As a condition to Landlord’s consent to any assignment or sublease under section 8.01 and the Lease Ordinance, Tenant shall pay Landlord’s reasonable costs, including without limitation attorney’s fees and the expenses of due diligence inquiries, incurred in connection with any request by Tenant for Landlord’s consent to the assignment or sublease.

ARTICLE 9. LIABILITY, INDEMNITY AND INSURANCE

9.01 Limitation of Landlord Liability. Landlord, its officers and employees shall not be liable to Tenant for any damage to the Property or the buildings and improvements thereon, or for death or injury of any person or damage to any property, from any cause; however, this provision shall not affect the liability of Landlord, its officers and employees on any claim to the extent the claim arises from their negligence or willful misconduct.

9.02 Indemnity Generally. Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from all claims arising from death or injury of any person or damage to any property occurring in or about the Property; however, this provision shall not apply to any claim to the extent the claim arises from the sole negligence or willful misconduct of Landlord, its officers and employees.

9.03 Indemnity for Emergency Service Costs. Without limiting the generality of Section 9.02, in the event of a major fire or other emergency, Tenant shall reimburse Landlord for the cost of providing fire-fighting and other emergency service to Tenant, the Property or at any other location where the fire or emergency requiring response arises from or is related to the use of the Property or Tenant’s operations. For purposes of this section, a major fire or other emergency is one that requires more than five man-hours of effort by the City of Homer Fire Department.

9.04 Insurance Requirements.

(a) Without limiting Tenant’s obligations to indemnify under this Lease, Tenant at its own expense shall maintain in force such policies of insurance with a carrier or carriers reasonably satisfactory to Landlord and authorized to conduct business in the state of Alaska, as Landlord may reasonably determine are required to protect Landlord from liability arising from Tenant’s activities under this Lease, including the minimum insurance requirements set forth for tenants under the Lease Ordinance. Landlord’s insurance requirements in the Lease Ordinance (or any superseding policy permitted under the Lease Ordinance) specify only the minimum acceptable coverage and limits, and if Tenant’s policy contains broader coverage or higher limits, Landlord shall be entitled to such coverage to the extent of such higher limits.

(b) Without limiting the generality of the foregoing, Tenant shall maintain in force at all times during the Term the following minimum policies of insurance:

- (1) Comprehensive general liability insurance with limits of liability not less than a combined single limit for bodily injury and property damage of \$1,000,000 each

occurrence and \$2,000,000 aggregate. This insurance shall also be endorsed to provide contractual liability insuring Tenant's obligations to indemnify under this Lease.

- (2) Comprehensive automobile liability covering all owned, hired and non-owned vehicles with coverage limits not less than \$1,000,000 occurrence combined single limit for bodily injury and property damage.
- (3) Workers' compensation insurance as required by AS 23.30.045. This coverage shall include employer's liability protection not less than \$1,000,000 per person, \$1,000,000 per occurrence. Where applicable, coverage for all federal acts (i.e. U.S. Longshoremen and Harbor Worker's Compensation and Jones Acts) shall also be included. The workers' compensation insurance shall contain a waiver of subrogation clause in favor of Landlord.
- (4) Based on the authorized uses of the Property stated in Section 6.01, environmental insurance is not required. However, if Tenant uses the Property, with or without authorization from the Landlord, for purposes other than those stated in paragraph Section 6.01, if Landlord so elects, and within 10 days after Landlord gives notice of such election, Tenant shall procure and at all times thereafter maintain, at its expense, environmental remediation and environmental impairment liability, including sudden and accidental coverage, gradual pollution coverage, and clean-up cost coverage associated with any activity by Tenant or others on, from, or related to the Property, with coverage limits not less than \$1,000,000 for any one accident or occurrence. Coverage shall extend to loss arising as a result of the work or services or products furnished, used or handled in connection with Tenant's operations contemplated under this Lease.
- (5) Property insurance covering the Required Improvements described in Section 6.02 in an amount not less than full replacement cost of the Required Improvements. This policy shall include boiler and machinery coverage.

(c) During any construction of the Required Improvements and during any subsequent alteration or restoration of the Required Improvements at a cost in excess of \$250,000 per job, Tenant shall maintain builder's risk insurance in an amount equal to the completed value of the project.

(d) Tenant shall furnish Landlord with certificates evidencing the required insurance not later than the date as of which this Lease requires the insurance to be in effect, and the provision of any such certificates due at or prior to the commencement of the Term shall be a condition precedent to the commencement of the Term. The certificates and the insurance policies required by this Section shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire, and limits of liability will not be reduced, without at least 30 days' prior written notice to Landlord. Landlord shall be named as an additional insured under all policies of liability insurance required of Tenant. Landlord's acceptance of a deficient certificate of insurance does not waive any insurance requirement in this Lease. Tenant also shall grant Landlord permission to obtain copies of insurance policies from all insurers providing required coverage to Tenant by executing and delivering to Landlord such authorizations substantially in the form of **Exhibit F** as Landlord may request.

ARTICLE 10. ENVIRONMENTAL MATTERS

10.01 Use of Hazardous Substances. Tenant shall not cause or permit the Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce or process any Hazardous Substance, except as is necessary or useful to Tenant's authorized uses of the Property stated in Section 6.01, and only in compliance with all applicable Environmental Laws. Any Hazardous Substance permitted on the Property as provided in this section, and all containers therefor, shall be handled, used, kept, stored and disposed of in a manner that complies with all applicable Environmental Laws, and handled only by properly trained personnel.

10.02 Prevention of Releases. Tenant shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of Tenant or any of its agents, employees, contractors, tenants, subtenants, invitees or other users or occupants of the Property, a release of any Hazardous Substance onto the Property or onto any other property.

10.03 Compliance with Environmental Laws. Tenant at all times and in all respects shall comply, and will use its best efforts to cause all tenants, subtenants and other users and occupants of the Property to comply, with all Environmental Laws, including without limitation the duty to undertake the following specific actions: (i) Tenant shall, at its own expense, procure, maintain in effect and comply with all conditions of, any and all permits, licenses and other governmental and regulatory approvals required by all Environmental Laws, including without limitation permits required for discharge of (appropriately treated) Hazardous Substances into the ambient air or any sanitary sewers serving the Property; and (ii) except as discharged into the ambient air or a sanitary sewer in strict compliance with all applicable Environmental Laws, all Hazardous Substances from or on the Property to be treated and/or disposed of by Tenant will be removed and transported solely by duly licensed transporters to a duly licensed treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

10.04 Notice. Tenant shall promptly give Landlord (i) written notice and a copy of any notice or correspondence it receives from any federal, state or other government agency regarding Hazardous Substances on the Property or Hazardous Substances which affect or will affect the Property; (ii) written notice of any knowledge or information Tenant obtains regarding Hazardous Substances or losses incurred or expected to be incurred by Tenant or any government agency to study, assess, contain or remove any Hazardous Substances on or near the Property, and (iii) written notice of any knowledge or information Tenant obtains regarding the release or discovery of Hazardous Substances on the Property.

10.05 Remedial Action. If the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment or disposal at the Property of any Hazardous Substance (i) gives rise to liability (including but not limited to a response action, remedial action or removal action) under any Environmental Law, (ii) causes a significant public health effect, or (iii) pollutes or threatens to pollute the environment, Tenant shall, at its sole expense, promptly take any and all remedial and removal action necessary to clean up the Property and mitigate exposure to liability arising from the Hazardous Substance, whether or not required by law.

10.06 Indemnification. Subject to Section 10.09, Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from and against any and all claims, disbursements, demands, damages (including but not limited to consequential, indirect or punitive damages), losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including experts', consultants' and attorneys' fees and expenses, and including without limitation remedial, removal, response, abatement, cleanup, legal, investigative and monitoring costs), imposed against Landlord, arising directly or indirectly from or out of, or in any way connected

with (i) the failure of Tenant to comply with its obligations under this Article; (ii) any activities on the Property during Tenant's past, present or future possession or control of the Property which directly or indirectly resulted in the Property being contaminated with Hazardous Substances; (iii) the discovery of Hazardous Substances on the Property whose presence was caused during the possession or control of the Property by Tenant; (iv) the clean-up of Hazardous Substances on the Property; and (v) any injury or harm of any type to any person or damage to any property arising out of or relating to Hazardous Substances on the Property or from the Property on any other property. The liabilities, losses, claims, damages, and expenses for which Landlord is indemnified under this section shall be reimbursable to Landlord as and when the obligation of Landlord to make payments with respect thereto are incurred, without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and Tenant shall pay such liability, losses, claims, damages and expenses to Landlord as so incurred within 10 days after notice from Landlord itemizing in reasonable detail the amounts incurred (provided that no itemization of costs and expenses of counsel to Landlord is required where, in the determination of Landlord, such itemization could be deemed a waiver of attorney-client privilege).

10.07 Survival of Obligations. The obligations of Tenant in this Article, including without limitation the indemnity provided for in Section 10.06, are separate and distinct obligations from Tenant's obligations otherwise provided for herein and shall continue in effect after the expiration of the Term.

10.08 Claims against Third Parties. Nothing in this Article shall prejudice or impair the rights or claims of Tenant against any person other than Landlord with respect to the presence of Hazardous Substances as set forth above.

10.09 Extent of Tenant's Obligations. Tenant's obligations under this Article apply only to acts, omissions or conditions that (i) occur in whole or in part during the Term or during any time of Tenant's possession or occupancy of the Property prior to or after the Term of this Lease; or (ii) are proximately caused in whole or in part by the occupancy of, use of, operations on, or actions on or arising out of the Property by Tenant or its employees, agents, customers, invitees or contractors.

10.10 Inspection at Expiration of Term. Within 90 days before the expiration of the Term, Tenant shall at its own expense obtain a Phase I environmental inspection of the Property, and conduct any further inspection, including without limitation test holes, that is indicated by the results of the Phase I inspection. Tenant, at its own expense, shall remediate any contamination of the Property that is revealed by the inspections and that is Tenant's responsibility under this Article.

ARTICLE 11. CONDEMNATION

11.01 Article Determines Parties' Rights and Obligations. If any entity having the power of eminent domain exercises that power to condemn the Property, or any part thereof or interest therein, or acquires the Property, or any part thereof or interest therein by a sale or transfer in lieu of condemnation, the interests of Landlord and Tenant in the award or consideration for such transfer and the effect of the taking or transfer upon this Lease will be as provided in this Article.

11.02 Total Taking. If all of the Property is taken or so transferred, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority.

11.03. Partial Taking. If the taking or transfer of part of the Property causes the remainder of the Property to be not effectively and practicably usable in the opinion of the Tenant for the purpose of operation thereon of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority. If the taking or transfer of part of the Property leaves the remainder of the Property effectively and practicably usable in the opinion of Tenant for the operation of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate as to the portion of the Property so taken or transferred on the date title to the Property vests in the condemning authority, but will continue in full force and effect as to the portion of the Property not so taken or transferred, and the Base Rent will abate in the proportion that the portion of the Property taken bears to all of the Property.

11.04 Compensation. Landlord and Tenant each may make a claim against the condemning or taking authority for the amount of just compensation due to it. Tenant shall make no claim against Landlord for damages for termination of the leasehold or interference with Tenant's business, even if Landlord is the condemning or taking authority. Neither Tenant nor Landlord will have any rights in or to any award made to the other by the condemning authority; provided, that if a single award to Landlord includes specific damages for loss of Tenant's leasehold interest separately awarded in the eminent domain proceeding and not as a part of the damages recoverable by Landlord, Landlord will transmit such separately awarded damages to Tenant.

ARTICLE 12. DEFAULT

12.01. Events of Default. Each of the following shall constitute an event of default under this Lease:

(a) The failure of Tenant to pay Rent or any other sum of money due under this Lease within ten (10) days after the date such payment is due.

(b) The failure of Tenant to perform or observe any covenant or condition of this Lease, other than a default in the payment of money described in the preceding subsection (a), which is not cured within thirty (30) days after notice thereof from Landlord to Tenant, unless the default is of a kind that cannot be cured within such 30-day period, in which case no event of default shall be declared so long as Tenant shall commence the curing of the default within such 30 day period and thereafter shall diligently and continuously prosecute the curing of same.

(c) The use of the Property or buildings and improvements thereon for purposes other than those permitted herein, to which Landlord has not given its written consent.

(d) The commencement of a case under any chapter of the federal Bankruptcy Code by or against Tenant, or the filing of a voluntary or involuntary petition proposing the adjudication of Tenant as bankrupt or insolvent, or the reorganization of Tenant, or an arrangement by Tenant with its creditors, unless the petition is filed or case commenced by a party other than Tenant and is withdrawn or dismissed within ninety (90) days after the date of its filing.

(e) The admission in writing by Tenant of its inability to pay its debts when due; the appointment of a receiver or trustee for the business or property of Tenant, unless such appointment shall be vacated within ten (10) days after its entry; Tenant making an assignment for the benefit of creditors; or the voluntary or involuntary dissolution of Tenant.

12.02 Landlord's Remedies. Upon the occurrence of an event default, Landlord has all of the following remedies, all in addition to any other remedies that Landlord may have at law or in equity:

(a) Landlord may terminate this Lease by written notice to Tenant, upon which termination Tenant shall immediately surrender possession of the Property, vacate the Property, and deliver possession of the Property to Landlord. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates this Lease in accordance with this subsection (a), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

(b) Landlord may by written notice declare Tenant's right to possession of the Property terminated without terminating this Lease. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates Tenant's right of possession in accordance with this subsection (b), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

(c) Subject to Section 12.01(e), Landlord may relet the Property in whole or in part for any period equal to or greater or less than the remainder of the Term, as applicable, for any sum that Landlord may deem reasonable.

(d) Landlord may collect any and all rents due or to become due from subtenants or other occupants of the Property.

(e) Landlord may recover from Tenant, with or without terminating this Lease, actual attorney's fees and other expenses incurred by Landlord by reason of Tenant's default and elect to recover damages described under either (1) or (2):

- (1) from time to time, an amount equal to the sum of all Base Rent and other sums that have become due and remain unpaid, less the rent, if any, collected by Landlord on reletting the Property reduced by the amount of all expenses incurred by Landlord in connection with reletting the Property; or
- (2) immediately upon Tenant's default, an amount equal to the difference between the Base Rent and the fair rental value of the Property for the remainder of the Term, discounted to the date of such default at a rate per annum equal to the rate at which Landlord could borrow funds for the same period as of the date of such default.

(f) Reentry or reletting of the Property, or any part thereof, shall not terminate this Lease, unless accompanied by Landlord's written notice of termination to Tenant.

12.03 Assignment of Rents. Tenant immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any subletting of all or a part of the Property, and Landlord, as assignee and attorney-in-fact for Tenant, or a receiver for Tenant appointed on Landlord's application, may collect such rent and apply it toward Tenant's obligations under this Lease, except that Tenant has the right to collect such rent until the occurrence of an event of default by Tenant.

ARTICLE 13. LEASEHOLD MORTGAGES

13.01. Mortgage of Leasehold Interest. Tenant shall have the right at any time, and from time to time, to subject the leasehold estate and any or all of Tenant's improvements situated on the Property to one or more deeds of trust, mortgages, and other collateral security instruments as security for a loan or loans or other obligation of Tenant (each a "Leasehold Mortgage"), subject to the remainder of this Article 13.

13.02 Subordinate to Lease. The Leasehold Mortgage and all rights acquired under it shall be subject and subordinate to all the terms of this Lease, and to all rights and interests of Landlord except as otherwise provided in this Lease.

13.03 Notice to Landlord. Tenant shall give Landlord notice before executing each Leasehold Mortgage, and shall accompany the notice with a true copy of the note and the Leasehold Mortgage as proposed for execution. Upon Landlord's written consent to the Leasehold Mortgage and upon execution of the Leasehold Mortgage by all parties, the mortgagee shall become a Qualified Mortgagee as that term is used in this Lease. Tenant also shall deliver to Landlord a true and correct copy of any notice from a Qualified Mortgagee of default or acceleration of the maturity of the note secured by a Leasehold Mortgage promptly following Tenant's receipt thereof.

13.04 Modification or Termination. No action by Tenant or Landlord to cancel, surrender, or materially modify the economic terms of this Lease or the provisions of Article 11 will be binding upon a Qualified Mortgagee without its prior written consent.

13.05 Notice to Qualified Mortgagee.

(a) If Landlord gives any notice hereunder to Tenant, including without limitation a notice of an event of default, Landlord shall give a copy of the notice to each Qualified Mortgagee at the address previously designated by it.

(b) If a Qualified Mortgagee changes its address or assigns the Leasehold Mortgage, the Qualified Mortgagee or assignee may change the address to which such copies of notices hereunder shall be sent by written notice to Landlord. Landlord will not be bound to recognize any assignment of a Qualified Mortgage unless and until Landlord has been given written notice thereof, a copy of the executed assignment, and the name and address of the assignee. Thereafter, the assignee will be deemed to be the Qualified Mortgagee hereunder with respect to the assigned Leasehold Mortgage.

(c) If a Leasehold Mortgage is held by more than one person, Landlord shall not be required to give notices to the Qualified Mortgagee of the Leasehold Mortgage unless and until all of the holders of the Leasehold Mortgage give Landlord an original executed counterpart of a written designation of one of their number to receive notices hereunder. Notice given to the one so designated is effective as notice to all them.

13.06 Performance of Tenant Obligations.

(a) A Qualified Mortgagee may perform any obligation of Tenant and remedy any default by Tenant under this Lease within the time periods specified in the Lease, and Landlord shall accept such performance with the same force and effect as if furnished by Tenant; provided, however, that the Qualified Mortgagee will not thereby be subrogated to the rights of Landlord.

(b) Tenant may delegate irrevocably to a Qualified Mortgagee the non-exclusive authority to exercise any or all of Tenant's rights hereunder, but no such delegation will be binding upon Landlord unless and until either Tenant or the Qualified Mortgagee gives Landlord a true copy of a written instrument effecting such delegation.

(c) If Tenant defaults in the payment of any monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 10 days after the expiration of any grace or cure periods granted Tenant herein. If Tenant defaults in the performance of any non-monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 30 days after the expiration of any grace or cure periods granted Tenant herein.

13.07 Possession by Qualified Mortgagee. A Qualified Mortgagee may take possession of the Property and vest in the interest of Tenant in this Lease upon the performance of the following conditions:

(a) The payment to Landlord of any and all sums due to Landlord under this Lease, including without limitation accrued unpaid rent.

(b) The sending of a written notice to Landlord and Tenant of the Qualified Mortgagee's intent to take possession of the Property and assume the Lease.

(c) The curing of all defaults not remediable by the payment of money within an additional 30 days after the date upon which such default was required to be cured by Tenant under the terms of this Lease.

13.08 No Liability of Mortgagee Without Possession. A Qualified Mortgagee shall have no liability or obligation under this Lease unless and until it sends to Landlord the written notice described in paragraph 13.07(b). Nothing in this Lease or in the taking of possession of the Property and assumption of the Lease by a Qualified Mortgagee or a subsequent assignee shall relieve Tenant of any duty or liability to Landlord under this Lease.

13.09 New Lease. If a Qualified Mortgagee acquires Tenant's leasehold as a result of a judicial or non-judicial foreclosure under a Leasehold Mortgage, or by means of a deed in lieu of foreclosure, the Qualified Mortgagee thereafter may assign or transfer Tenant's leasehold to an assignee upon obtaining Landlord's written consent thereto, which consent will not be unreasonably withheld or delayed but which assignment will be subject to all of the other provisions of Article 8 and any provisions of the Lease Ordinance concerning acceptable assignees. Upon such acquisition by a Qualified Mortgagee or its assignee of Tenant's leasehold, Landlord will execute and deliver a new ground lease of the Property to the Qualified Mortgagee or its assignee not later than 120 days after such party's acquisition of Tenant's leasehold. The new ground lease will be identical in form and content to this Lease, except with respect to the parties thereto, the term thereof (which will be co-extensive with the remaining Term hereof), and the elimination of any requirements that Tenant fulfilled prior thereto, and the new ground lease will have priority equal to the priority of this Lease. Upon execution and delivery of the new ground lease, Landlord will cooperate with the new tenant, at the sole expense of said new tenant, in taking such action as may be necessary to cancel and discharge this Lease and to remove Tenant from the Property.

ARTICLE 14. GENERAL PROVISIONS

14.01 Authority. Tenant represents and warrants that it has complete and unconditional authority to enter into this Lease; this Lease has been duly authorized by Tenant's governing body; this Lease is a binding and enforceable agreement of and against Tenant; and the person executing the Lease on Tenant's behalf is duly and properly authorized to do so.

14.02 Estoppel Certificates. Either party shall at any time and from time to time upon not less than 30 days prior written request by the other party, execute, acknowledge and deliver to such party, or to its designee, a statement in writing certifying that this Lease is in full force and effect and has not been amended (or, if there has been any amendment thereof, that the same is in full force and effect as amended and stating the amendment or amendments); that there are no defaults existing, (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the Base Rent and other charges have been paid in advance. The requesting party shall pay the cost of preparing an estoppel certificate, including the cost of conducting due diligence investigation and attorney's fees.

14.03 Delivery of Notices -Method and Time. All notices, demands or requests from one party to another shall be delivered in person or be sent by (i) mail, certified or registered, postage prepaid, (ii) reputable overnight air courier service, or (iii) electronic mail or facsimile transmission (accompanied by reasonable evidence of receipt of the transmission and with a confirmation copy mailed by first class mail no later than the day after transmission) to the address for the recipient in Section 14.04 and will be deemed to have been given at the time of delivery or, if mailed, three (3) days after the date of mailing.

14.04 Addresses for Notices. All notices, demands and requests from Tenant to Landlord shall be given to Landlord at the following address:

City Manager
City of Homer
491 East Pioneer Avenue
Homer, Alaska 99603
Facsimile: (907) 235-3148
Email: citymanager@cityofhomer-ak.gov

All notices, demands or requests from Landlord to Tenant shall be given to Tenant at the following address:

Grace Chon
Y & C LLC, Organizer
4400 Homer Spit Rd
Homer, AK 99603
Email: GraceChon888@yahoo.com

Each party may, from time to time, designate a different address or different agent for service of process by notice given in conformity with Section 14.03.

14.05 Time of Essence. Time is of the essence of each provision of this Lease.

14.06 Computation of Time. The time in which any act provided by this Lease is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday or a holiday, and then it is also excluded. The term "holiday" will mean all holidays as defined by the statutes of Alaska.

14.07 Interpretation. Each party hereto has been afforded the opportunity to consult with counsel of its choice before entering into this Lease. The language in this Lease shall in all cases be simply construed according to its fair meaning and not for or against either party as the drafter thereof.

14.08 Captions. The captions or headings in this lease are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Lease.

14.09 Independent Contractor Status. Landlord and Tenant are independent contractors under this Lease, and nothing herein shall be construed to create a partnership, joint venture, or agency relationship between Landlord and Tenant. Neither party shall have any authority to enter into agreements of any kind on behalf of the other and shall have no power or authority to bind or obligate the other in any manner to any third party.

14.10 Parties Interested Herein. Nothing in this Lease, express or implied, is intended or shall be construed to give to any person other than Landlord, Tenant and any Qualified Mortgagee any right, remedy or claim, legal or equitable, under or by reason of this Lease. The covenants, stipulations and agreements contained in this Lease are and shall be for the sole and exclusive benefit of Landlord, Tenant and any Qualified Mortgagee, and their permitted successors and assigns.

14.11 Multi-Party Tenant. If Tenant is comprised of more than one natural person or legal entity, the obligations under this Lease imposed upon Tenant are joint and several obligations of all such persons and entities. All notices, payments, and agreements given or made by, with, or to any one of such persons or entities will be deemed to have been given or made by, with, or to all of them, unless expressly agreed otherwise by Landlord in writing.

14.12 Broker's Commissions. Each of the parties represents and warrants that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.

14.13 Successors and Assigns. This Lease shall be binding upon the successors and assigns of Landlord and Tenant, and shall inure to the benefit of the permitted successors and assigns of Landlord and Tenant.

14.14 Waiver. No waiver by a party of any right hereunder may be implied from the party's conduct or failure to act, and neither party may waive any right hereunder except by a writing signed by the party's authorized representative. The lapse of time without giving notice or taking other action does not waive any breach of a provision of this Lease. No waiver of a right on one occasion applies to any different facts or circumstances or to any future events, even if involving similar facts and circumstances. No waiver of any right hereunder constitutes a waiver of any other right hereunder.

14.15 Attorney's Fees.

(a) If Landlord is involuntarily made a party to any litigation concerning this Lease or the Property by reason of any act or omission of Tenant, or if Landlord is made a party to any litigation brought by or against Tenant without any fault on the part of Landlord, then Tenant shall pay the amounts reasonably incurred and expended by Landlord, including the reasonable fees of Landlord's agents and attorneys and all expenses incurred in defense of such litigation.

(b) In the event of litigation between Landlord and Tenant concerning enforcement of any right or obligation under this Lease, the non-prevailing party shall reimburse the prevailing party for the attorney's fees reasonably incurred and expended by the prevailing party in the litigation.

14.16 Severability. If any provision of this Lease shall for any reason be held to be invalid, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Lease, such provision shall be construed so as to make it enforceable to the greatest extent permitted, such provision shall remain in effect to the greatest extent permitted and the remaining provisions of this Lease shall remain in full force and effect.

14.17 Entire Agreement, Amendment. This Lease constitutes the entire and integrated agreement between Landlord and Tenant concerning the subject matter hereof, and supersedes all prior negotiations, representations or agreements, either written or oral. No affirmation, representation or warranty relating to the subject matter hereof by any employee, agent or other representative of Landlord shall bind Landlord or be enforceable by Tenant unless specifically set forth in this Lease. This Lease may be amended only by written instrument executed and acknowledged by both Landlord and Tenant.

14.18 Governing Law and Venue. This Lease will be governed by, construed and enforced in accordance with, the laws of the State of Alaska. Any action or suit arising between the parties in relation to or in connection with this Lease, or for the breach thereof, shall be brought in the trial courts of the State of Alaska for the Third Judicial District at Homer.

14.19 Execution in Counterparts. This Lease may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

14.20 Prior Lease Amended And Superseded. Landlord and Tenant are parties to a prior lease affecting the Property dated April 29, 2014, a memorandum of which has been recorded in the records of the Homer Recording District under Document No. 2014-001333-0 (the "Prior Lease"). This Lease replaces and supersedes the Prior Lease effective as of February 1, 2019, and on and after that date the Prior Lease shall have no force or effect, except that it shall remain in effect as to events, rights, obligations, or remedies arising or accruing under the Prior Lease prior to that date.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first set forth above.

Landlord:

Tenant:

CITY OF HOMER

Y & C LLC

By: _____
Katie Koester, City Manager

Grace Chon, Organizer for Y & C LLC

ACKNOWLEDGMENTS

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on _____, 20__, by Katie Koester, City Manager of the City of Homer, an Alaska municipal corporation, on behalf of the City of Homer.

Notary Public in and for Alaska
My Commission Expires: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on _____, 20__, by _____, as _____ (title) of Y&C LLC on behalf of _____ Y&C LLC.

Notary Public in and for Alaska
My Commission Expires: _____

EXHIBIT A

**SCHEDULE OF ORGANIZATION, OWNERS,
PERCENTAGE OF OWNERSHIP**

Tenant, Y & C LLC, is a Limited Liability Company organized under the laws of the state of Alaska. Attached to this exhibit is a certificate issued by that state certifying that Tenant is in good standing and describing its legal organization.

The members and their percentage of ownership are as follows:

Name: Kum Ho Yang 25%
Address: 9142 Browning Dr., Huntington, Beach, CA 92646

Name: Jo Ja Yang 25%
Address: 9142 Browning Dr., Huntington, Beach, CA 92646

Name: Moses Y Chon 25%
Address: 14495 Persimmon Dr., Huntington Beach, CA 92880

Name: Grace U Chon 25%
Address: 14495 Persimmon Dr., Huntington Beach, CA 92880

TOTAL 100 %



THE STATE

of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

Date Filed: 11/13/2018
State of Alaska, DCCED

FOR DIVISION USE ONLY

Articles of Organization

Domestic Limited Liability Company

Web-11/13/2018 3:41:30 PM

1 - Entity Name

Legal Name: Y & C LLC

2 - Purpose

The LLC's primary purpose for Which the LLC is organized is to engage in the business of serving American Food to tourists and the general public.

3 - NAICS Code

722110 - FULL-SERVICE RESTAURANTS

4 - Registered Agent

Name: Grace Chun

Mailing Address: 4400 Homer Spit Rd, Homer, AK 99603

Physical Address: 4400 Homer Spit Rd, Homer, AK 99603

5 - Entity Addresses

Mailing Address: 4400 Homer Spit Rd, Homer, AK 99603

Physical Address: 4400 Homer Spit Rd, Homer, AK 99603

6 - Management

The limited liability company is managed by its members.

Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Y & C LLC

Entity Type: Limited Liability Company

Entity #: 10094600

Status: Good Standing

AK Formed Date: 11/13/2018

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2020

Entity Mailing Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Entity Physical Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Registered Agent

Agent Name: Grace Chun

Registered Mailing Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Registered Physical Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Officials

Show Former

AK Entity #	Name	Titles	Owned
	Grace U Chun → chon	Member	25
	Jo Ja Yang	Member	25
	Kum Ho Yang	Member	25
	Moses Y Chun → chon	Member	25

Filed Documents

Date Filed	Type	Filing	Certificate
11/13/2018	Creation Filing	Click to View	Click to View
11/13/2018	Initial Report	Click to View	



THE STATE
of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

Date Filed: 11/13/2018
State of Alaska, DCCED

FOR DIVISION USE ONLY

Limited Liability Company
Initial Biennial Report

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Entity Name: Y & C LLC
Entity Number: 10094600
Home Country: UNITED STATES

Home State/Province: ALASKA

Registered Agent
Name: Grace Chun (CHON)
Physical Address: 4400 HOMER SPIT RD, HOMER, AK 99603
Mailing Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Entity Physical Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Entity Mailing Address: 4400 HOMER SPIT RD, HOMER, AK 99603

Please include all officials. Check all titles that apply. Must use titles provided. Please list the names and addresses of the members of the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), there must also be at least one manager listed. Please provide the name and address of each manager of the company. You must also list the name and address of each person owning at least 5% interest in the company and the percentage of interest held by that person.

Name	Address	% Owned	Titles
Kum Ho Yang	9142 Browning Dr, Huntington Beach, CA 92646	25	Member
Jo Ja Yang	9142 Browning Dr, Huntington Beach, CA 92646	25	Member
Moses Y Chun → chun	14495 Persimmon Dr, Huntington Beach, CA 92880	25	Member
Grace U Chun → chun	14495 Persimmon Dr, Huntington Beach, CA 92880	25	Member

NAICS Code: 722110 - FULL-SERVICE RESTAURANTS

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: kang J cho

7 - Officials

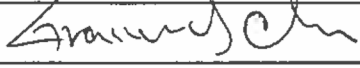
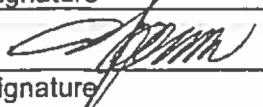
Name	Address	% Owned	Titles
Grace Chun → CHON			Organizer

Name of person completing this online application

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: kang cho

ITEM 4: The Certificate of Correction must be signed in the same manner as the original document. Attach an additional sheet if necessary.

	Grace U Chon	LLC Member	11/16/2018
Signature	Printed Name	Title	Date
	Moses Y Chon	LLC Member	11/16/2018
Signature	Printed Name	Title	Date

NOTE: Persons who sign documents filed with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor.

Mail the Certificate of Correction and the non-refundable \$25.00 filing fee in U.S. dollars to:
State of Alaska, Corporations Section, PO Box 110806, Juneau, AK 99811-0806

STANDARD PROCESSING TIME for complete and correct applications submitted to this office is approximately 10-15 business days. All applications are reviewed in the date order they are received.

EXHIBIT B

**CONFORMED COPY OF RESOLUTION AUTHORIZING LEASE AND
AUTHORIZING SIGNERS TO SIGN LEASE AGREEMENT ON BEHALF
OF TENANT**

EXHIBIT C

LOCATION OF PROPERTY

(Section 2.01)

Lot 32, of the Amended Plat of the Homer Spit, according to Plat No. 89-34.
Homer Recording District, State of Alaska, containing 24,639 square feet, more or
less, also known as Kenai Peninsula Borough Tax Parcel No. 181-034-32.

EXHIBIT D

TENANT'S PROPOSED USE OF THE PROPERTY

(Section 6.01)

Tenant's proposed use of the Property is a restaurant, gift shop, general store, with future allowable uses: laundry/shower facility, and rental units.

City of Homer
Lease Application

RECEIVED
DEC 12 2018

- ReSubmitted
Dec. 17, 2018

BY: Zachael Friedlander 1pm

Directions:
1. Please submit this application form to the City Clerk's Office, 491 Pioneer Avenue, Homer, AK 99603.
2. Please answer all questions. If the question is not applicable, indicate why it is "N/A."

Applicant Name:	Y & C LLC
Mailing Address:	4400 HOMER SPIT RD
City, State, ZIP code:	HOMER ALASKA 99603
Business Telephone No.	
Email address:	gracechon888@yahoo.com
Representative's Name:	GRACE CHON
Mailing Address:	4400 HOMER SPIT RD
City, State, ZIP code:	HOMER ALASKA 99603
Business Telephone No.	914-904-9094 (C)
Location within the airport:	HOMER ALASKA
Legal Description:	4400 HOMER SPIT AMEND L-32
Type of Business:	EXISTING: RESTAURANT GIFT, GENERAL STORE
Area and size to be leased:	EXISTING
Duration of Lease requested:	50 YEARS
Options to re-new:	50 YEARS
Proposed Lease Rate:	SAME RATE AS PRIOR TO
Special lease requirements:	N/A

**The following materials must be submitted when applying for a lease of
City of Homer real property**

1.	Parking spaces	<p>A drawing of the proposed leased property showing:</p> <p><input type="checkbox"/> Parking spaces – needed <i>EXISTING parking plan</i></p>
2.	Development Plan	<p><input type="checkbox"/> List the time schedule from project initiation to project completion, including major project milestones.</p> <p>Dates _____ Tasks <i>See Attached</i></p>
3.	Insurance <i>See Attached</i> <i>will transfer from</i> <i>Happy Face Restau</i>	<p><input type="checkbox"/> Attach a statement of proof of insurability of lessee for a minimum liability insurance for combined single limits of \$1,000,000 showing the City of Homer as co-insured. Additional insurance limits may be required due to the nature of the business, lease or exposure. Environmental insurance may be required. If subleases are involved, include appropriate certificates of insurance.</p>
4.	Subleases <i>No Sublease.</i>	<p><input type="checkbox"/> Please indicate and provide a detailed explanation of any plans that you may have for subleasing the property. The City of Homer will generally require payment of 25% of proceeds paid Lessee by subtenants. Refer to chapter 13 of the Property Management Policy and Procedures manual.</p>
5.	Health Requirements <i>Restaurant license</i> <i>Tabacco license Attached</i> <i>Liquor license (estab.)</i> <i>Permit.</i>	<p><input type="checkbox"/> Attach a statement documenting that the plans for the proposed waste disposal system, and for any other necessary health requirements, have been submitted to the State Department of Environmental Conservation for approval. Granting of this lease shall be contingent upon the lessee obtaining all necessary approvals from the State DEC.</p>
6.	Agency Approval <i>Business license</i> <i>Fire Marshall</i> <i>Sales Tax</i>	<p><input type="checkbox"/> Attach statement(s) of proof that your plans have been inspected and approved by any agency which may have jurisdiction of the project; i.e. Fire Marshall, Army Corps of Engineers, EPA, etc. The granting of this lease shall be contingent upon lessee obtaining approval, necessary permits, and/or inspection statements from all appropriate State and/or Federal agencies.</p>
7.	Fees <i>Received 12/17/18</i>	<p>All applicable fees must be submitted prior to the preparation and/or execution of a lease.</p> <p><input type="checkbox"/> Application fee - \$30.00.</p> <p><input type="checkbox"/> Lease/Assignment fee - \$300.00.</p>

Grace U. Chon

PRESIDENT OF Y&C LLC -PROFESSIONAL RESTAURANTEUR

14495 Persimmon Court, Corona, CA, 92880

714.904.9094

Gracechon888@yahoo.com

GOAL

To establish a new pan-Asian restaurant and gift shop for locals and tourists to enjoy. My husband and I visited Homer a few years ago and fell in love with the town and its' people. We found the perfect opportunity for us to thrive in that will allow us to retire in this beautiful town. We bring over 40 years of experience operating and opening 4 successful restaurant businesses in California and Washington.

RELEVANT EXPERIENCE

RESIDENTIAL REAL ESTATE AGENT- NEW STAR REALTY- LOS ANGELES/ CORONA, CA	2003- present
EXECUTIVE- MISSION 2 THE WORLD (CHRISTIAN NON-PROFIT)-ANAHEIM HILLS, CA	2004-2014
OWNER/ OPERATOR- WASABI & SUSHI RESTAURANT- GARDEN GROVE, CA	2001-2013
OWNER/OPERATOR- LUCKY PAINTING AND DECORATING COMPANY- LOS ANGELES, CA	1990-1997
OWNER/OPERATOR- FUJI GARDEN RESTAURANT- SANTA MONICA, CA	1987-1991
OWNER OPERATOR-OWL'S ROOST RESTAURANT- GIG HARBOR, WA	1980-1983

EDUCATION

SOUTHERN CALIFORNIA THEOLOGICAL SEMINARY	Bachelor of Theology	1986
MINNESOTA GRADUATE SCHOOL OF THEOLOGY	Master of Divinity	2007

REFERENCES UPON REQUEST

Dec 13 2018

1. Yong Kim owner of Happy Face Restaurant
& General Store DBA: Lee & Kim, LLC.

Request the City of Homer to Transfer
for my Ground Lease to Y & C LLC
DBA: Shogun Restaurant & General Store



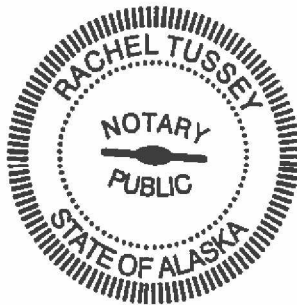
Yong Kim 12/13/18
Lee & Kim, LLC




Grace Chan 12-13-18
Y & C. LLC

State of Alaska
3rd Judicial District

Subscribed and sworn to before me, Yong Kim and
Grace Chan, this 13th day of December 2018.




Rachel Tussey

My commission expires 12/10/2022

EXHIBIT E
SITE PLANS
(Section 6.02)



Kenai Peninsula Borough, Alaska

Assessing Department

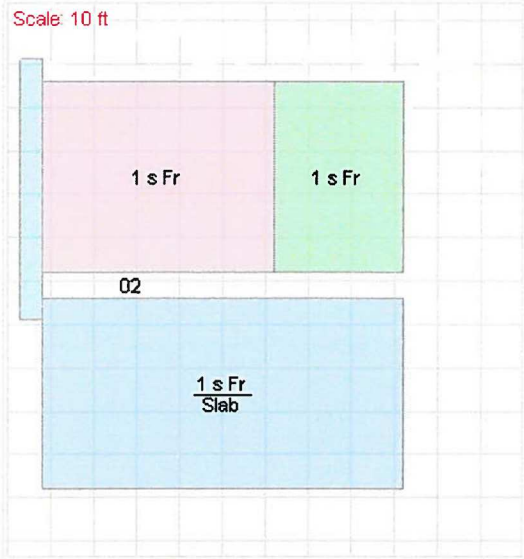
- [Go Back](#)
[Property Search](#)
[Print Report](#)
[Property Taxes](#)

General Info		
Property Owner: LEE & KIM LLC 4400 HOMER SPIT RD HOMER AK 99603-8003 Change of Address Owner(s)	Property ID	18103432LH01
	Address	4400 HOMER SPIT RD UNIT LH01
	Transfer Date	5/16/2014
	Document / Book Page	20140013330
	Acreage	0.5700
	Tax Authority Group	20 - HOMER CITY

Legal Description
Description
T 7S R 13W SEC 1 Seward Meridian HM LSEHLD EST CREATED BY LSE 248/791 & ASN 20 14-1335 RESIDING ON LT 32 HOMER SPIT AMD

Value History				
Year	2018	2017	2016	2015
Reason	Main Roll Certification	Main Roll Certification	Main Roll Certification	Main Roll Certification
Land Assd	\$126,800	\$123,700	\$134,300	\$137,000
Imp Assd	\$396,000	\$399,800	\$395,500	\$507,500
Total Assd	\$522,800	\$523,500	\$529,800	\$644,500

Extension Details
C01



Attributes		Floor Areas		Exterior Features	
Code	Description	Story	Gross	Heated	AC
GENRET	Retail Store	1	3,696	3,696	0
APARTRES	Multiple Res	2	1,320	1,320	0
RESTURNT	Restaurant	2	2,376	2,376	0

Address	4400 HOMER SPIT RD UNIT LH01
Grade	Low+
Year Built	1995
Value	\$514,200

Total Area			
	7,392	7,392	00

Sketch Legend

Improvements								
Code	Description	Year	Building	Length	Width	Units	Unit Type	Value
SHEDGP	Shed - Gen Purpose Frame, up to 10'eave	1995	C01	24	16	384	SF	\$800

EXHIBIT F

PERMISSION TO OBTAIN INSURANCE POLICIES

(Section 9.04(d))

The City of Homer is hereby granted permission to request and obtain copies of Y & C LLC (“Tenant”) insurance policies from Tenant’s broker and/or insurer, IPFS Corporation, 49 Stevenson Street, San Francisco, CA 94105. Tenant requests the broker/insurer to provide the City of Homer with information about and copies of all of Tenant’s insurance policies providing the type of coverage required by the Lease between Tenant and the City of Homer.

It is understood that the Tenant may revoke this permission at any time by written notice to City of Homer and to Tenant’s broker and/or insurer; however, such revocation will constitute a default of Tenant’s lease from the City of Homer.

Date: _____

Y & C LLC

By: _____

Printed Name: _____

Title: _____

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 19-003

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, SUPPORTING EFFORTS OF THE ALASKA MUNICIPAL LEAGUE (AML) TO ESTABLISH A MUNICIPAL DRIVEN, INDEPENDENT ARM OF AML TO CONDUCT ALL ONLINE SALES TAX ADMINISTRATION ON BEHALF OF MUNICIPALITIES, AND APPROVING THE APPROPRIATE CONTRIBUTION BASED ON THE CITY OF HOMER'S ANNUAL SALES TAX REVENUE.

WHEREAS, Alaska Municipal League (AML) has been working to respond to municipal interest in the online sales tax opportunities; and

WHEREAS, The Wayfair decision issued by the Supreme Court allows for taxation of internet sales with strict program requirements; and

WHEREAS, An AML working group has outlined steps that need to be conducted in preparation for single state-level administration to attain the goal of establishing a municipal-driven arm of AML to conduct all online sales tax administration on behalf of municipalities, fulfilling the terms in Wayfair; and

WHEREAS, AML requests municipalities that stand to benefit from successful implementation contribute financial support and AML will engage a contractor to assist with work required to make this effort successful; and

WHEREAS, The budget is estimated to be \$100,000 to complete a majority of the initial task and AML requests a contribution based on the municipalities annual tax revenue.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska supports the efforts of the Alaska Municipal League to establish a municipal driven, independent arm of AML to conduct online sales tax administration on behalf of municipalities.

BE IT FURTHER RESOLVED that the City of Homer will contribute \$4,500 based on the City of Homer's annual sales tax revenue of \$8,112,483 to support this effort.

PASSED AND ADOPTED by the Homer City Council on this ____ day of _____, 2019.

CITY OF HOMER

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ATTEST:

KEN CASTNER, MAYOR

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: \$4,500 from 100-0100-5210 Mayor/Council Professional Services



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum 19-010

TO: Mayor Castner and Homer City Council
FROM: Katie Koester, City Manager
DATE: January 9, 2019
SUBJECT: Resolution 19-003

The purpose of this memo is to provide context for Resolution 19-003. The implications of the Wayfair decision regarding online sales tax collection could be far reaching for Alaskan municipalities and the City of Homer has an interest in making sure we understand the potential impacts to our tax revenue. Alaska Municipal League (AML) has formed a working group of Alaskan municipalities with a goal to review, research and discuss outstanding online sales tax questions, and provide a potential pathway for implementation in Alaska that is responsive to municipal interests. Ideally, AML would be able to provide a single point for the collection and distribution of online sales in our communities. In order to research this, they are proposing to hire a consultant and are asking member organization to contribute to this effort. Based on our sales tax revenue, just over \$8 million for the 2019 budget which includes the Homer Accelerated Roads and Trail and Homer Accelerated Water Program, this amount would be \$4,500. Since the impact of collecting sales tax revenue from online retailers is city wide, I propose this come from the Professional Services line item in the Mayor/Council budget.

Enc: White paper from AML outlining goals for working group
Letter of request for municipal participation from AML

AML Working Group: Online Municipal Sales Tax

Purpose of Working Group: Review, research and discuss outstanding online sales tax questions, and provide a potential pathway for implementation in Alaska that is responsive to municipal interests.

Goals of Working Group:

- Ensure local tax authority and choice is respected
- Maximize municipal government revenue options
- Balance municipal revenue with costs to citizens
- Avoid statewide sales tax by State of Alaska, or displacement of local rates

Background on Online Sales Tax:

- Recent Supreme Court *Wayfair* decision extinguishes physical presence requirement
 - Continued national and legal challenges potentially, but states generally moving forward
- Case establishes some requirements for implementation
 - Meeting the “threshold” of sales
 - Streamlining
 - Single state-level administration
 - Uniform definitions
 - Simplified rates
 - Software/safe harbor
- Alaska one of five states where municipalities have taxing authority, and only one without statewide sales tax
 - Other states ahead of Alaska in addressing – municipalities working with state to implement, have formed commissions to work through issues
- Sales tax in Alaska is implemented by a majority of incorporated municipalities, and a significant source of their annual budget
 - Online sales are estimated by DoR at \$1 billion, with 50% of that in Anchorage and Fairbanks (without sales tax); total revenue would be estimated within the individual municipalities
 - While an online sales tax levels the playing field for Alaska businesses, and increases potential revenue for municipalities, Alaskans are ultimately paying this – some municipalities may not want this and may choose not to participate
 - The view elsewhere is that this is a tax that is currently due but hasn’t otherwise been collected, and is thus not a “new” tax

Options for Alaska municipalities:

1. No action by AML – state action probable
2. Individual municipal implementation – AML to provide model code change but chance of success is minimal
3. AML develops (semi-) independent authority for implementation
 - a. AML to negotiate with municipalities streamlined exemptions and definitions
 - b. SSUTA requires state or state-designated administration
 - i. AML to propose Alaska Municipal Sales Tax Commission
4. State implementation – AML to work within state-driven process
 - a. Increased likelihood of statewide sales tax

- b. Potential requirements to decrease municipal sales tax levels and comply with state-determined definitions and exemptions

Working Group recommendations to AML:

- AML should work with members toward the establishment of an independent authority, operated as an arm of AML as a service program, or in close association (similar to JIA or AMLIP)

Implementation

1. If Alaska municipalities want to benefit from retailers remitting a municipal sales tax on online sales, several things need to occur. AML leading this effort toward a (semi) independent authority makes sense.
2. The following should happen simultaneously, or in lockstep
 - Determine the nexus/threshold of online sales at the state level – i.e.; at what level will online sales be considered applicable to sales taxes (how much business should a retailer have in the state, through online sales, before taxes set in; this protects small businesses). South Dakota, which argued the *Wayfair* case, set theirs at \$100,000.
 - Review and streamline all current municipal tax codes
 - Definitions – align with SSUTA as much as possible
 - Exemptions – this will be more difficult, and we may have to consider a mechanism for remand to taxpayers from different communities
 - Determine baseline items that are applicable to online sales tax, based on commonality between municipalities
 - Map (or collect maps of) sales tax boundaries – this doesn't currently exist in all communities, and not in one place, but will be essential to implementation
3. AML to work with members to determine governance of an independent body
4. AML to determine service provider – software, return, audit functions
5. Legislation may be needed to allow municipalities to enable this process and to participate in an authority/commission of this type.
6. Legislation may also be needed if the group elects or needs to join the SSUTA, which is named in *Wayfair*, but not essential to state-level administration



As you know, AML has been working to respond to municipal interest in the online sales tax opportunities now that *Wayfair* decision has been issued by the Supreme Court. This decision allows for taxation of internet sales with strict program requirements.

An initial working group has outlined the following steps that need to be conducted in preparation for single state-level administration:

- Compilation and review of municipal tax codes
- Identification and review of definitions and exemptions, and comparison with SSUTA
- Tax variability matrix to account for exemptions
- Negotiation of agreed-to definitions
- Solicitation for a sales tax administrator (“middle-man”) to provide sales tax boundary mapping and development of software
- Development of governance authority
- Production of public outreach materials and municipal FAQ

The goal is to establish a municipal-driven, independent arm of AML, that would conduct all online sales tax administration on behalf of municipalities, thereby fulfilling the terms outlined in *Wayfair*. This might evolve, but we believe it has the most potential for success.

In order to move forward, AML invites those municipalities that stand to benefit from successful implementation to contribute financial support. AML will then engage a contractor to complete the bulk of this work, even as staff assist by convening municipalities, help with negotiations, and otherwise support the effort.

Please consider contributing to this effort. The budget is estimated to be \$100,000 to complete the majority of initial tasks. Those who contribute will be included in the analysis matrix. We’ve designed the following levels to help us meet our budget for this activity:

- Over \$25 million in sales tax revenue \$12-15,000
- \$10-25 million in sales tax revenue \$7,500-10,000
- \$5-10 million in sales tax revenue \$4,000-5,000
- \$1-5 million in sales tax revenue \$1,000-2,500
- Over \$200,000 in sales tax revenue \$500-1,000

We hope that you will be able to contribute in a meaningful way, consistent with your budget and ability to support our work. Please don’t hesitate to contact me with questions or to discuss the scope of work and contribution.

Sincerely,

Nils Andreassen

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

Aderhold/Smith

3
4 **RESOLUTION 19-004**

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6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 SUPPORTING ROBERT RUFFNER'S REAPPOINTMENT TO THE
8 ALASKA BOARD OF FISHERIES.
9

10 WHEREAS, Homer, Alaska's economy is partially dependent of commercial, sport, and
11 personal use fishing in state waters; state fisheries management is dependent on decisions
12 made by the Alaska Board of Fisheries; and a diverse, well-rounded, and reasoned
13 membership of the Alaska Board of Fisheries is critical to good decision-making; and
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15 WHEREAS, Robert Ruffner has a long record of habitat advocacy for Kenai Peninsula
16 rivers and streams; and
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18 WHEREAS, Mr. Ruffner was appointed the Alaska Board of Fisheries in 2016; and
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20 WHEREAS, Mr. Ruffner has resided on the Kenai Peninsula for the past 23 years; and
21

22 WHEREAS, Mr. Ruffner has demonstrated his good judgement and ability to work with
23 people in:

- 24 • 21 years of service as executive director of the Kenai Watershed Forum,
- 25 • seven years of service on the Kenai Peninsula Borough Planning Commission,
- 26 • six years of service on the Kenai Peninsula Borough Roads Service Area board,
- 27 • a year and a half as the chair of the Material Site Work Group,
- 28 • membership in the Soldotna Chamber of Commerce, where he was Chair of the
29 Finance Committee,
- 30 • chair of the North Pacific Anadromous Fish Commission Advisory Panel, and
- 31 • vice-chair of the Alaska Board of Fisheries; and
32

33 WHEREAS, The reappointment of Mr. Ruffner would continue to provide diversity of
34 interest and points of view in the Alaska Board of Fisheries membership (per Alaska statute
35 16.05.221); and
36

37 WHEREAS, Mr. Ruffner is held in high esteem by commercial and sportfish user groups;
38 and
39

40 WHEREAS, Mr. Ruffner is a dipnetter and therefore is knowledgeable about dipnet
41 issues; and
42

43 WHEREAS, Mr. Ruffner has a bachelor's degree in geology and years of experience
44 working with biology.

45 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, supports
46 Robert Ruffner’s reappointment to the Alaska Board of Fisheries by Governor Dunleavy.

47
48 PASSED and ADOPTED by the City Council of Homer, Alaska this 14th day of January,
49 2019.

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51 CITY OF HOMER

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55 _____
56 KEN CASTNER, MAYOR

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58 ATTEST:

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62 _____
63 MELISSA JACOBSEN, MMC, CITY CLERK

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66 Fiscal Note: N/A

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Introduced by: Mayor
Date: 01/08/19
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2019-001**

**A RESOLUTION ENDORSING ROBERT RUFFNER’S REAPPOINTMENT TO THE
ALASKA BOARD OF FISHERIES**

WHEREAS, Robert Ruffner has a long record of habitat advocacy for Kenai Peninsula rivers and streams; and

WHEREAS, Mr. Ruffner was appointed the Alaska Board of Fisheries in 2015; and

WHEREAS, Mr. Ruffner has for many years been director of the Soldotna-based Kenai Watershed Forum; and

WHEREAS, Mr. Ruffner has resided on the Kenai Peninsula for the past 23 years; and

WHEREAS, Mr. Ruffner has demonstrated his good judgement and ability to work with people in:

- 21 years of service as executive director of the Kenai Watershed Forum,
- seven years of service on the Kenai Peninsula Borough Planning Commission,
- six years of service on the Kenai Peninsula Borough Roads Service Area board, a year and a half as the chair of the Material Site Work Group,
- membership in the Soldotna Chamber of Commerce, where he was Chair of the Finance Committee, and
- chair of the North Pacific Anadromous Fish Commission Advisory Panel; and

WHEREAS, the reappointment of Mr. Ruffner would provide diversity of interest and points of view in the board of fisheries membership (per Alaska statute 16.05.221); and

WHEREAS, Mr. Ruffner is held in high esteem by commercial and sportfish user groups; and

WHEREAS, Mr. Ruffner is a dipnetter and therefore is knowledgeable about dipnet issues; and

WHEREAS, Mr. Ruffner has a bachelor’s degree in geology and years of experience working with biology;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the Kenai Peninsula Borough Assembly respectfully asks Governor Dunleavy to reappoint Robert Ruffner to the Alaska Board of Fisheries.

SECTION 2. That a copy of this resolution shall be mailed to Governor Dunleavy.

SECTION 3. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 8TH DAY OF JANUARY, 2019.

Dale Bagley, Assembly Vice President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent:

-----Original Message-----

From: Dwight Kramer [<mailto:dwimar@gci.net>]

Sent: Monday, January 07, 2019 1:02 PM

To: Mayor Charlie Pierce (cpierce@kpb.us)

Subject: Robert Ruffner BOF Reappointment

Dear Mayor Pierce,

Our local sport fishing group, Kenai Area Fisherman's Coalition (KAFC), supports the reappointment of Mr. Ruffner to another term on the Board of Fisheries. KAFC is a sport fishing group dedicated to protecting the rights of local private anglers and the conservation of our fisheries resources for current and future generations to enjoy. We are a science based organization with eight retired State and Federal fisheries biologists either on our Board of Directors or in our membership. We appreciate Mr. Ruffner's position on the BOF because of his scientific knowledge in both habitat and natural resource issues. Robert is well respected by other BOF members, attendees and the agencies involved in the BOF process. He is one of those people that when he speaks everyone listens because his presentations are sensible and in the best interest of the resource issue at hand rather than in the interest of one user group over another.

It is our belief that Robert is the most well respected member on the BOF and his knowledge of Kenai Peninsula fisheries issues is an invaluable asset to both the BOF process and the residents of the Kenai Peninsula Borough. He is well recognized for his integrity and dedication to the wellbeing and health of our fisheries.

For these reasons we encourage the Borough Assembly to support Mr. Ruffner's reappointment to the Board of Fisheries.

Respectfully Submitted,

Dwight Kramer Sec. / Treas.
Kenai Area Fisherman's Coalition
PO Box 375
Kenai, Ak. 99611

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4 **RESOLUTION 19-005**

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6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY 19
8 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING
9 THAT THIS ALLOCATION METHOD FAIRLY REPRESENTS THE
10 DISTRIBUTION OF SIGNIFICANT EFFECTS OF FISHERIES BUSINESS
11 ACTIVITY IN THE COOK INLET FISHERIES MANAGEMENT AREA.
12

13 WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY 19
14 Shared Fisheries Business Tax Program, the municipality must demonstrate to the
15 Department of Commerce, Community and Economic Development that the municipality
16 suffered significant effects during calendar year 2017 from fisheries business activities; and
17

18 WHEREAS, 3AAC 134.060 provides for the allocation of available program funding to
19 eligible municipalities located within fisheries management areas specified by the
20 Department of Commerce, Community and Economic Development; and
21

22 WHEREAS, 3AAC 134.070 provides for the use, at the discretion of the Department of
23 Commerce, Community and Economic Development, of alternative allocation methods
24 which may be used within fisheries management areas if all eligible municipalities within the
25 area agree to use the method, and the method incorporates some measure of the relative
26 significant effect of fisheries business activity on the respective municipalities in the area;
27 and
28

29 WHEREAS, The Homer City Council proposes to use an alternative allocation method
30 for allocation of FY 19 funding available within the Cook Inlet Fisheries Management Area in
31 agreement with all other municipalities in this area participating in the FY 19 Shared Fisheries
32 Business Tax Program.
33

34 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, by this
35 Resolution, certifies that the following alternative allocation method fairly represents the
36 distribution of significant effects during 2017 of fisheries business activity in the Cook Inlet
37 Fisheries Management Area:
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39 50% divided equally and 50% divided on a per capita basis.
40

41 PASSED and ADOPTED by the City Council of Homer, Alaska this 14th day of January,
42 2019.

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CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Previous year's Acct. No. 400-603-4206 and budgeted for previous years.

VISITORS

ANNOUNCEMENTS
PRESENTATIONS
BOROUGH REPORT
COMMISSION REPORTS



City of Homer

www.cityofhomer-ak.gov

Planning

491 East Pioneer Avenue
Homer, Alaska 99603

Planning@ci.homer.ak.us

(p) 907-235-3106

(f) 907-235-3118

MEMORANDUM

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
THROUGH: KATIE KOESTER, CITY MANAGER
FROM: RICK ABBOUD, CITY PLANNER
DATE: JANUARY 4, 2019
SUBJECT: UPDATE OF TRANSPORTATION PLAN

The Planning Commission spoke to Mayor Castner about their desire to update the 2005 Homer Area Transportation Plan and added the item to their worklist. Mayor Castner proposed and received approval for funding of scoping activities that could further efforts to update the plan.

The Planning Commission has found that the plan has outlived most of its usefulness. Estimates of population used for the plan have not been accurate and some of the recommendations of the plan have lost support. They would also like to have the plan make more pointed recommendations regarding the usefulness of setbacks on specific streets found in the Central Business District. An updated classification of streets would also be useful for future Right-of-way design.

The undertaking of updating the plan will require an understanding of the costs associated with the levels of work that may be proposed. Initially, the scoping funds might be used to work up cost estimates for likely scenarios. After a recommendation is made about the extent of the plan, funds will need to be identified to support the update efforts.

Scoping can incorporate funding sources and other opportunities. Our scoping efforts will have to consider the ability to partner with AKDOT. The AKDOT intersection study is of the same time frame and could benefit from updated data and a joint effort to recognize future transportation needs. Funding for the document (a component of the comprehensive plan) may also be available from the borough. In consideration of the likely costs, several methods of funding may have to be considered including accumulation and appropriation of future planning reserves. We may want to plan around the results of the 2020 census and work on funding until the data is available.

I suggest that we utilize funds to scope the costs of the project and develop a timeframe that will be most beneficial for project development and funding.

PUBLIC HEARING(S)

**CITY OF HOMER
PUBLIC HEARING NOTICE
CITY COUNCIL MEETING**

Ordinances 18-52

A **public hearing** is scheduled for **Monday, January 14, 2019** during a Regular City Council Meeting. The meeting begins at 6:00 p.m. in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Ordinance 18-52, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 4.35.020, Votes Required to be Elected, to more Clearly Define how a Plurality of Votes is Calculated in Councilmember Elections. Smith/Aderhold.

All interested persons are welcome to attend and give testimony. Written testimony received by the Clerk's Office prior to the meeting will be provided to Council.

** Copies of proposed Ordinances in entirety, are available for review online at <https://www.cityofhomer-ak.gov/ordinances>, at the Homer City Clerk's Office, and the Homer Public Library. Contact the Clerk's Office at City Hall if you have any questions. 235-3130, Email: clerk@ci.homer.ak.us

Melissa Jacobsen, MMC, City Clerk
Publish: January 10, 2019
Ad #19-103

CLERK'S AFFIDAVIT OF POSTING

I, Rachel Tussey, Deputy City Clerk for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for:

Ordinance 18-52, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 4.35.020, Votes Required to be Elected, to more Clearly Define how a Plurality of Votes is Calculated in Councilmember Elections. Smith/Aderhold.

...was distributed on Friday, January 4, 2019 to the City of Homer kiosks located at City Clerk's Office, the Homer Public Library, and posted on the City of Homer website.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 4th day of January 2019.



Rachel Tussey, Deputy City Clerk I

ORDINANCE REFERENCE SHEET
2018 ORDINANCE
ORDINANCE 18-52

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 4.35.020, Votes Required to be Elected, to more Clearly Define how a Plurality of Votes is Calculated in Councilmember Elections.

Sponsor: Smith/Aderhold

1. City Council Regular Meeting December 10, 2018 Introduction
2. City Council Regular Meeting January 14, 2019 Public Hearing and Second Reading

**CITY OF HOMER
HOMER, ALASKA**

Smith/Aderhold

ORDINANCE 18-52

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
AMENDING HOMER CITY CODE 4.35.020, VOTES REQUIRED TO BE
ELECTED, TO MORE CLEARLY DEFINE HOW A PLURALITY OF
VOTES IS CALCULATED IN COUNCILMEMBER ELECTIONS.

WHEREAS, Homer City Code 4.35.020 provides that to be elected to the Council, a candidate must receive more than the plurality of the total votes cast for all candidates for Council divided by the number of seats filled; and

WHEREAS, Homer City Code 4.35.020 defines a plurality of votes as a percentage of total votes cast in the election and the same percentage is used for both Mayoral and Council elections; and

WHEREAS, Two seats on the Council are open for election each year requiring that the total votes cast for all candidates be divided by two; and

WHEREAS, When calculating the percentage of the vote required to achieve a plurality in order to determine election results, the percentages for Council Member elections are, in effect, doubled when compared to the percentages required for a plurality in the Mayoral vote; and

WHEREAS, This method of calculating a plurality in Council Member elections often creates confusion on how to calculate the required percentages to achieve a plurality; and

WHEREAS, Eliminating the requirement to divide the total votes cast by two when calculating whether a plurality of votes has been achieved in Council Member elections and correspondingly amending the required percentage of the vote that is required to achieve a plurality by dividing that percentage by two such that a candidate for council would need to receive 20% of the votes cast when there are less than five candidates and 17.5% of the votes when there are five or more candidates is a clearer way to define how a plurality is calculated;

WHEREAS, This amendment would also clarify how to calculate the required plurality to be elected to fill a vacancy in the office of Mayor and a vacant council seat; and

WHEREAS, This amendment would not alter the number of votes that would need to be received in order to be elected to the Council and would not alter the definition of a plurality for Mayoral elections.

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NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Homer, Alaska that:

Section 1. Homer City Code 4.35.020 entitled “Votes required to be elected” is hereby amended to read:

4.35.020 Votes required to be elected.

The number of candidates for an office equal to the number of vacancies to be filled who receive the highest number of votes for the office shall be elected; provided, that:

- a. To be elected to the office of Mayor **or to fill a specific vacant council seat,** a candidate must receive ~~more than~~ **at least** the plurality of the votes cast for Mayor **that seat.** ~~determined by subsection (c) of this section; and~~ **The plurality of the vote that is required for a candidate to be elected to the office of Mayor or to fill a specific vacant council seat shall be based on the number of qualified candidates who filed declarations of candidacy that remain in effect on the date of the election as follows:**

<u>Number of candidates</u>	<u>Percentage of vote</u>
<u>Less than five</u>	<u>40%</u>
<u>Five or more</u>	<u>35%</u>

- b. To be elected to the Council, a candidate must receive ~~more than~~ **at least** the plurality ~~determined by subsection (c) of this section of the total votes cast for all candidates for Council divided by the number of seats to be filled.~~ The plurality of the vote that is required for a candidate to be elected to the Council shall be based on the number of qualified candidates who filed declarations of candidacy that remain in effect on the date of the election as follows:

<u>Number of candidates</u>	<u>Percentage of vote</u>
<u>Less than five</u>	<u>20%</u>
<u>Five or more</u>	<u>17.5%</u>

- ~~c. The plurality of the vote that is required for a candidate to be elected shall be based on the number of qualified candidates who filed declarations of candidacy that remain in effect on the date of the election as follows:~~

<u>Number of candidates</u>	<u>Percentage of vote</u>
<u>Less than five</u>	<u>40%</u>

113 Introduction:

114 Public Hearing:

115 Second Reading:

116 Effective Date:

117

118

119 Reviewed and approved as to form:

120

121

122 _____
Katie Koester, City Manager

123

124 Date: _____

Holly Wells, Attorney

Date: _____

ORDINANCE(S)

ORDINANCE REFERENCE SHEET
2019 ORDINANCE
ORDINANCE 19-05

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 2.08.100-2.08.120 Regarding Telephonic Participation at Meetings.

Sponsor: Erickson

1. City Council Regular Meeting January 14, 2019 Introduction

42 b. The preferred procedure for City Council meetings is that the Mayor and all Council
43 members should be physically present at the designated time and location within the
44 City for the meeting. However, physical presence may be waived and the Mayor and any
45 member(s) may participate in a Council meeting by teleconference, subject to the
46 procedures and limitations provided in this section through HCC 2.08.120.

47
48 c. A person participating by teleconference shall, while actually on the teleconference,
49 be deemed to be present at the meeting for all purposes. The person shall make every
50 effort to participate in the entire meeting. **If at any time during the meeting the**
51 **person is unable to participate due to a poor telephonic connection, they may**
52 **terminate the call and the record will reflect that the member was not able to**
53 **participate in the entire meeting.**

54
55 d. If the Mayor participates telephonically, the Mayor may vote telephonically to break
56 a tie as permitted in HCC 2.08.040(h), but the Mayor Pro Tem, or the senior Council
57 member in the Mayor Pro Tem's absence, shall preside over and perform all other
58 functions of the Mayor at the meeting.

59
60 e. "Teleconferencing" means a means used for remote participation by an official for a
61 meeting of the City Council which must enable the remote official, for the duration of
62 the meeting, to clearly hear the Mayor, all Council members, the City Clerk and public
63 testimony and to be clearly heard by the Mayor, all Council members, the City Clerk and
64 the public in attendance. [Ord. 16-58(A) § 1, 2017; Ord. 07-45(A)(S) § 1, 2007. Code 1981
65 § 1.24.100].

66 **2.08.110 Teleconference procedures.**

67
68 a. A Mayor or Council member who cannot be physically present for a regularly
69 scheduled Council meeting shall notify the City Clerk at least five days prior to the
70 scheduled time for the meeting of his or her request to participate in the meeting by
71 telephonic means of communication. **The notification shall include information**
72 **regarding if the physical absence and request for telephonic participation is due**
73 **to vacation, work or medical.**

74
75 b. Three days prior to the scheduled time for the Council meeting, the City Clerk shall
76 notify the Mayor and Council of the person's request to participate by teleconference
77 **including the reason for the physical absence as given by the member.**

78
79 c. At the commencement of the Council meeting a telephonic connection will be
80 established with the person or persons intending to participate telephonically. After a
81 telephonic connection is established the Mayor shall call for a vote of the Council on
82 whether the person(s) may or may not participate by telephone. Prior to the vote, the
83

84 Mayor or Council members may make such inquiries as necessary to make a decision.
85 Only the Council members physically present may vote on the question. ~~The Council's~~
86 ~~determination is final and not subject to veto or appeal.~~ If a person participates in the
87 meeting telephonically without a ruling from the Council, it shall be deemed to be with
88 the approval of such participation by the Council, and all actions taken by the Council
89 with the participation of all such persons are valid.

90
91 **If telephonic participation is interrupted due to poor connectivity that hinders the**
92 **active participation of a member in the meeting the Mayor will request a brief**
93 **recess to allow the person an attempt to reestablish a connection. If the person**
94 **cannot reestablish a clear connection after a recess,** the Mayor shall call for a vote of
95 the Council on whether to terminate telephonic participation. Prior to the vote, the
96 Mayor or Council members may make such inquiries as necessary to make a decision.
97 **If a majority of the council votes to terminate telephonic participation, the record**
98 **will indicate such and the member participating telephonically shall not be called**
99 **upon to comment or vote. The Council's determination is final and not subject to**
100 **veto or appeal.**

101
102 d. Subsections (a) and (b) of this section do not apply to special meetings or emergency
103 meetings of the City Council called under HCC 1.14.030 and 1.14.050. A Council member
104 or Mayor who requests to participate in a special or emergency meeting of the City
105 Council must notify the City Clerk before the time scheduled for the start of the meeting.
106 The Clerk will notify the Mayor and Council no later than the commencement of the
107 meeting. After a telephonic connection is established with the person or persons
108 requesting to participate telephonically, a ruling shall be made on the person's
109 participation in the meeting as provided in subsection (c) of this section.

110
111 e. The means used for a teleconference meeting of the City Council must enable each
112 member appearing telephonically to clearly hear the Mayor, all other Council members,
113 and public testimony at the meeting as well as be clearly heard by all other Council
114 members and members of the public in attendance.

115
116 f. The City Clerk shall note in the journal of the proceedings of the City Council all
117 members appearing telephonically.

118
119 g. To the extent practicable, materials to be considered by the Council shall be made
120 available to those attending by teleconference. [Ord. 07-45(A)(S) § 2, 2007. Code 1981
121 § 1.24.110].

122
123 **2.08.120 Teleconference – Limitations.**
124

125 a. All Council members and the Mayor should make all reasonable effort to be
126 physically present for every meeting. Teleconference procedures may not be used as a
127 regular means of attendance at meetings.

128
129 b. Participation by teleconference may be denied whenever the physical presence of
130 the individual is considered essential to effective participation in the meeting or to the
131 proper conduct of the business to be addressed at the meeting.

132
133 c. If teleconferencing is denied the individual will be listed as absent.

134
135 d. Each Council member and the Mayor may attend a maximum of ~~three~~ **two** City
136 Council meetings by teleconference during the 12-month period commencing
137 November 1st each year **for any reason, including recreational travel. If a member**
138 **participates in any part of a regularly scheduled meeting telephonically, it will**
139 **count towards their maximum allowable telephonic participations.**

140
141 e. Each Council member and the Mayor may attend additional teleconferences as a
142 special exception if expressly approved for good cause in each instance by a vote of the
143 Council. Good cause may include, but is not limited to, absence required for **work**
144 **related travel or** ~~extended~~ medical care needed for the individual or the individual's
145 immediate family.

146
147 f. No Council member or the Mayor shall attend by telephonic means:

148
149 1. An executive session of the City Council.

150
151 2. A hearing on an ethics charge under Chapter 1.18 HCC. [Ord. 07-45(A)(S) § 3, 2007.
152 Code 1981 § 1.24.120].

153
154 Section 2. This ordinance shall take effect upon its adoption by the Homer City Council.

155
156 Section 3. This ordinance is of a permanent and general character and shall be included
157 in the Homer City Code.

158
159 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this __ day of _____, 2019.

160
161
162 CITY OF HOMER

163
164
165 _____
166 KEN CASTNER, MAYOR

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ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

Introduction:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

Katie Koester, City Manager

Holly Wells, Attorney

Date: _____

Date: _____

CITY MANAGER'S REPORT



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

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Memorandum

TO: Mayor Castner and Homer City Council
FROM: Katie Koester, City Manager
DATE: January 9th, 2019
SUBJECT: January 14th City Manager Report

Workout While Learning About Ocean Ecology on the Homer Spit

Kachemak Bay National Estuarine Research Reserve (KBNERR) has requested a letter of support from the City of Homer for a grant from Alaska Sea Grant to work with community partners and create a series of workout signs along the Homer Spit Trail that highlight ecological features of the surrounding ecosystem. The goal would be to increase ocean literacy within Homer while providing recreational users with a structured workout routine.

The proposed signage would start at the base of the Homer spit and extend 3.0 miles to Nick Dudiak Fishing Lagoon as an end point. In total, 10 signs would be posted with different exercises or stretches while incorporating ocean literacy about tides, currents, marine life, and fisheries. KBNERR will work with a physical therapist to develop the workout portion of the signs' content. The attached letter expresses the City of Homer's support for this innovative and unique project. If funding is successful, Park Coordinator Matt Steffy will work with KBNERR on signage and placement.

Senior Officials Workshop for All-Hazard Preparedness

Please set aside Thursday, February 21st from 11am to 5pm for a Senior Officials Workshop on All-Hazard Mitigation sponsored by FEMA. The workshop will be held at the College and will be hosted by Texas A & M Engineering Services Extension (TEEX) with the goal of bringing senior executive officials together to understand their important role in disaster planning and mitigation. We will also work through a mid-summer tsunami evacuation as a table top drill. In addition to City Council and all City staff who would be mobilized to participate in the Emergency Operations Center, we will invite community partners to attend. See attached flyer from TEEX for more information. Thank you in advance for setting aside an entire day for this important workshop.

It's Official – 302 Acres Preserved in Bridge Creek Watershed

City Council approved approximately \$30,000 in the 2018 budget to cover costs related to establishing a conservation easement for over 300 acres of wetlands in the Bridge Creek Watershed. On December 13th, 2018, Nancy Hillstrand and Kachemak Heritage Land Trust (KHLT) signed papers to permanently protect her 302 acres near Bridge Creek for valuable wildlife habitat, open space, and water quality. The name of this special place is Let Nature Sing Wilderness Preserve. From the KHLT news release:

The Bridge Creek Reservoir is important moose and bear habitat, as well as being highly valuable to the City as the sole water supply for the surrounding area. Bridge Creek is also a tributary of the Anchor River, meaning that it contributes directly to healthy salmon, Dolly Varden, and steelhead habitat. Protection of this land in the Bridge Creek Watershed ensures that groundwater and streams have a clean and healthy environment through which to filter before entering the Reservoir. Keeping this piece of land in a virtually pristine condition directly benefits the entire ecosystem, from Homer Residents to baby salmon in the Anchor River. KHLT successfully collaborated with the Homer City Council to acquire stewardship funds from the City's Water Reserves in order to maintain the valuable characteristics of this property forever. Nancy says it best, "Thank you, Mother Nature."

Coastal Bluff Analysis

In 2018, the City of Homer entered into a partnership with the Alaska Division of Geological and Geophysical Surveys to complete LIDAR mapping of the Homer bench in order to produce data for a landslide hazard analysis. The funding for this work is directly from FEMA to the State of Alaska. Though the City is not a recipient of the funds, we will be able to use the data as the Planning Commission and City Council work on slope stability issues. The City was recently contacted by the state to support a request to expand the scope of the data analysis so that the City of Homer could receive assistance in reviewing and making policy recommendations regarding development near Homer's coastal bluffs. Currently, the definition of 'coastal bluff' in Homer City Code does not include many of the landforms found near the coast that the Commission wishes to regulate. Examining coastal bluff morphology, examining policy practices of similar communities, and working with the Planning Commission in developing best management practices will allow the City of Homer to address the risks of coastal development to help further the health, safety, and welfare of Homer's citizens.

2020 Census

Before the holiday season, City staff met with Barbara Miranda from the US Census to discuss how the accuracy of the upcoming 2020 census count could be improved. Ms. Miranda was traveling around the Peninsula encouraging communities to create and/or participate in a 2020 Census Complete Count Committee made up of community leaders who could ensure every citizen is counted in the 2020 census. Population data is tied to many different sources of federal programming and funding and it is critical every Homer resident is counted, especially among vulnerable populations that historically tend to be underrepresented. The Census Department estimates that, on average, each citizen is directly tied to \$3,000 in annual federal funding which comes to our community in one way or another. This amount does not count the auxiliary ways census data is tied to funding (like Community Assistance through the state). Furthermore, the census participation rate in 2010 for the Kenai Peninsula was only 52%, which leaves a lot of room for improvement. I put Ms. Miranda in touch with Mobilizing Action through Planning and Partnership of the Southern Kenai Peninsula (MAPP of SKP), an organization that uses this data on a regular basis for their reports and analysis and is a great cross section of community organizations and leaders. The Kenai Peninsula Economic Development District is going to organize a 2020 Census Complete Count Committee on behalf of the Kenai Peninsula Borough to work on outreach for the Peninsula in anticipation of the 2020 Census. The City of Homer will be looking to appoint someone to represent us on that committee.

AML Juneau Winter Legislative Meeting

The February trip to Juneau for the Alaska Municipal League (AML) Winter Legislative Meeting is just around the corner. Our travel schedule will be rigorous, with the majority of us arriving the afternoon of Monday, the 18th, leaving on the Wednesday evening flight, and overnighing in Anchorage in order to make it back in

time for the Senior Officials Workshop for All-Hazards Preparedness on Thursday, the 21st. There will be a Juneau meeting schedule in addition to the two full days of work sessions AML has planned (see attached draft agenda). Suggestions I have for meetings and topics are listed below. Please provide me with any additional suggestions on meeting topics/agencies as we work on the schedule for the upcoming trip. If you have additional topics that Council has not taken a formal position on, there are two Council meetings to work on resolutions (January 28th and February 11th) before AML.

Meeting/Topic Suggestions

- DCEDD – interpretation of CPV funds moving forward in light of recent court decision
- DOT – follow up on Councilmember Erickson’s request regarding Baycrest Subdivision
- Rep. Vance – COH priorities
- Sen. Stevens – COH priorities
- USCG – large vessel harbor progress update, courtesy visit
- If they happen to be in Juneau when we are, it would be great to make time for a quick visit and words of encouragement for two of our hometown public officials, Jon Faulkner, Deputy Commissioner of Department of Commerce, Community and Economic Development and Adam Crum, Commissioner of the Department of Health and Social Services.

Risk Analysis

The recent insurance renewal with Alaska Municipal League Joint Insurance Association (AML-JIA) provided an excellent opportunity to review points of vulnerability for the City and reflect on how we can be proactive about risk management. I appreciate the suggestions made by Councilmembers and would like to extend the offer to review the mandatory trainings we require for employees (most of which are online) to any member. I will be following up on Council’s suggestions, including driving training for city employees and providing ice cleats for employees to prevent slips. To that end, I requested a risk analysis from AML-JIA, the result of which is summarized in the attached letter. The attached memorandum identified Port & Harbor and Public Works employees as having the vast majority of claims concerning “Foreign Body in Eye.” These departments will be completing an additional training within the next 30 days to reinforce the importance of personal protective equipment (PPE). When seasonal employees are hired in 2019, as always, they will complete in-house safety trainings. Particular attention will be paid to PPE. Supervisors will be reminded that when applicable, they need to address their teams prior to beginning new tasks to remind them to wear proper PPE. Additionally, all employees will continue their annual training. While supervisors make every effort to ensure that all employees wear the proper PPE, clearly there is room for improvement.

KPEDD Working on Jet Service Request

On November 26th, City Council passed a letter of request to the Kenai Peninsula Economic Development District (KPEDD) to solicit their help in attracting seasonal jet service to/from a major West Coast hub, such as Seattle or Portland. I have been in communication with KPEDD who has accepted our request and is working on reaching out to major airlines to gauge their possible interest in a smaller airport at a great destination like Homer.

Enc:

January Anniversaries

City of Homer Letter of Support for KBNERR Grant Application

Senior Officials All-Hazard Planning Workshop Flyer
Draft 2019 AML Winter Legislative Conference Agenda
Risk Analysis Correspondence from AMLJIA



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

Memorandum

TO: MAYOR CASTNER AND CITY COUNCIL
FROM: Katie Koester
DATE: January 14, 2019
SUBJECT: January Employee Anniversaries

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

Richard Gibson,	Public Works	19	Years
Teresa Sundmark,	Library	12	Years
Amy Gordon,	Library	12	Years
Tomasz Sulczynski,	IT	11	Years
Larry Baxter,	Police	10	Years
Andrea Browning	Admin	7	Years
Paul McBride	Public Works	7	Years
Burton Gregory,	Harbor	5	Years
Brody Jones,	Public Works	5	Years
Bobby Dash,	Dispatch	4	Years
Jona Focht,	Dispatch	4	Years
Lynda Gilliland	Finance	1	Year



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January 14th, 2019

Dana Nelson
Kachemak Bay Natural Estuarine Research Reserve
University of Alaska Anchorage
2181 Kachemak Drive
Homer, Alaska 99603

Dear Ms. Nelson and Alaska Sea Grant Staff,

The City of Homer supports Kachemak Bay Natural Estuarine Research Reserve (KBNERR)'s pursuit of Alaska Sea Grant funding for a series of informational signs along the Homer Spit Trail. This "Creative" Improvement Project will educate residents and visitors alike on the unique ecological functions of Kachemak Bay while also encouraging outdoor exercise and enjoyment along one of Homer's most treasured trails.

We look forward to coordinating the location selection, installation, and design aspects of this project with KBNERR, an organization that has continued to demonstrate dedication to community outreach and education through various programs and projects over the years.

Please feel free to contact me with any questions or concerns.

Thank you,

Katie Koester
City Manager

SENIOR OFFICIALS WORKSHOP FOR ALL-HAZARDS PREPAREDNESS

MGT-312

DHS/FEMA-funded course



SENIOR OFFICIALS WORKSHOP FOR ALL-HAZARDS PREPAREDNESS

MGT-312

This workshop provides a forum for senior officials to understand strategic and executive-level issues related to all-hazard disaster preparedness, to share proven strategies and best practices, and to enhance coordination among whole of community officials responsible for emergency preparedness, response, and recovery. The workshop emphasizes planning, operational coordination and public information and warning through extensive group discussions and a table-top exercise. The final outcome of the seminar is the development of an action plan to improve the preparedness posture of the community/organization.

Course Length

One Day (6 hours)

Venue

Jurisdiction

Class Size

Approximately 30 participants

CE Units

0.60 CEUs

Workshop Topics

- Planning for success through utilization of the National Preparedness System, the preparedness cycle, identifying the role senior officials play in the planning process, and gaining an understanding of the importance of having plans in place that are adequate, feasible and all-hazards based.
- Effective operational coordination with emphasis on the importance of having coordinated operational structures and the integration of all critical stakeholders.
- Includes a table-top exercise designed specifically for the jurisdiction(s). The exercise incorporates community response, public information, and community resilience and recovery.
- Developing a broad action plan, based on lessons learned from the workshop, to guide future personal, departmental, and jurisdictional emergency preparedness planning.

Course Materials:

Participants receive an executive handbook on all hazards preparedness. This reference book contains chapters on:

- Getting involved before a disaster
- Mission Area Guide for the five DHS/FEMA mission areas (Prevention, Protection, Mitigation, Response and Recovery)
- Crisis Communications
- Overview of the five National Planning Frameworks
- National Response Framework
- National Disaster Recovery Framework
- List of Resources

Participants:

- Elected Officials
- Senior Appointed Officials
- Emergency Management Directors
- Educational Institution Administration
- Public and Private Sector Executives
- Chiefs / Department Heads
- Public Health Officials
- Non-Governmental Organizations (NGOs)
- State / Federal Agency Representatives
- Public Information Officers

For more information, contact::

TEXAS A&M ENGINEERING EXTENSION SERVICE

Steve Keim, Training Manager

200 Technology Way

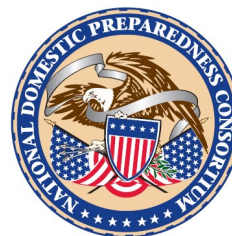
College Station, Texas 77845-3424

979.458.5646 or

855.245.1614 (toll free)

Steven.Keim@teex.tamu.edu

TEEX.org/nerrtc





**Senior Officials Workshop (MGT-312)
&
Crisis Leadership and Decision Making Seminar (MGT-340)
Attendee List**

This is a suggested, but not all inclusive list of possible attendees and is intended to serve as a guide with which organizers can begin developing their own list.

- Elected officials (city, county, state, and tribal)
- City and county managers
- Emergency management directors/coordinators
- Directors of local response agencies
- Chiefs/department heads:
 - Emergency Medical Services (EMS)
 - Finance and administration
 - Fire
 - Hazardous Materials (HazMat)
 - Human resources
 - Information Technology (IT)
 - Law enforcement
 - Legal
 - Parks and recreation
 - Public health
 - Public works (utilities, waste management, water)
 - Purchasing/contracting
 - Risk management
 - 911/Dispatch
- Public Information Officers
- Resident federal agency representatives (e.g., FBI, ATF, Secret service, FEMA, TSA)
- Chief Executive Officers (CEO)/administrators of hospitals
- Airport and port facility managers
- Department of Defense (DoD) installation commanders and representatives
- Stadium and sports facility managers and directors of security
- Public and private sector executives (e.g., Communications, Transportation, Utilities)
- Non-governmental Organizations (NGOs) (e.g., Red Cross, Salvation Army, etc.)
- School and university administrators

These are management-level courses designed for senior elected, appointed, and whole of community leaders. It may also include leaders from other community entities, both public and private, who have a role in disaster preparedness, response and recovery.

**Alaska Municipal League
Winter Legislative Conference**
February 19-21, 2019 ~ Treadwell Room
Baranof Hotel, Juneau, Alaska

Tuesday, February 19, 2019

- 8 am Breakfast (included)
- 9-11:30am Legislative Review
 - Review status and analysis of all current legislation
- 11:30 am Lunch (included) - Invited speakers
- 1pm Federal issues update
- 3pm Alaska Conference of Mayors Meeting
- 5:30pm Governor's reception

Wednesday, February 20, 2019

- 8 am Breakfast
- 9-11am Agency/Administration meetings
- Noon Lunch (included) - Invited speakers
- 1-4pm Invited speakers and roundtable discussions
- 5:30pm AML legislative reception

Thursday, February 21, 2019

- 8 am Breakfast (included)
- 9-11am Legislative meetings – arranged meetings specific to issues
- Noon Lunch on your own
- 1-4pm AML board meeting

MEMORANDUM

DATE: December 21, 2018
TO: Katie Koester, City Manager
FROM: Tony Blodgett, CSP, Risk Control Specialist
SUBJECT: Loss Analysis (Fiscal Years 2009-2019)



The Alaska Municipal League Joint Insurance Association (AMLJIA) was asked to look into loss trends that may negatively affect the City of Homer (City). I had the opportunity to speak with you to develop parameters for the analysis. During my analysis, I identified a possible trend. Generally, though because the City's incidents within the data pool were few compared to the average of the pool as a whole, I was unable to definitively identify any other trends.

I looked back 10 fiscal years for a combined total and percentage, with a focus on Major Cause Categories to identify possible trends. During the analysis, there were three Major Cause Categories that were viewed as possible areas the city should continue to focus its efforts, "Strain or injured by," "Miscellaneous (Foreign Body in Eye)" and "Falls, Slips, and Trips."

The City accounts for 2.4% of the pool's payroll. Comparing your losses, in the "Strain or Injured by" category, there were 17 (1.8% of pool) compared to 912 total incidents. In the "Fall, Slip or Trip" category, there were 15 (1.3% of pool) compared to 1,091 total incidents. Lastly, the city experienced six (17% of pool) in the "Foreign Body in Eye" category compared to 35 total incidents. The majority of these incidents occurred primarily in the public works department and harbor and port operations. I will discuss this finding further.

As I alluded to above, objectively, the data shows no specific trends for the City of Homer when compared to the entire pool, however, the indicated percentage of "Foreign Body in Eye," is concerning. You may want to suggest that public works and harbor employees wear personal protective equipment (safety glasses). While the City may have had streak of bad luck in the eye department, it is enough of an anomaly to warrant further attention and comment. Under the current workers' compensation schedule, loss of an eye would cost at least the minimum of 25 percent of the whole person or \$44,250. That's not to mention the hardships for the employee. Loss of both eyes would be considerably worse.

I recommend that you and city officials, department heads, supervisors, and individual employees continue to keep safety and risk management at the forefront of your thoughts when conducting your work or job tasks. Although there are no trends, a singular accident, such as the loss of vision or body part cannot only have substantial direct costs (workers' compensation costs or medical bills), but can also have indirect costs (loss of morale, stress, inability of other employee affected by incident to focus on tasks, etc.). I congratulate you and the City on your proactive interest in protecting your employees and the City's finances.

If there are any questions regarding this report, please contact me at (800) 337-3682.

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE
COMMENTS OF THE CITY ATTORNEY
COMMENTS OF THE CITY CLERK
COMMENTS OF THE CITY MANAGER
COMMENTS OF THE MAYOR
COMMENTS OF THE CITY COUNCIL
ADJOURNMENT

