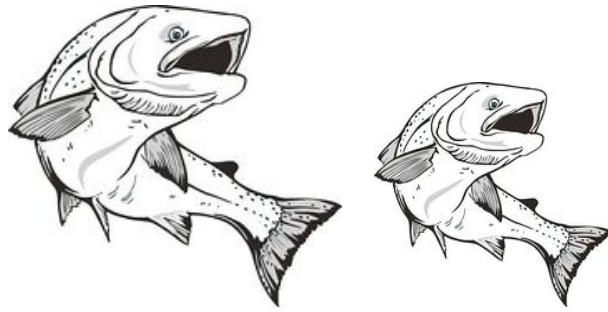


City Council  
August 8, 2016  
Monday

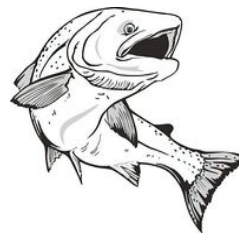


Committee of the Whole 5:00 P.M.  
Regular Meeting 6:00 P.M.



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

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# August

<b>Monday 8<sup>th</sup>:</b>	<b>CITY COUNCIL</b> Worksession 4:00 p.m., Committee of the Whole 5:00 p.m., Special Meeting 5:30 p.m., and Regular Meeting 6:00 p.m.
<b>Tuesday 9<sup>th</sup>:</b>	<b>ECONOMIC DEVELOPMENT ADVISORY COMMISSION</b> Worksession 5:00 p.m. and Regular Meeting 6:00 p.m.
<b>Wednesday 10<sup>th</sup>:</b>	<b>PUBLIC SAFETY BUILDING REVIEW COMMITTEE</b> Regular Meeting 5:30 p.m.
<b>Thursday 11<sup>th</sup>:</b>	<b>ADA COMPLIANCE COMMITTEE</b> Meeting 4:00 p.m.  <b>CITY COUNCIL</b> Special Meeting (Board of Ethics) 5:30 p.m.
<b>Tuesday 16<sup>th</sup>:</b>	<b>STATE PRIMARY ELECTION</b> Polls open at 7:00 a.m. and close at 8:00 p.m.
<b>Wednesday 17<sup>th</sup>:</b>	<b>PLANNING COMMISSION</b> Worksession 5:30 p.m. and Regular Meeting 6:30 p.m.
<b>Thursday 18<sup>th</sup>:</b>	<b>PARKS, ART, RECREATION AND CULTURE ADVISORY COMMISSION</b> Regular Meeting 5:30 p.m.
<b>Monday 22<sup>nd</sup></b>	<b>CITY COUNCIL</b> Committee of the Whole 5:00 p.m. and Regular Meeting 6:00 p.m.

## Regular Meeting Schedule

**Library Advisory Board 1<sup>st</sup> Tuesday with the exception of January, April, August and November 5:30 p.m.**

**Economic Development Advisory Commission 2<sup>nd</sup> Tuesday 6:00 p.m.**

**Parks and Recreation Advisory Commission 3<sup>rd</sup> Thursday with the exception of July, December and January 5:30 p.m.**

**Planning Commission 1<sup>st</sup> and 3<sup>rd</sup> Wednesday 6:30 p.m.**

**Port and Harbor Advisory Commission 4<sup>th</sup> Wednesday 5:00 p.m. (May-August 6:00 p.m.)**

**Cannabis Advisory Commission 4<sup>th</sup> Thursday 5:30 p.m.**

**Public Arts Committee Quarterly 2<sup>nd</sup> Thursday 5:00 p.m.**

**Permanent Fund Committee Quarterly 2<sup>nd</sup> Thursday 5:15 p.m.**

## MAYOR AND CITY COUNCILMEMBERS AND TERMS

**BETH WYTHER, MAYOR – 16**

**BRYAN ZAK, COUNCILMEMBER – 16**

**DAVID LEWIS, COUNCILMEMBER – 17**

**GUS VAN DYKE, COUNCILMEMBER – 16**

**CATRIONA REYNOLDS, COUNCILMEMBER – 17**

**DONNA ADERHOLD, COUNCILMEMBER – 18**

**HEATH SMITH, COUNCILMEMBER – 18**

**City Manager, Katie Koester**

**City Attorney, Holly Wells**



<http://cityofhomer-ak.gov/cityclerk> for home page access, Clerk's email address is: [clerk@ci.homer.ak.us](mailto:clerk@ci.homer.ak.us) Clerk's office phone number: direct line 235-3130,  
other number 435-3106



HOMER CITY COUNCIL  
491 E. PIONEER AVENUE  
HOMER, ALASKA  
[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)



COMMITTEE OF THE WHOLE  
5:00 P.M. MONDAY  
AUGUST 8, 2016  
COWLES COUNCIL CHAMBERS

MAYOR BETH WYTHE  
COUNCIL MEMBER DAVID LEWIS  
COUNCIL MEMBER BRYAN ZAK  
COUNCIL MEMBER GUS VAN DYKE  
COUNCIL MEMBER CATRIONA REYNOLDS  
COUNCIL MEMBER DONNA ADERHOLD  
COUNCIL MEMBER HEATH SMITH  
CITY ATTORNEY HOLLY WELLS  
CITY MANAGER KATIE KOESTER  
CITY CLERK JO JOHNSON

### 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. **Resolution 16-080**, A Resolution of the Homer City Council Reconfirming the Sister City Relationship With Teshio, Hokkaido, Japan. Lewis. *Page 383*
4. **Resolution 16-084**, A Resolution of the Homer City Council Approving an Amendment to the Michael Yourkowski Lease on Lot 88-2, Homer Spit Sub No. 2 Amended, to Permit the Use of 611 Square Feet of the City of Homer's Right of Way for Restaurant Seating, Amending the Base Rent to Be Paid in Quarterly Installments, and Amending Verbiage Related to Subleasing to Bring It To-Date With Current Policies, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. *Page 145*  
  
Memorandum 16-128 from Lease Committee as backup. *Page 147*  
Memorandum 16-129 from Port and Harbor Advisory Commission as backup. *Page 155*
5. **Resolution 16-085**, A Resolution of the Homer City Council Approving a Request to Sublease to Michael Yourkowski to Permit Commercial Subleases in Eight Buildings Located on the Leased Property Lot 88-2, Homer Spit Sub No. 2 Amended. City Manager. *Page 161*  
  
Memorandum 16-128 from Lease Committee as backup. *Page 147*



Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

*Page 155*

- 6. Resolution 16-086,** A Resolution of the Homer City Council Awarding to Global Sustainable Fisheries of Alaska a 20-Year Lease With Two, Five-Year Options for Lot 9-A and Lot 10-A, Homer Spit Replat 2006, With a Base Rent of \$36,133.00 Per Year, and Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager.

*Page 163*

Memorandum 16-130 from Lease Committee as backup.

*Page 165*

Memorandum 16-131 from Port and Harbor Advisory Commission as backup.

*Page 207*

**7. 2017 BUDGET PRIORITIES**

**8. CONSENT AGENDA**

**9. REGULAR MEETING AGENDA**

**10. COMMENTS OF THE AUDIENCE**

**11. ADJOURNMENT NO LATER THAN 5:50 P.M.**

Next Regular Meeting is Monday, August 22, 2016 at 6:00 p.m. and Committee of the Whole 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.



CALL TO ORDER  
PLEDGE OF ALLEGIANCE  
AGENDA APPROVAL







HOMER CITY COUNCIL  
491 E. PIONEER AVENUE  
HOMER, ALASKA  
[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)



REGULAR MEETING  
6:00 P.M. MONDAY  
AUGUST 8, 2016  
COWLES COUNCIL CHAMBERS

MAYOR BETH WYTHER  
COUNCIL MEMBER DAVID LEWIS  
COUNCIL MEMBER BRYAN ZAK  
COUNCIL MEMBER GUS VAN DYKE  
COUNCIL MEMBER CATRIONA REYNOLDS  
COUNCIL MEMBER DONNA ADERHOLD  
COUNCIL MEMBER HEATH SMITH  
CITY ATTORNEY HOLLY WELLS  
CITY MANAGER KATIE KOESTER  
CITY CLERK JO JOHNSON

## REGULAR MEETING AGENDA

**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 1.24.040.)

### 3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

### 4. RECONSIDERATION

### 5. 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 July 25, 2016. City Clerk. Recommend adoption. *Page 21*
- B. **Ordinance 16-43**, An Ordinance of the City Council of Homer, Alaska, Amending Ordinance 13-03(S)(2) to Change the Terms for Adjusting the Amortization of Principal of the Natural Gas Distribution Special Assessment Bond Authorized by Ordinance 13-



02, and Authorizing an Amendment to the Loan Agreement Between the City and the Kenai Peninsula Borough Regarding the Bond. City Manager. Recommended dates: Introduction August 8, 2016, Public Hearing and Second Reading August 22, 2016.

*Page 37*

- C. **Resolution 16-082**, A Resolution of the Homer City Council Approving the Terms and Conditions for the Sale of Parcel No. 175-241-26, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 57; Parcel No. 175-241-28, T6S R14W SEC 24 S.M. HM0880016 Lillian Walli Estate Lot 58; Parcel No. 175-241-27, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 59; Parcel No. 175-241-26, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 60; Parcel No. 175-241-30, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 65; Parcel No. 175-241-11 T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 66; Parcel No. 175-241-12, T 6S R 14W SEC 24 S.M. HM 0880016 Lillian Walli Estate Lot 67; Parcel No. 175-241-10, T 6S R 14W S.M. HM 0880016 Lillian Walli Estate Lot 70 to the Highest, Responsible Bidder for Those Lots and Authorizing the City Manager to Execute the Appropriate Documents to Finalize the Sales. City Manager. Recommend adoption.

*Page 71*

- D. **Resolution 16-084**, A Resolution of the Homer City Council Approving an Amendment to the Michael Yourkowski Lease on Lot 88-2, Homer Spit Sub No. 2 Amended, to Permit the Use of 611 Square Feet of the City of Homer's Right of Way for Restaurant Seating, Amending the Base Rent to Be Paid in Quarterly Installments, and Amending Verbiage Related to Subleasing to Bring It To-Date With Current Policies, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommend adoption.

*Page 145*

Memorandum 16-128 from Lease Committee as backup.

*Page 147*

Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

*Page 155*

- E. **Resolution 16-085**, A Resolution of the Homer City Council Approving a Request to Sublease to Michael Yourkowski to Permit Commercial Subleases in Eight Buildings Located on the Leased Property Lot 88-2, Homer Spit Sub No. 2 Amended. City Manager. Recommend adoption.

*Page 161*

Memorandum 16-128 from Lease Committee as backup.

*Page 147*

Memorandum 16-129 from Port and Harbor Advisory Commission as backup.

*Page 155*

- F. **Resolution 16-086**, A Resolution of the Homer City Council Awarding to Global Sustainable Fisheries of Alaska a 20-Year Lease With Two, Five-Year Options for Lot 9-A and Lot 10-A, Homer Spit Replat 2006, With a Base Rent of \$36,133.00 Per Year, and



Authorizing the City Manager to Move Forward With Lease Negotiations and Execute the Appropriate Documents. City Manager. Recommend adoption. *Page 163*

Memorandum 16-130 from Lease Committee as backup. *Page 165*

Memorandum 16-131 from Port and Harbor Advisory Commission as backup.

*Page 207*

- G. **Resolution 16-087**, A Resolution of the City Council of Homer, Alaska, Opposing the National Park Service's Closure of the Homer Field Office for Lake Clark National Park. Aderhold. Recommend adoption. *Page 213*

- H. **Memorandum 16-126**, from Library Advisory Board, Re: Request to Hold a Special Meeting. *Page 215*

## 6. VISITORS

- A. Emily E. Stolarczyk, Program Manager for Eyak Preservation Council, Overview of U.S. Navy Training Activities in the Gulf of Alaska, 10 minutes.

## 7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. Borough Report

- B. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks Art Recreation and Culture Advisory Commission
5. Port and Harbor Advisory Commission
6. Cannabis Advisory Commission

- C. Sister City Teshio Update, by Councilmember Lewis



**8. PUBLIC HEARING(S)**

**A. 2017 BUDGET PRIORITIES**

- B. Ordinance 16-38(S)**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 7.04.030, Traffic Fine Schedules, and Enacting Homer City Code Chapter 7.15, Animals in Vehicles, Regarding Animals in Vehicles; and Amending Homer City Code Title 20, Animals, Regarding the Regulation and Impoundment of Animals, and Penalties for Animal Violations. City Manager/Police Chief. Introduction June 27, 2016, Public Hearings July 25 and August 8, 2016, Second Reading August 8, 2016.

*Page 227*

Memorandums 16-026 and 16-111 from Deputy City Clerk as backup. *Pages 245/249*

Memorandum 16-114 from City Attorney as backup. *Page 251*

- C. Ordinance 16-39**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount Of \$5,000 from the Public Safety Building Fund for Public Information Campaign in Support of the Ballot Proposition to Issue General Obligation Bonds not to Exceed \$12 Million Dollars to Finance the Acquisition and Construction of a Police Station and Provide for an Increase in the Rate of City Sales Tax from 4.5% to 5.15% from April 1 through September 30 with the Increase Providing Funds to Pay Debt Service on the General Obligation Bonds and Expiring on September 30 the Year when the City has Received Sufficient Funds from the Increase to Pay all of that Debt Service, Including Information that may Influence the Outcome of the Election on the Proposition. Mayor/City Manager. Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

*Page 257*

Memorandum 16-117 from Deputy City Clerk as backup.

*Page 263*

- D. Ordinance 16-40**, An Ordinance of the City Council of Homer, Alaska, Transferring Recreational Powers to the Kenai Peninsula Borough for the Leasing of Borough Property as a Site for an Indoor Athletic Field. City Manager. Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

*Page 265*

- E. Ordinance 16-41**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2016 Operating Budget to Provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds from the General, Water and Sewer and Port and Harbor Funds. City Manager/Finance Director. Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

*Page 275*



Memorandum 16-118 from City Manager as backup.	<i>Page 281</i>
Memorandum 16-132 from City Planner as backup.	<i>Page 283</i>
Memorandum 16-134 from Finance Director as backup.	<i>Page 285</i>

- F. **Ordinance 16-42**, An Ordinance of the City Council of Homer, Alaska Enacting Homer City Code 10.04.115, Appeal from Port and Harbor Citation Issued Pursuant to Homer City Code Title 7 and Homer City Code Title 10. City Manager. Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016. *Page 299*

**9. ORDINANCE(S)**

**10. CITY MANAGER’S REPORT**

- |                          |                 |
|--------------------------|-----------------|
| A. City Manager’s Report | <i>Page 309</i> |
| B. Bid Report            | <i>Page 339</i> |

**11. CITY ATTORNEY REPORT**

**12. COMMITTEE REPORT**

- |   |
|---|
| A. Employee Committee Report                            |
| B. Public Safety Building Review Committee              |
| C. Americans with Disabilities Act Compliance Committee |

**13. PENDING BUSINESS**

- A. **Ordinance 14-18(A)(S)**, An Ordinance of the Homer City Council Amending Homer City Code 21.03.040, Definitions Used in Zoning Code, Homer City Code 21.05.030, Measuring Heights, and Homer City Code 21.70.010, Zoning Permit Required; Repealing Homer City Code Chapter 21.58, Small Wind Energy Systems; and Enacting Homer City Code Chapter 21.58, Towers and Related Structures. Planning. Introduction April 28, 2014 and Referred to Planning Commission. Amended Substitute Adopted March 29, 2016 and Referred to Planning Commission.

*Page 347*

**Ordinance 14-18(A)(S-2)**, An Ordinance of the Homer City Council Amending Homer City Code 21.03.040, Definitions Used in Zoning Code, Homer City Code 21.05.030, Measuring Heights, and Homer City Code 21.70.010, Zoning Permit Required;



Repealing Homer City Code Chapter 21.58, Small Wind Energy Systems; and Enacting Homer City Code Chapter 21.58, Towers and Related Structures. Planning.

*Page 359*

Memorandum 16-127 from City Planner as backup.

*Page 371*

**14. NEW BUSINESS**

**15. RESOLUTIONS**

A. **Resolution 16-080**, A Resolution of the Homer City Council Reconfirming the Sister City Relationship With Teshio, Hokkaido, Japan. Lewis. *Page 383*

B. **Resolution 16-081**, A Resolution of the City Council of Homer, Alaska, Opposing Siting and Timing of U.S. Navy Training Exercises That Pose Risks to Fish and Fisheries in the Gulf of Alaska. Lewis. *Page 385*

C. **Resolution 16-083**, A Resolution of the City Council of Homer, Alaska, Supporting the Cannabis Advisory Commission's Opposition to the Marijuana Control Board's Requirement of Federal Background Checks and Fingerprinting to Receive a Marijuana Handler Permit. Lewis/Cannabis Advisory Commission. *Page 395*

Memorandum 16-133 from Cannabis Advisory Commission as backup. *Page 397*

**16. COMMENTS OF THE AUDIENCE**

**17. COMMENTS OF THE CITY ATTORNEY**

**18. COMMENTS OF THE CITY CLERK**

**19. COMMENTS OF THE CITY MANAGER**

**20. COMMENTS OF THE MAYOR**

**21. COMMENTS OF THE CITY COUNCIL**

**22. ADJOURNMENT**

Next Regular Meeting is Monday, August 22, 2016 at 6:00 p.m. and Committee of the Whole 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.



PUBLIC COMMENTS  
UPON MATTERS  
ALREADY ON THE AGENDA







# RECONSIDERATION







# CONSENT AGENDA







Session 16-15 a Regular Meeting of the Homer City Council was called to order on July 25, 2016 at 6:00 p.m. by Mayor Pro Tempore David G. Lewis at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

**PRESENT:** COUNCILMEMBERS: ADERHOLD, LEWIS, REYNOLDS (telephonic),  
SMITH, VAN DYKE, ZAK

STAFF: CITY MANAGER KOESTER  
CITY CLERK JOHNSON  
CITY ATTORNEY KLINKNER  
FINANCE DIRECTOR LI  
LIBRARY DIRECTOR DIXON  
POLICE CHIEF ROBL  
PUBLIC WORKS DIRECTOR MEYER

Mayor Wythe has requested excusal.

Councilmember Reynolds has requested telephonic participation.

Councilmember Reynolds' request for telephonic participation was approved by consensus of the Council.

Council met for a Worksession from 4:00 p.m. to 4:45 p.m. for Strategic Doing- Heroin/Opioid Epidemic. From 5:00 p.m. to 5:44 p.m. Council met as a Committee of the Whole to hear Public Safety Building Review Committee – Overview of Project to date and discuss Resolution 16-078, Memorandum 16-120, and 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 1.24.040.)

The following changes were made: **CALL TO ORDER, PLEDGE OF ALLEGIANCE** - Councilmember Reynolds has requested telephonic participation. **CONSENT AGENDA** - **Resolution 16-078**, A Resolution of the Homer City Council Approving Memorandum 16-120 Establishing Conditions Under Which Adjacent and Benefitted Properties Can Connect to the Shellfish Avenue/South Slope Drive Water Main Project. City Manager/Public Works Director. (Title amendment) Written backup provided by Public Works Director. **Resolution 16-079(S)**, A Resolution of the City Council of the City of Homer, Alaska, Approving a Policy and



Procedure for the Waiver of Penalties on Delinquent Special Assessment Payments.  
Mayor/Lewis.

ADERHOLD/SMITH - MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

Karen Berg-Forrester, city resident, asked Council to consider tabling Resolution 16-078 until they have time to review the documents she submitted pertaining to Quiet Creek.

Beau Burgess, city resident, voiced objection to Resolution 16-078. At the last minute there was a switch of assessment amounts and the memo property owners received was omitted from the supplemental packet. It is inequitable for a 20-acre lot to be assessed the same as a ½ acre lot. He asked to spread costs more proportionately as to how properties will be benefitted.

Deb Lowney, city resident, expressed concerns with the public safety building. Although she totally supports the project, she opposes the proposed location which is premium green space. The proposed police facility doesn't require this much space. The relocation of the outdoor basketball court has not been addressed.

### **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 June 25, 2016. City Clerk. Recommend adoption.
- B. **Memorandum 16-115** from Mayor Wythe Re: Appointment of Claire Keisel to the Economic Development Advisory Commission.



- C. **Memorandum 16-116** from Mayor Pro Tempore Lewis: Re: Appointment of Clark Fair to the Parks, Art, Recreation and Culture Advisory Commission and Ingrid Abrahamson to the Advisory Planning Commission.
- D. **Ordinance 16-39**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount Of \$5,000 from the Public Safety Building Fund for Public Information Campaign in Support of the Ballot Proposition to Issue General Obligation Bonds not to Exceed \$12 Million Dollars to Finance the Acquisition and Construction of a Police Station and Provide for an Increase in the Rate of City Sales Tax from 4.5% to 5.15% from April 1 through September 30 with the Increase Providing Funds to Pay Debt Service on the General Obligation Bonds and Expiring on September 30 the Year when the City has Received Sufficient Funds from the Increase to Pay all of that Debt Service, Including Information that may Influence the Outcome of the Election on the Proposition. Mayor. Recommended dates: Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

Memorandum 16-117 from Deputy City Clerk as backup.

- E. **Ordinance 16-40**, An Ordinance of the City Council of Homer, Alaska, Transferring Recreational Powers to the Kenai Peninsula Borough for the Leasing of Borough Property as a Site for an Indoor Athletic Field. City Manager. Recommended dates: Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.
- F. **Ordinance 16-41**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2016 Operating Budget to Provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds from the General, Water and Sewer and Port and Harbor Funds. City Manager/Finance Director. Recommended dates: Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

Memorandum 16-118 from City Manager as backup.

Moved to Ordinances, Item A. Smith.

- G. **Ordinance 16-42**, An Ordinance of the City Council of Homer, Alaska Enacting Homer City Code 10.04.115, Appeal from Port and Harbor Citation Issued Pursuant to Homer City Code Title 7 and Homer City Code Title 10. City Manager/Port Director. Recommended dates: Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.



- H. **Resolution 16-077**, A Resolution of the Homer City Council Clarifying How Assessments Will be Levied on a Portion of Government Lot 2 Split by Kachemak Drive as it Relates to Phase I and III of the Kachemak Drive Water and Sewer Improvement Projects. City Manager/Public Works Director.

Memorandum 16-119 from Public Works Director as backup.

- I. **Resolution 16-078**, A Resolution of the Homer City Council Approving Memorandum 16-120 Establishing Conditions Under Which Adjacent and Benefitted Properties Can Connect to the Shellfish Avenue/South Slope Drive Water Main Project. City Manager/Public Works Director.

Memorandum 16-120 from Public Works Director as backup.

Moved to Resolutions, Item B. Aderhold.

- J. **Resolution 16-079**, A Resolution of the City Council of Homer Alaska, Approving a Policy and Procedure for the Waiver of Penalties on Delinquent Special Assessment Payments. Lewis.

**Resolution 16-079(S)**, A Resolution of the City Council of the City of Homer, Alaska, Approving a Policy and Procedure for the Waiver of Penalties on Delinquent Special Assessment Payments. Mayor/Lewis.

Memorandum 16-121 from City Manager as backup.

Moved to Resolutions, Item A. Aderhold.

Item F, Ordinance 16-41 was moved to Ordinances, Item A. Smith.

Item I, Resolution 16-078 was moved to Resolutions, Item B. Aderhold.

Item J, Resolutions 16-079 and 16-079(S) was moved to Resolutions, Item A. Aderhold.

ADERHOLD/SMITH - MOVED TO ADOPT THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.



Motion carried.

## **VISITORS**

### **A. Public Safety Building Review Committee – Overview of Project to date**

Ken Castner, Public Safety Building Review Committee Chair, provided an overview of the project to replace police, fire and EMT facilities. The committee was tasked to provide a project for \$15M. After the space analysis and needs assessment it was apparent the \$15M would not be sufficient for the square footage needed. They looked for financial resources, but state and federal funds were diminishing quickly. It was decided the replacement or improvement costs of the facilities would be placed on the city residents. In December the committee provided Council with three different options for the public safety building. Time was also spent on reviewing various sites for the facilities.

The Fire Department agreed they can live without a new facility for now, but delayed maintenance needed to be done. The Council funded that and the work has begun to sustain the Fire Department for a number of years. The Police Department has been in distress for quite a while and needs to be replaced. The solution was utilization of the HERC building for part of the space and a new annex to meet other space needs requiring more stringent building standards. Two thirds of the Police Department will be existing HERC building and one third will be new building separated by a seismic joint. Architect drawings were shown.

The benefit of a phased building method is that the existing Public Works on the second floor of the HERC can remain until a new fire station is built. Census data predicts a .5% to 2.5% growth in the next 40 years. The public safety building is sized properly and allows enough space for future growth.

Councilmember Aderhold asked about the relocation of the outdoor basketball court and opposition she has been hearing about using the HERC site. Chair Castner answered the site was selected two years ago. We own the HERC site, complete with utilities, and Council blessed the site long ago. About a third of the basketball court is on borough property. There was a lot of public testimony on abandoning the gym, but tonight is the first he has heard of creating a basketball court. The skateboard park will be relocated, but nobody has asked to create a basketball court, therefore, the committee did not address it.

## **ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS**

### **A. Borough Report**

### **B. Commissions/Board Reports:**

#### **1. Library Advisory Board**



2. Homer Advisory Planning Commission

Planning Commissioner Savanna Bradley reported Jenny Carroll presented the CIP to the commission at their last meeting. The commission unanimously agreed on two projects: ice plant improvements and large vessel haul-out facilities based on the ability of their returns. The commission approved a CUP for SPARC, provided recommendations for towers and tall structures, and recommended approval of a preliminary plat on East End Road. Additionally, the commission reviewed the Comp Plan Parks and Recreation Plan. The commission has been tasked with review of HAWSP and will hold a Worksession with the Public Works Director and Finance Director to answer questions.

3. Economic Development Advisory Commission

4. Parks Art Recreation and Culture Advisory Commission

Parks and Recreation Advisory Commissioner Deb Lowney acknowledged the appointment of Clark Fair to the commission. The commission is reviewing the dog leash law in parks and parking lot areas. By August or September they will have something before the council. The commission plans an educational campaign on leash laws and pet owners' responsibility of cleaning up after pets. Ms. Lowney added that the outdoor basketball court at the HERC needs to be relocated. Out of all the discussions on the new public safety building the relocation of the outdoor basketball court has not been addressed.

5. Port and Harbor Advisory Commission

Mark Zeiset, Port and Harbor Advisory Commissioner, reported the commission will conduct a Worksession on Wednesday, July 27<sup>th</sup>, on the Marine Repair Facility and proposed trailer.

6. Cannabis Advisory Commission

Mayor Pro Tempore Lewis announced the upcoming meeting on Thursday, July 28<sup>th</sup>.

## **PUBLIC HEARING(S)**

- A. **Ordinance 16-36**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2016 Operating Budget by Appropriating \$9,970.00 From Sewer Reserves for the Removal of an Underground Fuel Storage Tank at the Sewer Treatment Plant. City



Manager/Public Works Director. Recommended dates: Introduction June 27, 2016, Public Hearing and Second Reading July 25, 2016.

Memorandum 16-109 from Public Works Director as backup.

Mayor Pro Tempore Lewis opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Lewis closed the public hearing.

Mayor Pro Tempore Lewis called for a motion for the adoption of Ordinance 16-36 by reading of title only for second and final reading.

ADERHOLD/ZAK – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 16-37**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Donation From Paul M. Hertzmann, Inc., Vintage Photography of San Francisco, California, in the Amount of \$1,000.00 for the Homer Public Library and Stipulating That the Funds be Segregated and Used by the Library in Support of Its Mission to Provide Library Services. City Manager/Library Director. Recommended dates: Introduction June 27, 2016, Public Hearing and Second Reading July 25, 2016.

Memorandum 16-110 from Library Director as backup.

Mayor Pro Tempore Lewis opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Lewis closed the public hearing.

ADERHOLD/REYNOLDS - MOVED TO ADOPT ORDINANCE 16-37.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.



- C. **Ordinance 16-38**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 20, Animals, Regarding the Regulation and Impoundment of Animals, and Penalties for Animal Violations. City Manager/Police Chief. Recommended dates: Introduction June 27, 2016, Public Hearing and Second Reading July 25, 2016.

**Ordinance 16-38(S)**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 7.04.030, Traffic Fine Schedules, and Enacting Homer City Code Chapter 7.15, Animals in Vehicles, Regarding Animals in Vehicles; and Amending Homer City Code Title 20, Animals, Regarding the Regulation and Impoundment of Animals, and Penalties for Animal Violations. City Manager/Police Chief. Recommended dates: Introduction June 27, 2016, Public Hearing and Second Reading July 25, 2016.

Memorandum 16-111 from Deputy City Clerk as backup.

Memorandum 16-114 from City Attorney as backup.

Resolution 15-057

Mayor Pro Tempore Lewis opened the public hearing.

Robert Archibald, city resident and Parks and Recreation Advisory Commissioner, commented the commission discussed animal regulations quite a bit. There has been trouble with dogs knocking people over and it is time to address irresponsible dog owners. He questioned the definition of direct control and would like on/off leash areas defined.

Mayor Pro Tempore Lewis closed the public hearing.

ADERHOLD/REYNOLDS - MOVED TO SUBSTITUTE ORDINANCE 16-38(S) FOR ORDINANCE 16-38.

There was no discussion.

VOTE: (substitute) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ADERHOLD/REYNOLDS - MOVED TO POSTPONE THE ORDINANCE TO THE AUGUST 8<sup>TH</sup> MEETING FOR SECOND PUBLIC HEARING AND SECOND READING.



There was no discussion.

VOTE: (postponement) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **ORDINANCE(S)**

- A. **Ordinance 16-41**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2016 Operating Budget to Provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds from the General, Water and Sewer and Port and Harbor Funds. City Manager/Finance Director. Recommended dates: Introduction July 25, 2016, Public Hearing and Second Reading August 8, 2016.

Memorandum 16-118 from City Manager as backup.

Mayor Pro Tempore Lewis called for a motion for the approval of Ordinance 16-41.

VAN DYKE/ADERHOLD - SO MOVED.

Council discussed the need for a defibrillator at the Library. Police Chief Robl told Council although there is no city or state law requiring the devices, the amount of time to save a life when a heart has stopped is small. Response times from the Fire Hall on a good day are 5 to 10 minutes and that is too long. About half of the library staff is trained in CPR.

Other budget amendments that were questioned were Caselle training and the Coastal Erosion mapping update.

ZAK/VAN DYKE - MOVED TO TRANSFER \$94,394 TO EMPLOYEE HEALTH COSTS INSTEAD OF TO RESERVES.

Employee health care costs will be increasing.

VOTE: YES. ZAK

VOTE: NO. LEWIS, SMITH, ADERHOLD, REYNOLDS, VAN DYKE

Motion failed.



VOTE: (main motion) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **CITY MANAGER'S REPORT**

### **A. City Manager's Report**

#### **Animal Control Contract Advertised**

The contract for Animal Control is up for renewal in December of 2016. The City will be issuing a request for proposals this week. The Animal Control Sustainability Committee spent a great deal of time updating City Code (changes to Title 20 before you today) and made useful suggestions on updates to the contract to be more reflective of current standards and practices. The RFP will be open for a full 7 weeks in an effort to give prospective contractors plenty of time to respond.

#### **ICMA Conference in September**

I will be missing the September 26 Council meeting as I will be attending the International City Manager Association conference in Kansas City, Missouri. I am very excited about so many workshops that pertain directly to City Manager responsibilities, development in small communities, and the Council-manager relationship. I really appreciate Council's support of my professional development. I applied for and received a Workplace Diversity scholarship that will cover much of the conference and travel expenses (about \$2,200 value).

#### **What is Next with Harbor Rates?**

Resolution 16-055, amending the harbor tariff failed at introduction and its companion, Resolution 15-054 amending the fee schedule to implement a graduated rate, was postponed until the second meeting in September, leaving many to question what is next. I appreciate all the Councilmembers and public who have met with me and expressed a desire to tackle this issue and build on the work of the Port and Harbor Commission. There is approximately \$8,000 left in the budget for moorage rate consultant services. Given the complexity of the issue, I suggest an extended work session with Northern Economics to help explain how the Port and Harbor Commission got to their recommendation, alternatives and compromises, and answer any questions Council may have. With elections in October and the potential for 2 new councilmembers and a new Mayor, the timing is awkward. I propose postponing Resolution 15-054 until the second meeting in October and scheduling an extended worksession on Monday October 17<sup>th</sup> with Northern Economics. Does that work for Council? Please submit any specific questions you have on harbor rates to so we can make the best use of Council's time and maximize time with the consultant.

#### **How Useful are Monthly Stats?**

Council should be receiving monthly statistical reports in their box (see attached March 2016 example). These stats cover items like animals reported lost at the shelter, number of packets



distributed by the Clerk's office, Fire and EMS calls, number of arrests, volunteer hours at the Library, work orders process at Public Works, and wait list requests at the Homer Harbor (just to name a few, there is a great deal of information in the reports). While this information is interesting, I wonder how useful you find it. Most of the information is collected by the departments regardless of whether or not it is provided to Council, however it is an extra step to report it to the City Manager's office and my staff can spend a great deal of time hunting down and compiling statistics. How useful does Council find the statistics? Are there suggestions on how to present the information in a more useful way? Should we consolidate our energy in a single comprehensive annual report?

### **Status of Borough's Property and Sales Tax Code Revisions**

The borough assembly has approved an ordinance to ask the voters to raise the maximum sales tax transaction to \$1,000, effective Jan. 1, 2017, and to eliminate sales tax on residential rent. Look for this on the October municipal ballot (October 4). The Assembly is scheduled at its July 26 meeting to vote on whether to put the senior citizen property tax exemption ordinance before voters Oct. 4. The ordinance would reduce, over several years, the optional (second) \$150,000 exemption in borough code. A third ordinance, dealing with other property tax issues (no voter approval required), will be introduced at the July 26 assembly meeting. Public hearings will be Aug. 9 and 23. The ordinance contains mostly procedural issues, but also amends code so that no one can get a residency-based property tax exemption if they have applied for or received a similar residency-based exemption outside of the borough in the same year. And it requires taxable personal property owners to notify the borough of sales, including the name and address of the new owner, so that the assessor can maintain an accurate list for assessments and tax billings. This Ordinance will have little impact for Homer.

Of greater interest to the City of Homer, is an ordinance dealing with all-things-sales-tax that is scheduled for introduction Aug. 9. This is the one that scales back which businesses can sell non-prepared foods as tax-exempt, amends code to require sales tax on flightseeing rides, says sales by a nonprofit ongoing business are subject to sales tax, and seeks to expand (as much as legally possible) the taxation of goods ordered and delivered into the borough. Per the direction given in the Revenue Worksessions, I will be drafting a resolution in support of many of these items for consideration at the next Council meeting (August 8).

### **Alaska Public Library Assistance Grant Agreement FY2017**

The Library has received a grant from the Alaska State Library for \$6,900 for purchasing materials and staff training. This is a routine grant that the Library receives every year. In the past, it has been accepted and appropriated by ordinance. However, during the 2016 budget Council gave the City Manager the authority to accept and appropriate grants under \$25,000. I will report any small grant we receive to Council in the City Manager's report.

City Manager Koester suggested bringing in the Northern Economics consultant at a Worksession on Monday, October 17<sup>th</sup> to review the harbor rates. Extending the review date to October will allow the new mayor and new councilmembers to participate in the review



before Resolution 16-054 returns to the Council. Council agreed to use remaining funds allocated to the harbor rate study for the consultant to attend the Worksession.

Asked how useful the monthly statistical reports were to Council, City Manager Koester received varied responses, the consensus being that the reports were beneficial.

Councilmember Zak asked for public input on the AML Position Statement that is due to the City Manager by August 2<sup>nd</sup>.

- B. Memorandum 16-122 from City Clerk re: Marijuana Petition
- C. Memorandum 16-123 from Deputy City Clerk re: AML Position Statement
- D. Bid Report

#### **CITY ATTORNEY REPORT**

City Attorney Klinkner commented on the Quiet Creek request for exclusion from Resolution 16-078. The proposal is totally contingent and in control of the property owner. Property owners won't incur expense unless they want to hook up to water. He can look into this further as to where properties are located in conjunction with the existing and proposed water lines.

#### **COMMITTEE REPORT**

- A. Employee Committee Report
- B. Public Safety Building Review Committee
- C. Americans with Disabilities Act Compliance Committee

Councilmember Aderhold reported the committee met last week and reviewed the draft CIP. At their next meeting they will finalize recommendations of the CIP for ADA compliance.

#### **PENDING BUSINESS**

#### **NEW BUSINESS**

- A. **Memorandum 16-124**, from Deputy City Clerk re: Natural Gas Assessment Deferral.

Mayor Pro Tempore Lewis called for a motion for the approval of a deferment of the natural gas assessment for Sue Douglass.



ZAK/VAN DYKE - SO MOVED.

City Clerk Johnson explained the procedure for deferral requests.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## RESOLUTIONS

- A. **Resolution 16-079**, A Resolution of the City Council of Homer Alaska, Approving a Policy and Procedure for the Waiver of Penalties on Delinquent Special Assessment Payments. Lewis.

**Resolution 16-079(S)**, A Resolution of the City Council of the City of Homer, Alaska, Approving a Policy and Procedure for the Waiver of Penalties on Delinquent Special Assessment Payments. Mayor/Lewis.

Memorandum 16-121 from City Manager as backup.

ADERHOLD/ZAK - MOVED TO ADOPT RESOLUTION 16-079.

ADERHOLD/LEWIS – MOVED TO SUBSTITUTE RESOLUTION 16-079(S) FOR RESOLUTION 16-079.

There was no discussion.

VOTE: (substitute) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ADERHOLD/LEWIS - MOVED TO AMEND LINE 91 “THERE” TO “THE” AT THE BEGINNING OF THE SENTENCE.

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.



VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 16-078**, A Resolution of the Homer City Council Approving Memorandum 16-120 Establishing Conditions Under Which Adjacent and Benefitted Properties Can Connect to the Shellfish Avenue/South Slope Drive Water Main Project. City Manager/Public Works Director.

Memorandum 16-120 from Public Works Director as backup.

Mayor Pro Tempore Lewis called for a motion for the adoption of Resolution 16-078 by reading of title only.

ZAK/ADERHOLD - SO MOVED.

Council requested clarification as to when interest rates begin to accrue and at what amount. If interest is due upon connection to water it does not address subdivisions.

ZAK/ADERHOLD - MOVED TO POSTPONE RESOLUTION 16-078 TO AUGUST 22<sup>ND</sup>.

There was no discussion.

VOTE: (postponement) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **COMMENTS OF THE AUDIENCE**

Karen Berg-Forrester, city resident, thanked Council for taking the time to consider Resolution 16-078. She submitted information on Quiet Creek to the clerk for Council's review.

Robert Archibald, city resident, reported the Friends of Kachemak Bay State Park and Water Trail received \$15,000 from Rasmuson Foundation, bringing their fundraising close to \$46,000 for the pavilion. They will move ahead with planning the trail that will be located in the back of Pier One Theatre at the Wooden Boat Festival location.



Tom Zitzmann reflected on the discussion last fall about retaining services of the city lobbyist. With the close of the legislative session, he asked Council if we received value with the lobbyist. Council may want to revisit the \$40,000 contract.

### **COMMENTS OF THE CITY ATTORNEY**

City Attorney Klinkner announced his retirement after working with the City for eight years. He will continue to work part-time, but will not be visiting Homer. He expressed his gratitude for the business and working with the City.

### **COMMENTS OF THE CITY CLERK**

City Clerk Johnson had no comments.

### **COMMENTS OF THE CITY MANAGER**

City Manager Koester had no comments.

### **COMMENTS OF THE MAYOR**

Mayor Pro Tempore Lewis wished Tom good luck in his partial retirement.

### **COMMENTS OF THE CITY COUNCIL**

Councilmember Reynolds commented it was a good meeting. She congratulated City Attorney Klinkner on his retirement.

Councilmember Zak thanked City Attorney Klinkner for his service. The new attorneys replacing him are excellent. South Peninsula Athletic and Recreation Center (SPARC) is able to provide an extra-large building 75 ft. x 159 ft. For more information: [www.sparchomer.org](http://www.sparchomer.org) Councilmember Zak commented on the greater number of seniors than youth that add wonderful value to our community.

Councilmember Van Dyke thanked the commission members and the Public Safety Building Review Committee. They have spent a vast number of hours on the building plans. They are going in the right direction.

Councilmember Aderhold thanked City Attorney Klinkner for his service and the commissioners for their service. Council conducted a Worksession this afternoon related to opioid addiction. She is proud to live in a city willing to take action on some issues.

Councilmember Smith is excited about the SPARC building and glad that the City could participation in helping facilitate it. They are still trying to hit their mark. It will be a



tremendous asset to the community. He agreed with Tom Zitzmann on examining the lobbyist contract since the lobbyist communication over the extended legislative session mirrored with AML. We do not need to pay for duplication of labor and he will continue to fight to be more cost effective. Councilmember Smith thanked Tom Klinkner and wished him the best. He appreciates the community of Homer and their involvement; we couldn't do it without the people. The Public Safety Building Review Committee has provided many hours working on the public safety building plans. He encouraged the public to educate themselves on the proposal and provide input on the project. We need the public safety building and he appreciates all the effort that has gone into it.

## **ADJOURNMENT**

There being no further business to come before the Council, Mayor Pro Tempore Lewis adjourned the meeting at 7:33 p.m. The next Regular Meeting is Monday, August 8, 2016 at 6:00 p.m., Committee of the Whole 5:00 p.m., and Worksession 4:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

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JO JOHNSON, MMC, CITY CLERK

Approved: \_\_\_\_\_



**ORDINANCE REFERENCE SHEET**  
**2016 ORDINANCE**  
**ORDINANCE 16-43**

An Ordinance of the City Council of Homer, Alaska, Amending Ordinance 13-03(S)(2) to Change the Terms for Adjusting the Amortization of Principal of the Natural Gas Distribution Special Assessment Bond Authorized by Ordinance 13-02, and Authorizing an Amendment to the Loan Agreement Between the City and the Kenai Peninsula Borough Regarding the Bond.

Sponsor: City Manager

1. Council Regular Meeting August 8, 2016 Introduction
  - a. Third Amendment to Loan Agreement
  - b. Ordinance 13-02
  - c. Ordinance 13-03(S)(2)
  - d. Ordinance 15-17(S)
  - e. Ordinance 16-03(S)







**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**ORDINANCE 16-43**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING ORDINANCE 13-03(S)(2) TO CHANGE THE TERMS FOR ADJUSTING THE AMORTIZATION OF PRINCIPAL OF THE NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT BOND AUTHORIZED BY ORDINANCE 13-02, AND AUTHORIZING AN AMENDMENT TO THE LOAN AGREEMENT BETWEEN THE CITY AND THE KENAI PENINSULA BOROUGH REGARDING THE BOND.

WHEREAS, By Ordinance 13-03(S)(2), adopted February 25, 2013, the City authorized the issuance of a Natural Gas Distribution Special Assessment Bond ("Bond") in the principal amount of not to exceed \$12,700,000, and the execution and delivery of a Loan Agreement ("Loan Agreement") between the City and the Kenai Peninsula Borough ("Borough") regarding the Bond; and

WHEREAS, By Ordinance 15-17(S), adopted June 15, 2015, the City amended Ordinance 13-03(S)(2) to provide for the prepayment of principal of the Bond, and to authorize the execution and delivery of a corresponding amendment to the Loan Agreement; and

WHEREAS, By Ordinance 16-03(S), adopted January 25, 2016, the City amended Ordinance 13-03(S)(2) to state the actual principal amount of the Bond and to change the principal and interest payment dates for the Bond, and to authorize the execution and delivery of a corresponding amendment to the Loan Agreement; and

WHEREAS, Ordinance 13-03(S)(2) and the Loan Agreement require that upon any prepayment of principal of the Bond the amortization of the principal of the Bond shall be adjusted so that each remaining scheduled payment of principal and interest on the Bond shall be in an equal amount; and

WHEREAS, Adjusting the amortization of the principal of the Bond after each prepayment of principal on the Bond is unnecessary and imposes an administrative burden when scheduled payments of principal and interest on the Bond are made only annually; and

WHEREAS, Because installments of principal and interest on the Bond are due annually, it would be sufficient to adjust the amortization of the principal of the Bond once for all prepayments made since the last annual installment payment immediately before the next installment is due.



NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Section 13 of Ordinance 13-03(S)(2) is amended to read as follows (added language is bold and underlined; deleted language is stricken through):

Section 13 – Sinking Fund. A special fund of the City designated the "City of Homer Natural Gas Distribution Special Assessment Bond Sinking Fund" is hereby created for the purpose of paying and securing the payment of the Bond. The Sinking Fund shall be held separate and apart from all other funds and accounts of the City and shall be a trust fund for the Registered Owner of the Bond. Payments of principal and interest on assessments levied for the Improvement in the District shall be deposited in the Sinking Fund. Amounts in the Sinking Fund shall be used to pay principal and interest on the Bond, and are hereby pledged for that purpose. Prepayments of assessments shall be applied to prepay the principal of the Bond; **Not less than five days before the due date of each annual installment of principal and interest on the Bond, the amortization of the principal of the Bond shall be adjusted to take into account all prepayments of the outstanding principal of the Bond made since payment of the last annual installment of principal and interest,** and upon any such prepayment the amortization of the principal of the Bond shall be adjusted so that each remaining scheduled payment of principal and interest on the Bond shall be in an equal amount.

Section 2. The City Manager is hereby authorized to execute the Third Amendment to Loan Agreement, in substantially the form presented at this meeting, but with such changes, modifications, additions and deletions therein as she shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said document now before this meeting, and to execute and deliver an amended and restated Loan Agreement that incorporates all amendments to the Loan Agreement that have been authorized through the effective date of this ordinance.

Section 3. This Ordinance is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR



ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form.

\_\_\_\_\_  
Mary K. Koester, City Manager

Date: \_\_\_\_\_

Fiscal Note: NA

\_\_\_\_\_  
Holly C. Wells, City Attorney

Date: \_\_\_\_\_







### THIRD AMENDMENT TO LOAN AGREEMENT

This THIRD AMENDMENT TO LOAN AGREEMENT ("Amendment"), dated as of August \_\_\_, 2016, amends the LOAN AGREEMENT ("Loan Agreement") dated as of March 25, 2013, by and between the KENAI PENINSULA BOROUGH ("Lender"), an Alaska municipal corporation, and the CITY OF HOMER ("Borrower"), an Alaska municipal corporation.

#### R E C I T A L S

WHEREAS, by Ordinance 13-03(S)(2), adopted February 25, 2013, Borrower authorized the issuance to Lender of a Natural Gas Distribution Special Assessment Bond ("Bond") in a principal amount equal to the aggregate amount of all advances under the Loan Agreement, but not to exceed \$12,700,000, and the execution and delivery of the Loan Agreement; and

WHEREAS, Section 3.03 of the Loan Agreement provides that prepayments of assessments shall be applied to prepay the principal of the Loan, and upon any such prepayment the amortization of the principal of the Loan shall be adjusted so that each remaining scheduled payment of principal and interest on the Loan shall be in an equal amount; and

WHEREAS, adjusting the amortization of the principal of the Loan upon each prepayment is unnecessary and imposes an administrative burden; and

WHEREAS, because installments of principal and interest on the Loan are due only once a year, it would be sufficient to adjust the amortization of the principal of the Loan once for all prepayments made since the last installment payment immediately before the next installment is due.

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereto covenant and agree as follows:

Section 1. Section 3.03 of the Loan Agreement is amended to read as follows:

#### Section 3.03 Prepayment.

(a) *Optional Prepayment.* The Borrower may prepay the outstanding principal of the Loan in whole or in part at any time in an amount equal to the principal amount of the Loan to be prepaid plus interest accrued thereon to the date of prepayment.

(b) *Mandatory Prepayment.*

(1) Prepayments of assessments shall be applied to prepay the principal of the Loan.



(2) Notwithstanding any other provision of this Agreement, Borrower and Lender agree that the total amount of assessments against condominium units in the District shall be reduced pursuant to the decision of the Superior Court in *Castner v. City of Homer, et al.*, Case No. 3HO-13-00038CI, and Borrower shall prepay principal of the Loan in an amount equal to the amount of such reduction. Borrower may make this prepayment from Free Main Allowance and other reimbursements that Borrower receives from ENSTAR Natural Gas Company, provided that immediately following such a prepayment the amount in the Reserve Fund will not be less than the Reserve Requirement.

(3) Notwithstanding any other provision of this Agreement, if the total amount of assessments against properties in the District is reduced due to action of the City Council of Borrower either (i) waiving the assessment of certain properties in the District that cannot be served by the natural gas distribution system, or (ii) recognizing subdivisions reducing the number of contiguous lots under common ownership by assessing only the reduced number of lots, Borrower shall prepay principal of the Loan in an amount equal to the amount of such reduction. Borrower may make this prepayment from Free Main Allowance and other reimbursements that Borrower receives from ENSTAR Natural Gas Company, and from any other legally available funding sources, provided that immediately following such a prepayment the amount in the Reserve Fund will not be less than the Reserve Requirement.

(4) Lender consents to Borrower's amendment of Borrower's Ordinance 13-03(S)(2) to permit Borrower to apply Free Main Allowance and other reimbursements that Borrower receives from ENSTAR Natural Gas Company in the manner described in the preceding two paragraphs.

(c) *Notice of Prepayment.* The Borrower shall give the Lender notice of any intended prepayment of the Loan not less than 10 nor more than 45 days prior to the date fixed for prepayment.

(d) *Loan Reamortization.* Not less than five days before the due date of each annual installment of principal and interest on the Loan, the amortization of the principal of the Loan shall be adjusted to take into account all prepayments of the outstanding principal of the Loan made since payment of the last annual installment of principal and interest, so that each remaining scheduled payment of principal and interest on the Loan shall be in an equal amount.

Section 2. Except as expressly amended herein, all terms and conditions of the Loan Agreement as originally executed and previously amended shall remain in full force and effect.



IN WITNESS WHEREOF, the Lender and the Borrower have caused this Amendment to be executed in their respective names all by their duly authorized officers, as of the date first set forth above.

LENDER: KENAI PENINSULA BOROUGH

By: \_\_\_\_\_  
Mike Navarre, Mayor

ATTEST:

\_\_\_\_\_  
Johni Blankenship, Borough Clerk

BORROWER: CITY OF HOMER

By: \_\_\_\_\_  
Mary K. Koester, City Manager

ATTEST:

\_\_\_\_\_  
Jo Johnson, City Clerk







City Manager



Section 4. The estimated cost of the improvement is \$16,875,551. Seventy-five percent (75%) of the cost of the improvement will be assessed against the properties in the District. The estimated amount of the assessments is \$3,283.30 per lot.

Section 5. The improvement shall be constructed in two phases. Phase I construction shall commence in 2013 and Phase II construction shall commence in 2014. The two phases are illustrated in Exhibit B to this resolution.

**Section 6.** The City Manager is authorized to proceed with the improvement, negotiate for the sale of a special assessment bond or other financing for the construction of the improvement for Council approval, and take such other actions that are necessary to accomplish the improvement in accordance with the improvement plan upon financing approval by the Council.

**Section 7.** Upon the completion of Phase II of the construction of the improvement, an amount equal to the actual total improvement cost not paid from grant funds, divided by the total number of properties within the District shall be assessed against each property within the District. The City Clerk shall prepare a final assessment roll assessing to each property in the District the amount determined under this section. The proposed assessment roll for the District shall be prepared and presented in accordance with HCC 17.04.070.

Section 8. The special assessments against properties in the District are liens on those properties and are prior and paramount to all liens except municipal real property tax liens and may be enforced as provided for the enforcement of municipal real property tax liens.

**Section 9.** This ordinance is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 11<sup>th</sup> day of February, 2013.

CITY OF HOMER

Francie W Roberts  
FRANCIE ROBERTS, MAYOR  
PRO TEMPORE



ATTEST:



JO JOHNSON, CMC, CITY CLERK

YES: 6

NO: 6

ABSTAIN: 6

ABSENT: 6

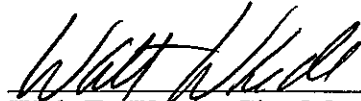
First Reading: 1/28/13

Public Hearing: 2/11/13

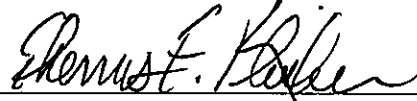
Second Reading: 2/11/13

Effective Date: 2/12/13

Reviewed and approved as to form:



Walt E. Wrede, City Manager



Thomas F. Klinkner, City Attorney

Date: 2/14/13

Date: 2-21-13







**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**ORDINANCE 13-03(S)(2)**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AUTHORIZING THE CITY TO ISSUE A NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT BOND IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$12,700,000 TO FINANCE THE DESIGN AND CONSTRUCTION OF NATURAL GAS DISTRIBUTION IMPROVEMENTS IN THE CITY, FIXING CERTAIN DETAILS OF SUCH BOND AND AUTHORIZING ITS SALE; AND REPEALING HCC CHAPTER 17.08.

WHEREAS, On February 11, 2013, the Council adopted Ordinance 13-02 creating the City of Homer Natural Gas Distribution Special Assessment District (“District”), and authorizing the City Manager to proceed with the design and construction of a natural gas distribution system in the District (the “Improvement”), and negotiate for the sale of special assessment bonds or other financing for the construction of the Improvement for Council approval; and

WHEREAS, Interim financing for the Improvement is required in anticipation of the levying of special assessments against the real property in the District, and after the levying of the assessments, long-term financing for the Improvement will be required; and

WHEREAS, AS 29.46.130 and AS 29.46.140 authorize the City of Homer “City” respectively to issue notes to obtain interim financing for improvements in a special assessment district, and to issue bonds to obtain long-term financing for improvements in a special assessment district, in each case payable out of special assessments for the improvement, without voter approval; and

WHEREAS, The City Manager has negotiated a Loan Agreement between the Kenai Peninsula Borough (“Lender”) and the City, the form of which is now before this meeting, which provides for the Lender to purchase a bond to finance the Improvement on the terms and conditions set forth therein and in this Ordinance, and it is in the best interest of the City that the City sell the bond to the Lender under such terms and conditions; and

WHEREAS, Homer City Code Chapter 17.08, regarding special assessment bonds, contains terms that are obsolete and conflict with the terms of the financing authorized by this ordinance, and should be repealed.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1 – Definitions. In addition to the terms that are defined in the recitals above, the following terms shall have the following meanings in this Ordinance:



47 "Bond Register" means the registration books maintained by the Registrar as Bond  
48 registrar, which include the names and addresses of the owners or nominees of the owners of the  
49 Bond.

50  
51 "Bond" means the "Natural Gas Distribution Special Assessment Bond, 2013" of the  
52 City, the issuance and sale of which are authorized herein.

53  
54 "City" means the City of Homer, a municipal corporation of the State of Alaska,  
55 organized as a first class city under Title 29 of the Alaska Statutes.

56  
57 "Council" means the Council of the City of Homer, as the general legislative authority of  
58 the City, as the same shall be duly and regularly constituted from time to time.

59  
60 "District" means the Homer Natural Gas Distribution System Special Assessment District  
61 created by Ordinance 13-02.

62  
63 "ENSTAR" means ENSTAR Natural Gas Company, a division of Semco Energy, Inc., a  
64 Michigan corporation.

65  
66 "Guaranty Fund" means the fund of that name created by Section 15.

67  
68 "Improvement" means the natural gas distribution system to be constructed in the  
69 District.

70  
71 "Lender" means the Kenai Peninsula Borough, a municipal corporation of the State of  
72 Alaska, organized as a second class borough under Title 29 of the Alaska Statutes.

73  
74 "Loan Agreement" means the Loan Agreement between the City and the Lender  
75 concerning the Bond.

76  
77 "Ordinance" means this Ordinance 13-03(S) of the City.

78  
79 "Registered Owner" means the person named as the registered owner of a Bond in the  
80 Bond Register. The Lender is the initial Registered Owner.

81  
82 "Registrar" means the City Treasurer, or any successor that the City may appoint by  
83 resolution.

84  
85 "Reserve Fund" means the fund of that name created by Section 14.

86  
87 "Sinking Fund" means the fund of that name created by Section 13.



"Special Assessments" means all special assessments to be levied against real property in the District to pay the costs of the Improvement.

Section 2 – Authorization of Bond and Purpose of Issuance. For the purpose of providing the funds necessary to pay the costs of designing and constructing the Improvement, to pay interest on the Bond during the construction of the Improvement, the funding of the reserves required herein, and to pay all costs incidental thereto and to the issuance of the Bond, the City shall issue the Bond in a principal amount equal to the aggregate amount of the advances that the Registered Owner makes to the City for such purposes, but not to exceed \$12,700,000.

Section 3 – Obligation of Bond. The Bond is a special obligation of the City and is payable solely from assessments to be levied against the real property in the District for the Improvement, and funds pledged for the payment of the Bond under this Ordinance. Said assessments shall constitute a sinking fund for the payment of principal of and interest on the Bond. Neither the faith and credit nor the taxing power of the City is pledged for the payment of the Bond.

Section 4 – Description of Bond. The Bond shall be designated "City of Homer Natural Gas Distribution Special Assessment Bond, 2013," shall be issued in fully registered form, and shall be numbered in the manner and with such additional designation as the Registrar deems necessary for purposes of identification, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to the rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. The Bond shall be dated as of its delivery date.

The Bond shall bear interest from its date at a rate of Four Percent (4.0%) per annum, and shall be payable in two payments of interest only on the 1<sup>st</sup> days of April 2014 and 2015, and ten equal annual installments of principal and interest, commencing on the 1<sup>st</sup> day of April 2016 and continuing on April 1 of each year thereafter, until April 1, 2025, when the remaining principal balance of the Bond, plus accrued interest, shall be due and payable. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Section 5 – Optional Redemption. The Bond shall be subject to optional redemption in whole or in part at any time, at a redemption price equal to the principal amount of the Bond to be redeemed plus accrued interest to the date of redemption.

Section 6 – Notice of Redemption. Notice of any intended redemption of the Bond shall be given not less than 10 nor more than 45 days prior to the date fixed for redemption by first class mail to the Registered Owner of the Bond at its address as it appears on the Bond Register on the day the notice is mailed. The requirements of this section shall be deemed to be complied with when notice is mailed as herein provided, whether or not it is actually received by the Registered Owner. All official notices of redemption shall be dated and shall state the redemption date and the redemption price.



Section 7 – Form of Bond. The Bond shall be in substantially the following form, with such variations, omissions and insertions as may be required or permitted by this Ordinance:

UNITED STATES OF AMERICA  
STATE OF ALASKA  
CITY OF HOMER

No. \_\_\_\_\_ \$ \_\_\_\_\_

NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT BOND, 2013

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The City of Homer (the “City”), a municipal corporation of the State of Alaska, acknowledges itself indebted and for value received promises to pay (but only out of the sources mentioned herein) to the Registered Owner identified above, or its registered assigns, a principal amount equal to the aggregate amount of the advances that the Registered Owner makes to the City to pay the costs of designing and constructing the Improvement, to pay interest on the Bond during the construction of the Improvement, the funding of the reserves required herein, and to pay all costs incidental thereto and to the issuance of the Bond, but not to exceed Twelve Million Seven Hundred Thousand Dollars (\$12,700,000), together with accrued interest on the outstanding principal amount of this Bond at a rate of Four Percent (4.0%) per annum. This Bond is payable in two payments of interest only on the 1<sup>st</sup> days of April 2014 and 2015, and ten equal annual installments of principal and interest, commencing on the 1<sup>st</sup> day of April 2016 and continuing on April 1 of each year thereafter, until April 1, 2025, when the remaining principal balance of the Bond, plus accrued interest, shall be due and payable. Both principal of and interest on this Bond shall be payable in any lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest on this Bond shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Installments of principal and interest on this Bond shall be paid at the office of the Registered Owner in Soldotna, Alaska, or at the option of the Registered Owner at the office of the Treasurer of the City in Homer, Alaska

This Bond is subject to prepayment by or on behalf of the City, in whole or in part, at any time without penalty, upon notice as provided in the Ordinance referred to below (the “Ordinance”).

This Bond is issued pursuant to Chapter 46, Title 29 of the Alaska Statutes and Ordinance 13-03(S) of the City duly and regularly adopted February 25, 2013, for the purpose of providing funds to pay the costs of designing and constructing a natural gas distribution system (the “Improvement”) in the City of Homer Natural Gas Distribution Special Assessment District, and



is the single registered Bond entitled \$12,700,000 City of Homer Natural Gas Distribution Special Assessment Bond, 2013.

THIS BOND IS PAYABLE SOLELY FROM ASSESSMENTS TO BE LEVIED AGAINST THE REAL PROPERTY IN THE CITY OF HOMER NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT DISTRICT, AND FUNDS PLEDGED FOR THE PAYMENT OF THE BOND UNDER THE ORDINANCE, AND IS NOT A GENERAL OBLIGATION OF THE CITY, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY IS PLEDGED FOR ITS REPAYMENT.

IT IS HEREBY CERTIFIED and declared that this Bond is issued pursuant to and in strict compliance with the Constitution and laws of the State of Alaska and the ordinances of the City of Homer, and that all acts, conditions and things required to happen, to be done and to be performed precedent to and on the issuance of this Bond have happened, been done and been performed.

IN WITNESS WHEREOF, the City of Homer, Alaska, has caused this Bond to be executed by the signature of its Mayor and attested by its Clerk under the seal of the City on this \_\_\_\_ day of March, 2013.

CITY OF HOMER

\_\_\_\_\_  
FRANCIE ROBERTS, MAYOR  
PRO TEMPORE

ATTEST:

\_\_\_\_\_  
JO JOHNSON, CMC, CITY CLERK

Section 8 – Execution. The Bond shall be executed in the name of the City by the signature of the Mayor, and its corporate seal shall be impressed or otherwise reproduced thereon and attested by the signature of the City Clerk. The execution of the Bond on behalf of the City by persons who at the time of the execution are duly authorized to hold the proper offices shall be valid and sufficient for all purposes, although any such person shall have ceased to hold office at the time of delivery of the Bond or shall not have held office on the date of the Bond.

Section 9 – Payment of Principal and Interest. The Bond shall be payable in lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Installments of principal and interest on the Bond shall be



payable on the due date in immediately available funds at the office of the Registered Owner in Soldotna, Alaska, or at another location specified at the option of the Registered Owner; provided that the final installment of the principal of the Bond, plus accrued interest, shall be payable upon presentation and surrender of the Bond by the Registered Owner at the office of the Registered Owner in Soldotna, Alaska.

#### Section 10 – Registration.

(a) Bond Register. The Bond shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, a Bond Register at its principal office. The Treasurer of the City is hereby appointed as Registrar and paying agent for the Bond.

(b) Registered Ownership. The City and the Registrar, each in its discretion, may deem and treat the Registered Owner of the Bond as the absolute owner thereof for all purposes, and neither the City nor the Registrar shall be affected by any notice to the contrary. Payment of the Bond shall be made only as described in Section 9, but such registration may be transferred as herein provided. All such payments made as described in Section 9 shall satisfy and discharge the liability of the City upon the Bond to the extent of the amount or amounts so paid.

(c) Transfer or Exchange of Registered Ownership. The registered ownership of the Bond may be transferred or exchanged, but no transfer of the Bond shall be valid unless it is surrendered to the Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and shall cause to be executed and delivered, without charge to the Registered Owner or transferee, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered and canceled Bond. The Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity, and interest rate. The Registrar shall not be obligated to transfer or exchange the Bond following any notice of redemption.

Section 11 – Lost Stolen, Destroyed or Mutilated Bond. Upon surrender to the Registrar of a mutilated Bond, the City shall execute and deliver a new Bond of like maturity and principal amount. Upon filing with the Registrar of evidence satisfactory to the City that a Bond has been destroyed, stolen or lost and of the ownership thereof, and upon furnishing the City with indemnity satisfactory to it, the City shall execute and deliver a new Bond of like maturity and principal amount. The person requesting the execution and delivery of a new Bond under this section shall comply with such other reasonable regulations as the City may prescribe and pay such expenses as the City may incur in connection therewith.



261       Section 12 – Application of Bond Proceeds. The proceeds of the sale of the Bond shall  
262 be applied to pay the costs of designing and constructing the Improvement, including the funding  
263 of the reserves required herein, and to pay all costs incidental thereto and to the issuance of the  
264 Bond, including without limitation the costs of the Lender as provided in the Loan Agreement,  
265 and shall be deposited in the appropriate funds or accounts of the City for such purposes.  
266

267       Section 13 – Sinking Fund. A special fund of the City designated the "City of Homer  
268 Natural Gas Distribution Special Assessment Bond Sinking Fund" is hereby created for the  
269 purpose of paying and securing the payment of the Bond. The Sinking Fund shall be held  
270 separate and apart from all other funds and accounts of the City and shall be a trust fund for the  
271 Registered Owner of the Bond. Payments of principal and interest on assessments levied for the  
272 Improvement in the District shall be deposited in the Sinking Fund. Amounts in the Sinking  
273 Fund shall be used to pay principal and interest on the Bond, and are hereby pledged for that  
274 purpose. Prepayments of assessments shall be applied to prepay the principal of the Bond, and  
275 upon any such prepayment the amortization of the principal of the Bond shall be adjusted so that  
276 each remaining scheduled payment of principal and interest on the Bond shall be in an equal  
277 amount.  
278

279       Section 14 – Reserve Fund.  
280

281       (a) A special fund of the City designated the "City of Homer Natural Gas Distribution  
282 Special Assessment Bond Reserve Fund" is hereby created for the purpose of paying and  
283 securing the payment of the Bond, and is hereby pledged for that purpose. The Reserve Fund  
284 shall be held separate and apart from all other funds and accounts of the City and shall be a trust  
285 fund for the Registered Owner of the Bond. There shall be paid into the Reserve Fund:  
286

287               (1) That part of the proceeds of the Bond which is designated for deposit in  
288 the Reserve Fund by the Loan Agreement; and  
289

290               (2) All monies received from ENSTAR as refunds of main extension  
291 advances or free main allowance arising out of new customers connecting to the  
292 Improvement; and  
293

294               (3) Any Sinking Fund and Guaranty Fund balances remaining after the  
295 discharge of the Bond.  
296

297       (b) Until the Bond has been discharged, the funds in the Reserve Fund may be used  
298 only to pay the difference between the amount of principal and interest due on the Bond and the  
299 amount in the Sinking Fund that is available to pay that principal and interest; provided, if the  
300 Finance Director determines that the amount of funds available in the Reserve Fund exceeds the  
301 amount of the next annual installment of principal and interest due on the Bond, the Finance  
302 Director may apply such excess to a prepayment of the Bond.  
303



(c) At such time as the Finance Director determines that the sum of the amounts in the Reserve Fund, the Guaranty Fund and the Sinking Fund equals or exceeds the amount required to (i) discharge the Bond, (ii) pay all refunds of assessments required upon discharge of the Bond, and (iii) pay any other amounts that may be owing on the Bond, the Finance Director shall cause such payment to be made and the Bond to be discharged.

Section 15 – Guaranty Fund. A special fund of the City designated the "City of Homer Natural Gas Distribution Special Assessment Bond Guaranty Fund" is hereby created for the purpose of paying and securing the payment of the Bonds, and is hereby pledged for that purpose. The Guaranty Fund shall be held separate and apart from all other funds and accounts of the City and shall be a trust fund for the Registered Owner of the Bonds. The Council annually shall appropriate to the Guaranty Fund a sum the Council determines to be adequate, with all other available funds, to cover a deficiency in the funds available to pay principal and interest on the Bonds if the reason for the deficiency is nonpayment of assessments when due. Money received from actions taken against property for nonpayment of assessments levied in the District shall be credited to the Guaranty Fund. Amounts in the Guaranty Fund shall be used to pay principal and interest on the Bonds when other funds are not available for that purpose.

Section 16 – Amendatory and Supplemental Ordinances.

(a) The Council from time to time and at any time may adopt an Ordinance or Ordinances supplemental hereto, which Ordinance or Ordinances thereafter shall become a part of this Ordinance, for any one or more of the following purposes:

(1) To add to the covenants and agreements of the City in this Ordinance, other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the City.

(2) To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this Ordinance or in regard to matters or questions arising under this Ordinance as the Council may deem necessary or desirable and not inconsistent with this Ordinance and which shall not adversely affect the interests of the Registered Owner of the Bond.

Any such supplemental Ordinance may be adopted without the consent of the Registered Owner of the Bond, notwithstanding any of the provisions of subsection (b) of this section.

(b) With the consent of the Registered Owners of not less than 60 percent in aggregate principal amount of the Bond at the time outstanding, the Council may adopt an Ordinance or Ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Ordinance or of any supplemental Ordinance; provided, however, that no such supplemental Ordinance shall:



(1) Extend the due date of any principal installment payable under the Bond, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the Registered Owners of all of the Bond so affected; or

(2) Reduce the aforesaid percentage of Registered Owners of the Bond required to approve any such supplemental Ordinance without the consent of the Registered Owners of all of the Bond then outstanding.

(3) Remove the pledge and lien of this Ordinance on assessments to be levied against the real property in the District, and funds pledged for the payment of the Bond under this Ordinance.

It shall not be necessary for the consent of the Registered Owner of the Bond under this subsection (b) to approve the particular form of any proposed supplemental Ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

(c) Upon the adoption of any supplemental Ordinance pursuant to the provisions of this section, this Ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance of the City and the Registered Owner of the Bond shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendment, and all the terms and conditions of any such supplemental Ordinance shall be deemed to be part of the terms and conditions of this Ordinance for any and all purposes.

(d) Any Bond executed and delivered after the adoption of any supplemental Ordinance pursuant to this section may bear a notation as to any matter provided for in the supplemental Ordinance, and if the supplemental Ordinance shall so provide, a new Bond so modified as to conform, in the opinion of the Council, to any modification of this Ordinance contained in any such supplemental Ordinance may be prepared by the City and delivered without cost to the Registered Owner of the Bond then outstanding, upon surrender for cancellation of such Bond in an equal aggregate principal amount.

Section 17 – Sale of Bond; Loan Agreement. The Bond shall be sold at negotiated sale to the Lender as provided in the Loan Agreement. The City Manager is hereby authorized to execute the Loan Agreement, in substantially the form presented at this meeting, but with such changes, modifications, additions and deletions therein as he shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said document now before this meeting, and from and after the execution and delivery of said document, the City Manager hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the



provisions of the Loan Agreement as executed. Upon the execution of the Loan Agreement, the City shall execute and deliver the Bond to the Borough in the form authorized herein.

Section 18 – Authority of Officers. The City Manager, the acting City Manager, the Clerk and the acting Clerk are, and each of them hereby is, authorized and directed to do and perform all things and determine all matters not determined by this Ordinance, to the end that the City may carry out its obligations under the Bond and this Ordinance.

Section 19 – Miscellaneous. No recourse shall be had for the payment of the principal of or the interest on the Bond or for any claim based thereon or on this Ordinance against any member of the Council or officer of the City or any person executing the Bond.

Section 20 – Ordinance a Contract with Registered Owner. In consideration of the purchase and acceptance of the Bond by those who shall own the same from time to time, the provisions of this Ordinance shall constitute a contract with the Registered Owners of each Bond, and the obligations of the City under this Ordinance shall be enforceable by any court of competent jurisdiction; and the covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bond.

Section 21 – Severability. If any one or more of the provisions of this Ordinance shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this Ordinance and shall in no way affect the validity of the other provisions of this Ordinance or of the Bond.

Section 22 – Repeal of HCC 17.08. HCC Chapter 17.08 is repealed.

Section 23 – Codification. Section 22 of this Ordinance is of a permanent and general character and shall be included in the City Code. The remainder of this Ordinance is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 25<sup>th</sup> day of February 2013.

CITY OF HOMER

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FRANCIE ROBERTS, MAYOR  
PRO TEMPORE



ATTEST:

\_\_\_\_\_  
JO JOHNSON, CMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:

Reviewed and approved as to form:

\_\_\_\_\_  
Walt E. Wrede, City Manager

\_\_\_\_\_  
Thomas F. Klinkner, City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_







**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**ORDINANCE 15-17(S)**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING ORDINANCE 13-03(S)(2) TO PERMIT THE CITY TO PREPAY PRINCIPAL OF THE NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT BOND AUTHORIZED BY ORDINANCE 13-02(S)(2), AND AUTHORIZING AN AMENDMENT TO THE LOAN AGREEMENT BETWEEN THE CITY AND THE KENAI PENINSULA BOROUGH REGARDING THE BOND.

WHEREAS, By Ordinance 13-03(S)(2), adopted February 25, 2013, the City authorized the issuance of a Natural Gas Distribution Special Assessment Bond ("Bond") in the principal amount of not to exceed \$12,700,000, and the execution and delivery of a Loan Agreement between the City and the Kenai Peninsula Borough regarding the Bond; and

WHEREAS, By Resolution 15-017, adopted March 23, 2015 the City confirmed the assessment roll for the Homer Natural Gas Distribution Special Assessment District ("District"); and

WHEREAS, On April 3, 2015, the Superior Court in *Castner v. City of Homer, et al.*, Case No. 3HO-13-00038CI, ruled that the City's method of assessing condominium units in the District was unlawful, and the Alaska Supreme Court recently denied a Petition for Review of this ruling; and

WHEREAS, The Council may consider whether to (i) waive the assessment of certain properties in the District that cannot be served by the natural gas distribution system, and (ii) recognize subdivisions reducing the number of contiguous lots under common ownership by assessing only the reduced number of lots; and

WHEREAS, The City and the Kenai Peninsula Borough have agreed that the City should prepay the principal of the Bond in an amount equal to any reduction in the amount of assessments in the District that results from (i) any requirement that the City reassess condominium units in the District, or (ii) any decision by the Council to waive the assessment of properties in the District that cannot be served by the natural gas distribution system or to assess only a reduced number of contiguous lots in common ownership resulting from resubdivision.



NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Section 14 of Ordinance 13-03(S)(2) is amended to read as follows (added language is underlined):

Section 14 – Reserve Fund.

(a) A special fund of the City designated the "City of Homer Natural Gas Distribution Special Assessment Bond Reserve Fund" is hereby created for the purpose of paying and securing the payment of the Bond, and is hereby pledged for that purpose. The Reserve Fund shall be held separate and apart from all other funds and accounts of the City and shall be a trust fund for the Registered Owner of the Bond. There shall be paid into the Reserve Fund:

(1) That part of the proceeds of the Bond which is designated for deposit in the Reserve Fund by the Loan Agreement; and

(2) All monies received from ENSTAR as refunds of main extension advances or free main allowance arising out of new customers connecting to the Improvement, which shall be held in a separate subaccount in the Reserve Fund; and

(3) Any Sinking Fund and Guaranty Fund balances remaining after the discharge of the Bond.

(b) Until the Bond has been discharged, the funds in the Reserve Fund may be used only to pay the difference between the amount of principal and interest due on the Bond and the amount in the Sinking Fund that is available to pay that principal and interest; provided, (i) monies in the Reserve fund that were received from ENSTAR as refunds of main extension advances or free main allowance arising out of new customers connecting to the Improvement may be used as provided in subsection (d) of this section, and (ii) if the Finance Director determines that the amount of funds available in the Reserve Fund exceeds the amount of the next annual installment of principal and interest due on the Bond, the Finance Director may apply such excess to a prepayment of the Bond.

(c) At such time as the Finance Director determines that the sum of the amounts in the Reserve Fund, the Guaranty Fund and the Sinking Fund equals or exceeds the amount required to (i) discharge the Bond, (ii) pay all refunds of assessments required upon discharge of the Bond, and (iii) pay any other amounts that may be owing on the Bond, the Finance Director shall cause such payment to be made and the Bond to be discharged.

(d) Monies in the Reserve fund that were received from ENSTAR as refunds of main extension advances or free main allowance arising out of new customers connecting to the Improvement may be used as follows:

(1) The City may prepay principal of the Bond in an amount equal to the reduction in the total amount of assessments against



condominium units in the District pursuant to the decision of the Superior Court in *Castner v. City of Homer, et al.*, Case No. 3HO-13-00038CI, provided that immediately following such a prepayment the amount in the Reserve Fund shall not be less than the Reserve Requirement.

(2) The City may prepay principal of the Bond in an amount equal to the reduction in the total amount of assessments in the District due to action of the City either (i) waiving the assessment of certain properties in the District that cannot be served by the natural gas distribution system, or (ii) recognizing subdivisions reducing the number of contiguous lots under common ownership by assessing only the reduced number of lots, provided that immediately following such a prepayment the amount in the Reserve Fund shall not be less than the Reserve Requirement.

Section 2. The City Manager is hereby authorized to execute the First Amendment to Loan Agreement, in substantially the form presented at this meeting, but with such changes, modifications, additions and deletions therein as she shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said document now before this meeting.

Section 3. This Ordinance is not permanent in nature, and shall not be codified.

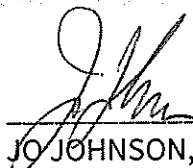
ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 15<sup>th</sup> day of June, 2015.

CITY OF HOMER

  
Francie Roberts

FRANCIE ROBERTS, MAYOR PRO TEMPORE

ATTEST:

  
JO JOHNSON, MMC, CITY CLERK



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YES: 4  
NO: ~~0~~  
ABSTAIN: ~~0~~  
ABSENT: 2  
  
First Reading: 05.26.15  
Public Hearing: 06.15.15  
Second Reading: 06.15.15  
Effective Date: 06.16.15  
  
Reviewed and approved as to form.  
Mary K. Koester  
Mary K. Koester, City Manager  
  
Date: 6.19.15  
  
Fiscal Note: NA

Thomas F. Klinkner  
Thomas Klinkner, City Attorney  
  
Date: 6-25-15



**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**ORDINANCE 16-03(S)**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING ORDINANCE 13-03(S)(2) TO STATE THE ACTUAL PRINCIPAL AMOUNT OF, AND CHANGE THE PAYMENT DATES FOR, THE NATURAL GAS DISTRIBUTION SPECIAL ASSESSMENT BOND AUTHORIZED BY ORDINANCE 13-02, AND AUTHORIZING AN AMENDMENT TO THE LOAN AGREEMENT BETWEEN THE CITY AND THE KENAI PENINSULA BOROUGH REGARDING THE BOND.

WHEREAS, By Ordinance 13-03(S)(2), adopted February 25, 2013, the City authorized the issuance of a Natural Gas Distribution Special Assessment Bond ("Bond") in the principal amount of not to exceed \$12,700,000, and the execution and delivery of a Loan Agreement between the City and the Kenai Peninsula Borough ("Borough") regarding the Bond; and

WHEREAS, All advances that will be made under the Loan Agreement have been made, the aggregate amount of such advances is \$12,359,388, and such amount may be documented by issuing a new bond to the Borough in exchange for the original Bond; and

WHEREAS, By Resolution 15-017, adopted March 23, 2015 the City confirmed the assessment roll for the Homer Natural Gas Distribution Special Assessment District ("District"); and

WHEREAS, Due to delays in the assessment process, the first assessment payments were due on September 1, 2015, and subsequent assessment installment payments will be due on July 1 of each year; and

WHEREAS, As of the September 1, 2015 assessment payment date, the City had made a payment of principal and interest on the Bond to the Borough from assessment payments received by the City as of that date; and

WHEREAS, To allow prompter payments under the Loan Agreement the due date for installment payments on the Bond should be changed from April 1 to September 1 commencing with the installment payment that is due in 2016.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Section 2 of Ordinance 13-03(S)(2) is amended to read as follows (added language is underlined; deleted language is stricken through):



For the purpose of providing the funds necessary to pay the costs of designing and constructing the Improvement, to pay interest on the Bond during the construction of the Improvement, the funding of the reserves required herein, and to pay all costs incidental thereto and to the issuance of the Bond, the City shall issue the Bond in a principal amount equal to the aggregate amount of the advances that the Registered Owner makes to the City for such purposes, which is \$12,359,388.

Section 2. The second paragraph of Section 4 of Ordinance 13-03(S)(2) is amended to read as follows (added language is underlined; deleted language is stricken through):

The Bond shall bear interest from its date at a rate of Four Percent (4.0%) per annum, and shall be payable in two payments of interest only on the 1st days of April 2014 and 2015, a payment of principal and interest that was received by the Borough as of the September 1, 2015 assessment due date, and nine equal annual installments of principal and interest, commencing on the 1st day of September 2016 and continuing on September 1 of each year thereafter, until September 1, 2024 when the remaining principal balance of the Bond, plus accrued interest, shall be due and payable. Interest will be computed on the basis of a 360-day year.

Section 3. The first paragraph of the form of the bond in Section 7 of Ordinance 13-03(S)(2) is amended to read as follows (added language is underlined; deleted language is stricken through):

The City of Homer (the "City"), a municipal corporation of the State of Alaska, acknowledges itself indebted and for value received promises to pay (but only out of the sources mentioned herein) to the Registered Owner identified above, or its registered assigns, a principal amount equal to the aggregate amount of the advances that the Registered Owner makes to the City to pay the costs of designing and constructing the Improvement, to pay interest on the Bond during the construction of the Improvement, the funding of the reserves required herein, and to pay all costs incidental thereto and to the issuance of the Bond, which is Twelve Million Three Hundred Fifty Nine Thousand Three Hundred Eighty Eight Dollars (\$12,359,388), together with accrued interest on the outstanding principal amount of this Bond at a rate of Four Percent (4.0%) per annum. This Bond is payable in two payments of interest only on the 1st days of April 2014 and 2015, a payment of principal and interest that was received by the Borough as of the September 1, 2015 assessment due date, and nine equal annual installments of principal and interest, commencing on the 1st day of September 2016 and continuing on September 1 of each year thereafter, until September 2024, when the remaining principal balance of the Bond, plus accrued interest, shall be due and payable. Both principal of and interest on this Bond shall be payable in any lawful money of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest on this Bond shall be computed on the basis of a 365-day year. Installments of principal and interest on this Bond shall be paid at the office of the Registered



Owner in Soldotna, Alaska, or at the option of the Registered Owner at the office of the Treasurer of the City in Homer, Alaska

Section 4. The third paragraph of the form of the bond in Section 7 of Ordinance 13-03(S)(2) is amended to read as follows (added language is underlined; deleted language is stricken through):

This Bond is issued pursuant to Chapter 46, Title 29 of the Alaska Statutes and Ordinance 13-03(S) of the City duly and regularly adopted February 25, 2013, for the purpose of providing funds to pay the costs of designing and constructing a natural gas distribution system (the "Improvement") in the City of Homer Natural Gas Distribution Special Assessment District, and is the single registered Bond entitled \$12,359,388 City of Homer Natural Gas Distribution Special Assessment Bond, 2013.

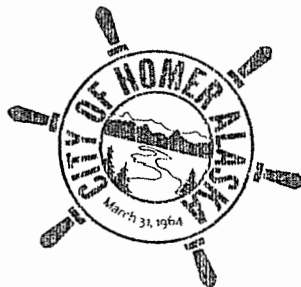
Section 5. The amended Bond shall be executed in the name of the City by the signature of the Mayor, and its corporate seal shall be impressed or otherwise reproduced thereon and attested by the signature of the City Clerk.

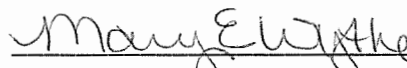
Section 6. The City Manager is hereby authorized to execute the Second Amendment to Loan Agreement, in substantially the form presented at this meeting, but with such changes, modifications, additions and deletions therein as she shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said document now before this meeting. The City Manager also is hereby authorized to deliver the amended Bond to the Kenai Peninsula Borough in exchange for the original Bond.

Section 7. This Ordinance is not permanent in nature, and shall not be codified.

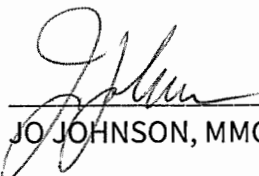
ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 25<sup>th</sup> day of January, 2016.

CITY OF HOMER



  
MARY E. WYTHE, MAYOR

ATTEST:

  
JO JOHNSON, MMC, CITY CLERK



127 YES: 6  
128 NO: 0  
129 ABSTAIN: 0  
130 ABSENT: 0  
131  
132  
133 First Reading: 1/11/16  
134 Public Hearing: 1/25/16  
135 Second Reading: 1/25/16  
136 Effective Date: 1/26/16  
137  
138 Reviewed and approved as to form.  
139  
140 Mary K. Koester  
141 Mary K. Koester, City Manager  
142  
143 Date: 1-28-16  
144  
145  
146 Fiscal Note: NA

\_\_\_\_\_  
Thomas Klinkner, City Attorney

Date: \_\_\_\_\_



**CITY OF HOMER  
HOMER, ALASKA**

City Clerk

**RESOLUTION 16-082**

A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING THE TERMS AND CONDITIONS FOR THE SALE OF PARCEL NO. 175-241-26, T 6S R 14W SEC 24 S.M. HM 0880016 LILLIAN WALLI ESTATE LOT 57; PARCEL NO. 175-241-28, T6S R14W SEC 24 S.M. HM0880016 LILLIAN WALLI ESTATE LOT 58; PARCEL NO. 175-241-27, T 6S R 14W SEC 24 S.M. HM 0880016 LILLIAN WALLI ESTATE LOT 59; PARCEL NO. 175-241-26, T 6S R 14W SEC 24 S.M. HM 0880016 LILLIAN WALLI ESTATE LOT 60; PARCEL NO. 175-241-30, T 6S R 14W SEC 24 S.M. HM 0880016 LILLIAN WALLI ESTATE LOT 65; PARCEL NO. 175-241-11 T 6S R 14W SEC 24 S.M. HM 0880016 LILLIAN WALLI ESTATE LOT 66; PARCEL NO. 175-241-12, T 6S R 14W SEC 24 S.M. HM 0880016 LILLIAN WALLI ESTATE LOT 67; PARCEL NO. 175-241-10, T 6S R 14W S.M. HM 0880016 LILLIAN WALLI ESTATE LOT 70 TO THE HIGHEST, RESPONSIBLE BIDDER FOR THOSE LOTS AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS TO FINALIZE THE SALES.

WHEREAS, HCC 18.12.020 provides that real property no longer required for public purpose may be sold to the highest responsible bidder at public auction or by sealed bids; and

WHEREAS, City Council determined that a public purpose did not exist for the properties described above and designated the properties for sale in the City's 2015 Land Allocation Plan adopted by Resolution 15-030(A) on April 27, 2015; and

WHEREAS, Ordinance 15-22(S) further authorized the City Manager to offer the property described herein for sale and that said property may be sold in accordance with Chapter 18.12 in City Code; and

WHEREAS, The property was offered through sealed bids and advertised in the Homer News on June 30, 2016 and July 7, 2016 and on the City of Homer website and one bid was received on all properties described herein.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, approves the terms and conditions of the sale, confirms the terms and conditions have been fulfilled and declares that the highest responsible bidder as



- Pete Fefelov (FEFCO, LLC) for Lots 57, 58, 59, 60, 65, 66, 67, 70 T 6S R 14W, SEC 24 S.M. HM 0880016 LILLIAN WALLI ESTATES According to Plat no. 88-16 Homer Recording District, Third Judicial District, State of Alaska

BE IT FURTHER RESOLVED that the Homer City Council authorizes the City Manager to execute the necessary documents to complete the sale transactions with the bidder.

PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of August, 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK

Fiscal Note: \$91,900 proceeds from sale of parcels.



**REQUEST FOR PROPOSALS  
CITY OF HOMER**

**TO PURCHASE CITY REAL PROPERTY SEVEN PARCELS**

The City of Homer, Alaska is hereby advertising for sealed proposals to purchase the following real properties:

**Lots 57, 58, 59, 60, 65, 66, 67, 70, LILLIAN WALLI ESTATE**, according to Plat No. 88-16, in the Homer Recording District, Third Judicial District, State of Alaska.

**Total Appraised Value & Minimum Bid for all lots is \$91,900.**

Responses to the City's request for sealed proposals will be received at the Office of the City Clerk, 491 E. Pioneer Avenue, Homer, Alaska 99603, until 12:00 noon on July 28, 2016. Proposals shall be opened and received by the City Manager. **Proposals received after the time specified or proposals received from proposers not listed on the plan holders list will be considered non-responsive and shall not be considered. All proposers must submit a City of Homer Plan Holders Registration Form to be on the PHL and to be considered responsive.** Plan Holder Registration form and Bid Documents are available online at <http://www.cityofhomer-ak.gov/rfps>.

Copies of the Request for Proposal package are posted on the City website: <http://www.cityofhomer-ak.gov/rfps> or available at the Office of the City Clerk. To obtain a copy of the proposal package and to be listed on the plan holders list, please contact the City Clerk at (907) 235-3130. If you have any questions on the contents of the RFP package, please contact the City Manager's office at (907) 235-8121 x2222.

You may purchase hard copies of the Proposal documents at the Office of the City Clerk upon payment of \$25 per set (\$45 for overnight delivery). All fees are non-refundable. The City reserves the absolute right to reject any or all proposals, may waive any or all informalities or irregularities, and may permit the correction of errors or omissions in responses.

Dated this 24 day of june, 2016

  
\_\_\_\_\_  
Katie Koester, City Manager

Fiscal Note: 100-0130-5227

Publish: Homer News: June 30<sup>th</sup> and July 7, 2016







**REQUEST FOR PROPOSALS  
CITY OF HOMER**

**SALE OF REAL PROPERTY**

The City of Homer, Alaska is hereby accepting sealed proposals to purchase real property. The sale of real property is being conducted pursuant to Ordinance 15-22, Resolution 15-030(A), and Homer City Code (HCC) 18.12.020. The City reserves the right to reject any and all proposals and to waive irregularities in the proposal documents.

**THE PROPERTY FOR SALE IS DESCRIBED AS FOLLOWS:**

- **Lot 57 - Parcel ID: 17524129**  
Legal Description: T 6S R 14W SEC 24 Seward Meridian HM 0880016 LILLIAN WALLI ESTATE LOT 57  
Appraised Value: \$11,600
- **Lot 58 – Parcel ID: 17524128**  
Legal Description: T 6S R 14W SEC 24 Seward Meridian HM 0880016 LILLIAN WALLI ESTATE LOT 58  
Appraised Value: \$11,600
- **Lot 59 – Parcel ID: 17524127**  
Legal Description: T 6S R 14W SEC 24 Seward Meridian HM 0880016 LILLIAN WALLI ESTATE LOT 59  
Appraised Value: \$11,300
- **Lot 60 – Parcel ID: 17524126**  
Legal Description: T 6S R 14W SEC 24 Seward Meridian HM 0880016 LILLIAN WALLI ESTATE LOT 60  
Appraised Value: \$11,100
- **Lot 65 – Parcel ID: 17524130**  
Legal Description: T 6S R 14W SEC 24 Seward Meridian HM 0880016 LILLIAN WALLI ESTATE LOT 65  
Appraised Value: \$11,100
- **Lot 66 – Parcel ID: 17524111**  
Legal Description: T 6S R 14W SEC 24 Seward Meridian HM 0880016 LILLIAN WALLI ESTATE LOT 66  
Appraised Value: \$11,300
- **Lot 67 – Parcel ID: 17524112**  
Legal Description: T 6S R 14W SEC 24 Seward Meridian HM 0880016 LILLIAN WALLI ESTATE LOT 67  
Appraised Value: \$11,100
- **Lot 70 – Parcel ID: 17524110**  
Legal Description: T 6S R 14W SEC 24 Seward Meridian HM 0880016 LILLIAN WALLI ESTATE LOT 70  
Appraised Value: \$12,800

**Appraised Value & Minimum for All Lots: \$91,900.**



## INSTRUCTIONS FOR BIDDERS

The Property described above shall be sold by sealed proposal under the authority of HCC 18.12.020. Proposal procedures are as follows:

- All proposals shall be made in writing and shall be submitted on the form provided in the information packet. The form shall be filled out properly, signed and dated to be considered.
- All proposers are required to obtain the property sale information packet at the Office of the City Clerk or on the City website at: <http://www.cityofhomer-ak.gov/rfps> and are to be listed on the Plan Holder's List maintained by the City Clerk.
- The proposals shall be enclosed in a sealed envelope marked "REAL PROPERTY PROPOSAL" and must include a check or money order payable to the City of Homer equal to ten percent (10%) of the amount bid.
- Proposals must be received in the Office of the City Clerk no later than 12 Noon on July 28, 2016.
- The minimum proposal is the appraised value. All proposals lower than appraised value will be rejected.
- Property is being sold "as-is".

## MORE INFORMATION

Interested bidders can ask questions and obtain more information by:

- Written Questions: Submit all questions in writing to the Office of the City Clerk. The deadline for questions is July 14, 2016. The Clerk's office will submit your question to the person who can best answer it. All questions and the City's answers will be provided to all prospective proposers on the Plan Holder's List.

Closing must occur within 45 days after notification is sent to the successful proposer. The purchase price must be paid in full at closing. The City Manager may extend the date of closing not more than 30 days if the proposer has taken steps to secure the funds necessary to pay the purchase price and appears reasonably likely to succeed in doing so within the time allowed. Failure to successfully close within the time allowed will result in cancellation of the sale and forfeiture of all rights.

The City will provide at its expense a standard owner's policy of title insurance, subject to all matters revealed in the preliminary commitment for title insurance and any easements or notes on the final plat of the lot.

City and the buyer will share equally in the costs of closing.

## ADDITIONAL DOCUMENTS

The property information packet available at the City Clerk's office will include the following documents:

- Proposal Form
- Homer Resolution 15-030(A)
- Homer City Code Chapter 18.12.020
- Homer Ordinance 15-22
- Plat
- Appraisal
- Zoning Information
- Preliminary Commitment for Title Insurance



**PROPOSAL FORM**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Date: \_\_\_\_\_

A deposit in the amount of **10%** of the proposed price payable to the City of Homer is required and must be submitted with the sealed proposal by check or money order. Failure to include a proper deposit will result in rejection of the proposal as nonresponsive.

Deposit Amount: \_\_\_\_\_

**PROPOSAL**

Any proposal that is less than the stated minimum proposal will be rejected as nonresponsive.

**Lot 57, 58, 59, 60, 65, 66, 67, and 70, LILLIAN WALLI ESTATE**, according to Plat No. 88-16, in the Homer Recording District, Third Judicial District, State of Alaska.

**PROPOSAL FOR ALL LOTS:** \_\_\_\_\_







**CITY OF HOMER  
HOMER, ALASKA**

Mayor/City Council

**RESOLUTION 15-030(A)**

**A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING THE  
CITY OF HOMER 2015 LAND ALLOCATION PLAN,**

WHEREAS, The Property Management Policy and Procedures Manual sets policy for municipal land management; and

WHEREAS, Chapter 3 of the Property Management Policy and Procedures Manual establishes that a Land Allocation Plan will be developed annually; and

WHEREAS, The City Council discussed the Land Allocation Plan during a Worksession on April 27, 2015; and

WHEREAS, The Economic Development Advisory Commission, Parks and Recreation Advisory Commission, Port and Harbor Advisory Commission, and Advisory Planning Commission reviewed the draft Land Allocation Plan and provided their recommendations as outlined in Memorandum 15-055 by the Deputy City Planner; and

WHEREAS, Council had the following recommendations to amend the plan:

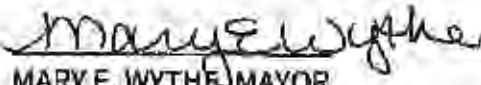
1. Homer Spit No. 5 Lot 11 - portion be available for long term cell tower lease
2. Homer Spit No. 2 Lot 12-A - remove from short term lease
3. Homer Spit Subdivision Amended, Lots 28 and 29 - retain for parking and restrooms, deleting reference to harbor master office
4. HM T06S R 13W S19 Portion Thereof S of Olsen Lane; T 6S R 13W Sec 28 Seward Meridian HM Govt Lots 5, 6, 7, 8; T 6S R 13W Sec 28 Seward Meridian HM Govt Lots 10-15 - designate as parks
5. C7 - Government Lots 10, 21, 24, 25 HM T06S R13W S14 will be advertised for sale
6. E19 - T 6S R 13W Sec 20 Seward Meridian HM 0840005 Lakeside Village Sub Amended Lot 2 Blk 4 staff to explore and bring a recommendation to replat to extend through to Lakeside Drive (act on Resolution 09-33)
7. E22 - That Portion of Govt Lot 3 Lying Southwesterly of Kachemak Drive, T6S R13W S23 list lot for sale pending appraisal and attempt to contact adjacent land owners to see if they have an interest in purchasing
8. E23 - Government Lot 36 HM T06S R13W S14, Harry Feyer Subdivision Lot 1 list lot for sale pending appraisal
9. E6 - HM0880016 T06S R14W S24 Lillian Walli Estate Sub Lot 60, 65, 66, 67, 70, 57, 58, 59 list all lots for sale



43 NOW, THEREFORE, BE IT RESOLVED by the City Council that the City of Homer 2015  
44 Land Allocation Plan is hereby approved as presented.

45  
46 PASSED AND ADOPTED by the Homer City Council this 27<sup>th</sup> day of April, 2015.

47  
48 CITY OF HOMER

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52 MARY E. WYTHE, MAYOR

53 ATTEST:

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56  
57 JO JOHNSON, MMC, CITY CLERK

58  
59 Fiscal Note: N/A



**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**ORDINANCE 15-22(S)**

AN ORDINANCE OF THE HOMER CITY COUNCIL DETERMINING  
THAT A PUBLIC PURPOSE DOES NOT EXIST FOR LOTS 57, 58, 59,  
60, 65, 66, 67 AND 70, LILLIAN WALLI ESTATE, AND AUTHORIZING  
THEIR SALE.

WHEREAS, The following tax-foreclosed property located in the City was conveyed to  
the City of Homer ("City") by Clerk's Deed recorded in the Homer Recording District on  
September 28, 1992, in Book 217 at Pages 886-887:

Lots 57, 58, 59, 60, 65 and 70, Lillian Walli Estate, according to Plat 88-16,  
Homer Recording District, Third Judicial District, State of Alaska;

and

WHEREAS, The following tax-foreclosed property located in the City was conveyed to  
the City by Clerk's Deed recorded in the Homer Recording District on August 20, 1993, in Book  
225 at Pages 321-322, as corrected by a Corrected Clerk's Deed recorded in the Homer  
Recording District on December 13, 1993, in Book 228 at Pages 865-867:

Lots 66 and 67, Lillian Walli Estate, according to Plat 88-16, Homer Recording  
District, Third Judicial District, State of Alaska,

(together with Lots 57, 58, 59, 60, 65 and 70, Lillian Walli Estate, the "Property"); and

WHEREAS, By Ordinance 93-9, adopted June 28, 1993, the City accepted Lots 57, 58,  
59, 60, 65 and 70, Lillian Walli Estate, authorized the payment of unpaid Kenai Peninsula  
Borough taxes on the property with accrued interest but without penalty as required by AS  
29.45.490, and found that the property was required for a public purpose; and

WHEREAS, By Ordinance 93-17, adopted October 11, 1993, the City accepted Lots 66  
and 67, Lillian Walli Estate, authorized the payment of unpaid Kenai Peninsula Borough taxes  
on the property with accrued interest but without penalty as required by AS 29.45.490, and  
found that the property was required for a public purpose; and

WHEREAS, The Council has determined that a public purpose does not now exist for  
the Property and designated the Property for sale in Resolution 15-030(A), adopted April 27,  
2015.



NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Pursuant to AS 29.45.460(b) and Homer City Code 18.06.042, the City hereby determines that a public purpose does not exist for the following property:

Lots 57, 58, 59, 60, 65, 66, 67 and 70, Lillian Walli Estate, according to Plat 88-16, Homer Recording District, Third Judicial District, State of Alaska.


Lots 57, 58, 59 and 60 are located on the south side of Shelley Avenue west of Robert Avenue, Lot 65 is located on the north side of Robert Avenue between West Hill Road and Shelley Avenue, Lots 66 and 67 are located on the east side of Robert Avenue between Lillian Drive and Shelley Avenue, and Lot 70 is located on the east side of Lillian Drive. Before the City acquired the Property, its last record owner according to the Kenai Peninsula Borough assessment roll was John R. Gibson.

Section 2. The City Manager is authorized to offer the Property for sale in accordance with Chapter 18.12 of the Homer City Code.


Section 3. This Ordinance is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 29<sup>th</sup> day of June, 2015.

CITY OF HOMER

  
MARY E. WYTHE, MAYOR

ATTEST:

  
JO JOHNSON, MMC, CITY CLERK

AYES: 5  
NOES: 0  
ABSTAIN: 0  
ABSENT: 1



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First Reading: 6/15/15  
Public Hearing: 6/29/15  
Second Reading: 6/24/15  
Effective Date: 6/30/15

Reviewed and approved as to form:

Mary K. Koester  
Mary K. Koester, City Manager

Date: 7.2.15

Thomas F. Klinkner

Thomas F. Klinkner, City Attorney

Date: 7-9-15







## **Chapter 18.12 DISPOSAL OF REAL PROPERTY**

### **Sections:**

- 18.12.010 Powers.**
- 18.12.020 Real property disposal procedure.**
- 18.12.030 Appraisal.**
- 18.12.040 Disposal for fair market value.**
- 18.12.050 Exempted disposals of real property.**
- 18.12.060 Easements, rights-of-way and other public areas.**
- 18.12.070 Proceeds of sale of foreclosed properties.**

### **18.12.010 Powers.**

The City has the power to sell, donate, exchange or make other dispositions of real property or interests in real property, subject to the requirements in this chapter. [Ord. 15-28(A) § 1, 2015].



**18.12.020 Real property disposal procedure.**

- a. A proposal to dispose of real property owned by the City may be initiated by the City Manager or the Council, or in response to a request received from any person.
- b. The disposal of real property shall be authorized by ordinance. The ordinance shall include a finding that the property is no longer required for a public use, and shall include such terms and conditions of the disposal as the Council shall determine. For property that the City acquired through foreclosure, the ordinance shall include the information and be adopted under the procedure required by HCC 18.06.042.
- c. Notice of any proposed disposal of real property shall be posted on the City's website for at least two consecutive weeks before the ordinance authorizing the transaction is considered by the City Council in final reading, in addition to any other notice required by the Alaska Statutes.
- d. Real property shall be sold at public auction or by an invitation for competitive sealed bids or proposals, except when the Council finds it is advantageous to the City to sell real property by another method, including without limitation lotteries, over-the-counter sales or sole source negotiations.
- e. The City Manager shall conduct and close the disposal in accordance with the terms of the authorizing ordinance, including executing all necessary documents. The City Manager may execute a deed for real property sold by the City only upon receipt of full payment, or a satisfactory financing agreement, and compliance with all terms and conditions of the conveyance. Conveyance shall be quitclaim deed. [Ord. 15-28(A) § 1, 2015].

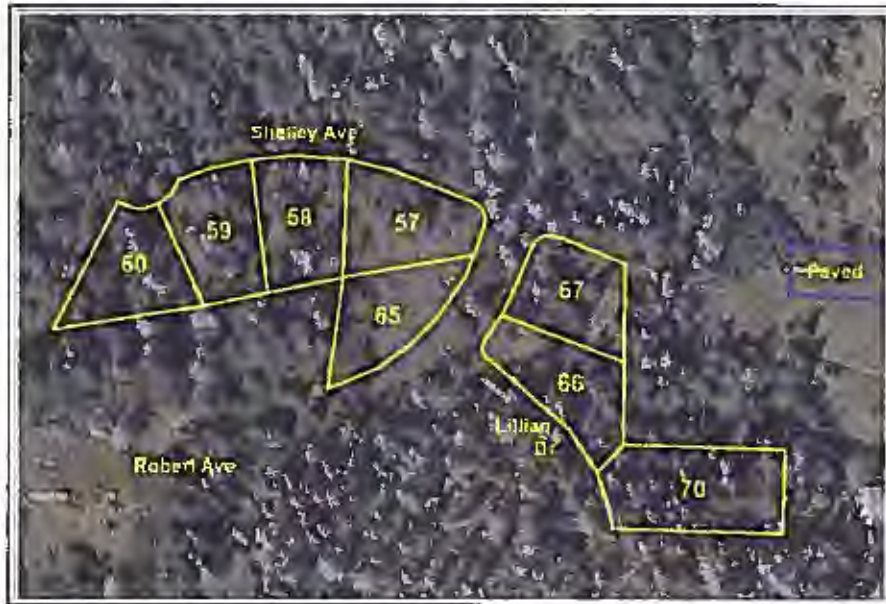
**18.12.030 Appraisal.**

Before disposing of any real property whose most recent assessment by the Kenai Peninsula Borough is greater than \$50,000, the City shall obtain an appraisal of the fair market value of the property from a competent independent appraiser, performed not more than 12 months before the date of the disposal; provided, that no appraisal is required in any of the following situations:

- a. The property is being sold at public auction, by competitive sealed bid, or some other form of competitive bid or proposal process open to the public;
- b. The property is being conveyed in a transaction authorized by HCC 18.12.050;
- c. The Council has authorized the disposal of the property for less than fair market value in accordance with HCC 18.12.040; or
- d. The Council has determined that the fair market value of the property can be reasonably



APPRAISAL OF



EIGHT VACANT LOTS

LOCATED AT:

NHN Shelley Avenue  
Homer, AK 99603

FOR:

Client: City of Homer Planning Department  
491 East Pioneer Avenue  
Homer, AK 99603

BORROWER:

N/A

AS OF:

June 17, 2016

BY:

Kirk Olsen, Certified Appraiser  
PO Box 580, Homer, AK 99603

This appraisal may not be used by anyone other than the intended user(s) identified in this report.



# Kirk Olsen, Certified Appraiser LAND APPRAISAL REPORT

File No. 13755

Borrower: N/A Census Tract: 0010.00 Map Reference: ESN 201  
 Property Address: NHN Shelley Avenue  
 City: Homer County: Kenai Peninsula Borough State: AK Zip Code: 99603  
 Legal Description: Lots 57, 58, 59, 60, 65, 66, 67, & 70, Lillian Walli Estate Subdivision  
 Sale Price: N/A Date of Sale: N/A Loan Term: N/A yrs. Property Rights Appraised: ☒ Fee ☐ Leasehold ☐ On Minors PRR  
 Actual Real Estate Taxes: \$0 (yr.) Loan charges to be paid by seller: N/A Other sale concessions: N/A (not a sale)  
 Lender/Clien: Client: City of Homer Planning Department Address: 481 East Pioneer Avenue, Homer, AK 99603  
 Occupant: Vacant Appraiser: Kirk Olsen Instructions to Appraiser: Current market value of eight vacant lots considered as one parcel (to be sold to a single buyer)

Location: ☐ Urban ☒ Suburban ☐ Rural  
 Built Up: ☐ Over 75% ☒ 25% to 75% ☐ Under 25%  
 Growth Rate: ☐ Flay Day ☐ Rapid ☒ Steady ☐ Slow  
 Property Values: ☐ Increasing ☒ Stable ☐ Declining  
 Demand/Supply: ☐ Shortage ☒ In Balance ☐ Over Supply  
 Marketing Time: ☐ Under 3 Mos. ☐ 4-6 Mos. ☒ Over 6 Mos.  
 Present: 85% One-Unit 3% 2-4 Units 2% Apts 1% Condo 0% Commercial  
 Land Use: 0% Industrial 9% Vacant %  
 Change in Present Land Use: ☐ Not Likely ☒ Likely ☐ Taking Place  
 Predominant Occupancy: ☒ Owner ☐ Tenant ☐ Vacant  
 One Unit Price Range: \$ 105 to \$ 800 Predominant Value: \$ 230  
 One Unit Age: New yes to 45 yrs. Predominant Age: 14 yrs.

Comments including those factors favorable or unfavorable affecting marketability (e.g. public parks, schools, view, noise): Neighborhood boundaries, North, East, and West Homer city limits, South Kachemak Bay. This is the residential area within Homer city limits. A view of the bay and mountains is a strong selling point for many buyers. Other important factors are proximity to town and the availability of city utilities.

Dimensions: Various (see attached plat) 3.02 ac ☐ Corner Lot  
 Zoning Classification: Rural Residential Present Improvements: ☐ Do ☐ Do Not Conform to Zoning Regulations  
 Highest and Best Use: ☐ Present Use ☒ Other (Specify): Single-family residential use (8 individual lots)

Public: ☐ Other (Describe): ☐ Nearby (not extended)  
 Elec: ☐ Gas: ☐ Water: ☐ San Sewer: ☐  
 OFF-SITE IMPROVEMENTS: ☒ Street Access ☐ Public ☐ Private  
 Surface: ☒ Not Constructed  
 Main Entrance: ☐ Public ☐ Private  
 Storm Sewer: ☐ Curb/Gutters  
 Sidewalk: ☐ Street Lights  
 Topo: Gently sloping (see attached topographic map)  
 Size: Typical for area  
 Shape: Various  
 View: Bay and mountain view from some lots  
 Drainage: Contains "Discharge Slope" & "Wetland Upland Complex"  
 Property located in a flood (inundation) Special Flood Hazard Area? ☐ Yes ☒ No

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions): (noted no adverse factors; Shelley Avenue is constructed to within two lots of the subject parcel (see attached maps). Development of the eight individual lots will require extending Shelley Avenue and constructing portions of Robert Avenue and Lilian Drive. It will also require extending utilities, electric, phone, sewer, water, and gas. These utilities are in the area. Based on my inspection of these lots, the following currently have at least a partial view of the bay and mountains without clearing: Lots 58, 59, 60, 65, and 67.

The undersigned has reviewed recent sales of properties most similar and proximate to the subject and has to be considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparative property is superior to, or more favorable than subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject. If a significant item in the comparative is inferior to or less favorable than the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address:	NHN Shelley Avenue Homer, AK 99603	3695 Main Street Homer, AK 99603	2243 Highland Drive Homer, AK 99603	2500 Highland Drive Homer, AK 99603
Proximity to subject		1.10 miles NE	1.21 miles NW	1.15 miles NW
Sales Price	\$ Price per acre	1 45,413	1 35,000	1 27,778
Price \$/Sq Ft	Price per parcel	98,000	70,000	112,500
Data Source	Inspection, tax rolls	AK MLS #12-4714	AK MLS #13-16466	AK MLS #13-1381
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
	6/2015	Clsd 10/2014	Clsd 04/2014	Clsd 11/2013
Location	Suburban	Suburban	Suburban	Suburban
Site/View	3.02 ac / K Bay	2.18 ac / K Bay	2.00 ac/Partial view	4.05 ac / K Bay
Utilities	None extended	Utilities on site	None extended	Utilities in area
Site Improvmts	None	None	None	None
Wetlands	70% WUI / 30% DS	No wetlands	No wetlands	Wetland/Upland
Usable area	100%	100%	100%	~75%
Sales or Financing	17524110, 11, 12	17513220, 21	17529088	17501068
Concessions	Overall comparison	Similar	Inferior view	Superior view
Net Adj. (Total)		\$ 0	\$ 0	\$ 0
Indicated Value of Subject		Gross Adj: 0.0 % Net Adj: 0.0 % \$ 99,000	Gross Adj: 0.0 % Net Adj: 0.0 % \$ 70,000	Gross Adj: 0.0 % Net Adj: 0.0 % \$ 112,500

Comments on Market Data: These seven sales (see next pages) are the most similar and recent available, presented by date of sale (newest to oldest). All are in Homer city limits with residential zoning. I included Comp 7, the oldest sale, because of its location near the subject and because it was developed as a subdivision. The sale prices range from \$70,000 (inferior lot) to \$125,000 (superior lot with no needed construction). Median price: \$99,000. Mean price: \$102,751.

Comments and Conditions of Appraisal: The subject parcel is appraised in its "as is" condition. To develop some or all of the eight individual lots will require major costs for right-of-way clearing, roads, and utility extensions.

Final Recommendation: I consider the lower bracket to the subject value to be Comp 7 at \$95,000, which took place in a weaker market than today. The upper bracket is Comp 5 at \$122,500, a recent sale with superior view amenity that did not require significant clearing. My value conclusion is in the mid-range. Current market conditions for land are not very strong because limited residential construction is taking place, and construction is what drives the land market.

ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF June 17, 2015 TO BE \$ \$100,000

APPRaiser: Kirk Olsen SUPERVISORY APPRAISER (if applicable):  
 Signature: Kirk Olsen Signature: \_\_\_\_\_  
 Name: Kirk Olsen Name: \_\_\_\_\_  
 Title: Kirk Olsen, Certified Appraiser Title: \_\_\_\_\_  
 Date Report Signed: 05/05/2015 Date Report Signed: \_\_\_\_\_  
 State Certification #: 225 State: AK State Certification #: \_\_\_\_\_ State: \_\_\_\_\_  
 State License #: \_\_\_\_\_ State License #: \_\_\_\_\_  
 Expiration Date of Certification or License: 05/30/2017 Expiration Date of Certification or License: \_\_\_\_\_  
 Date of Inspection: 05/17/2015 ☐ Did ☐ Did Not Inspect Property (Date of Inspection)



Kirk Olsen, Certified Appraiser  
**LAND APPRAISAL REPORT**

File No. 13755

The undersigned has checked three recent sales of properties most similar and proximate to the subject and has to be considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction in these sales of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more undesirable than subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

MARKET DATA ANALYSIS

COMMENTS

ITEM	SUBJECT	COMPARABLE NO. 4	COMPARABLE NO. 5	COMPARABLE NO. 6
Address:	NHN Sholey Avenue Homer, AK 99603	978 Latham Avenue Homer, AK 99603	1888 Uminski Circle Homer, AK 99603	600 West Fairview Avenue Homer, AK 99603
Proximity to subject		2.22 miles NE	3.07 miles NE	0.82 miles NE
Sales Price	\$	Price per acre	\$ 58,054	\$ 32,483
Price / Acre	Price per parcel	125,000	122,500	95,258
Data Source	Inspection, tax rolls	AK MLS #13-2324	AK MLS #12-4762	AK MLS #04-410613
Date of Sale and Time Adjustments	DESCRIPTION 6/2015	DESCRIPTION Cisd 4/2013	DESCRIPTION Cisd 03/2013	DESCRIPTION Cisd 4/2005
Location	Suburban	Suburban	Suburban	Suburban
Size/View	3.02 ac / K Bay	2.23 ac/Partial view	3.77 ac / K Bay	2.48 ac / K Bay
Utilities	None extended	Utilities in area	Utilities on site	Utilities in area
Site Improvements	None	None	None	None
Wetlands	70% WU / 30% OS	No wetlands	No wetlands	No wetlands
Usable area	100%	100%	100%	100%
Sales or Financing Concessions	17524110, 11, 12...	17702058, 68, 70	17902091	17624017
Net Adj. (Total)	Overall comparison	No roads needed	Superior view	Superior view
Indicated Value of Subject		Gross Adj. 0.0 % Net Adj. 0.0 % \$ 125,000	Gross Adj. 0.0 % Net Adj. 0.0 % \$ 122,500	Gross Adj. 0.0 % Net Adj. 0.0 % \$ 95,300

Comments on Market Data: There have been no prior sales of the subject within 36 months, and no prior sales of the comparable properties within 12 months.



File No. 13755

MARKET DATA ANALYSIS

## Discussion

Comments on Market Data



# ADDENDUM

Form No. 1014		File No. 13755	
Property Address: 1401 Shelley Avenue		Case No.	
City: Homer		State: AK	Doc: 99003
Lender: Clerk City of Homer Planning Department			

**PRIOR ASSIGNMENT(S)** I have not performed any professional real estate services involving the subject property in the 36 months prior to the effective date of this assignment.

**INTENDED USER** The intended User of this appraisal report is my client, The City of Homer Planning Department. There are no other intended users. No other party is authorized to use this report. I am not responsible to any unintended user or other third party.

**INTENDED USE** The intended Use of this report is for selling the subject parcel. This use is subject to the stated Scope of Work, the purpose of the appraisal, the reporting requirements of this appraisal report form, and the Definition of Market Value. There is no other intended Use. Any other use is unauthorized, and I assume no responsibility for it.

**ZONING** The property is within Homer city limits and is zoned *Rural Residential*.

**QUALIFICATIONS** I am qualified to perform this assignment by prior experience, education, and Alaska certification.

**CONFORMITY** The report conforms to the guidelines of FIRREA Title XI and the final rules for appraisals from the Office of Thrift Supervision and the Office of the Comptroller of the Currency. It also conforms to Uniform Standards of Professional Appraisal Practice (USPAP).

**DIGITAL SIGNATURE** My digital signature is password-protected against unauthorized use.

**WETLANDS** According to the Kenai Peninsula Borough wetlands mapping, a portion of the entire subject parcel (I estimate 70%) is classified as *Wetland Upland Complex*. Another portion (I estimate 30%) is classified as *Discharge Slope*. The breakdown is as follows:

- Lot 60: 100% *Wetland Upland Complex*
- Lot 59: 100% *Wetland Upland Complex*
- Lot 58: 100% *Wetland Upland Complex*
- Lot 57: 100% *Wetland Upland Complex*
- Lot 65: 100% *Wetland Upland Complex*
- Lot 66: 70% *Wetland Upland Complex*; 30% *Discharge Slope*
- Lot 67: 100% *Discharge Slope*
- Lot 70: 100% *Discharge Slope*

The mapping is for general planning purposes only and does not indicate a jurisdictional determination. For a specific determination, contact a private contractor or the Army Corps of Engineers. Wetlands are common in this market area, and normally do not preclude residential development. The intent of the regulations is to protect water quality by limiting the amount of fill allowed on wetlands.

**ENVIRONMENTAL ISSUES** I am not qualified to be an environmental inspector. I am not an expert in the identification of hazardous substances or detrimental environmental conditions. I advise the client to consult with environmental professionals for opinions in these matters.

**EXPOSURE TIME** Six to twelve months. This is the estimated length of time that the property being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective analysis of the period prior to the effective date of the appraisal. Marketing time, on the other hand, is a prospective analysis of the period after the effective date of the appraisal.

**MARKETING TIME** Six to twelve months. This is an estimate of the time required to sell the property with adequate exposure to the market, assuming it were placed on the market on the date of the appraisal. The marketing period looks forward in time and gives a projection of the market after the date of appraisal. The local market is most active from about May to



# ADDENDUM

Borrower: N/A		File No: 13765
Property Address: 1414 S. Sterling Avenue		Case No:
City: Homer	State: AK	Zip: 99603
Lender: Client: City of Homer Planning Department		

September, and less active during the winter season. My estimate is based on my observations of this market, on sales data from MLS, and from discussions with local Realtors.

**TRUTH IN LENDING** This appraisal report was completed in full compliance with the appraiser independence requirements of Section 129E of the Truth in Lending Act.

**WORK FILE** I have summarized my analysis and conclusions in this report, but additional information is contained in my appraisal workfile.



# SUMMARY TABLE OF THE EIGHT SUBJECT LOTS

Borrower: N/A	File No.: 13755
Property Address: NHN Shelley Avenue	Case No.:
City: Homer	State: AK Zip: 99603
Lender: Client: City of Homer Planning Department	

Tax ID	Legal Description	Street	Acres	Assessed value
17524129	Lot 57, Lillian Wall Estate Subdivision	Shelley Avenue	0.39	\$ 11,600
17524128	Lot 58, Lillian Wall Estate Subdivision	Shelley Avenue	0.38	\$ 11,600
17524127	Lot 59, Lillian Wall Estate Subdivision	Shelley Avenue	0.38	\$ 11,300
17524126	Lot 60, Lillian Wall Estate Subdivision	Shelley Avenue	0.35	\$ 11,100
17524130	Lot 65, Lillian Wall Estate Subdivision	Robert Avenue	0.35	\$ 11,100
17524111	Lot 66, Lillian Wall Estate Subdivision	Lillian Drive	0.88	\$ 11,300
17524112	Lot 67, Lillian Wall Estate Subdivision	Shelley Avenue	0.34	\$ 11,100
17524110	Lot 70, Lillian Wall Estate Subdivision	Lillian Drive	0.49	\$ 12,800
			3.02	\$ 91,900



# SUMMARY TABLE OF COMPARABLE LAND SALES

Borrower: N/A		File No.: 13755	
Property Address: NHN Shelley Avenue		Case No.	
City: Homer	State: AK	Zip: 99603	
Lender/Client: City of Homer Planning Department			

	MLS #	Date	Price	Street	Ac.	Zone	Tax ID	Legal
1	12-4714	10/21/2014	\$ 99,000	Main Street	2.18	RO	17513220	Bunnels L47 & Bunnels L48
2	13-16489	4/3/2014	\$ 70,000	Highland Drive	2.08	RR	17529080	Mountain Park Howell Replat Tract L7A
3	13-1381	11/12/2013	\$ 112,500	Highland Drive	4.05	RR	17501066	Bidarka Hts #3 Inham Addn L2D
4	13-2324	4/8/2013	\$ 125,000	Latham Lane	2.23	RR	17702088	Homer Latham Dahlgren 1970 Addn L2-4
5	12-4762	3/28/2013	\$ 122,500	Umroki Circle	3.77	UR	17902091	Guy Waddell #3 Jones Addn L1A
6	04-410513	4/27/2005	\$ 95,258	W Fairview Ave	2.48	RR	17524017	WR Bell Wildflower Ranch Addn L3
7	01-408423	11/5/2001	\$ 95,000	West Hill Road	3.33	RR	17524181	Lillian Walli Estate Tract C

Median price:	\$ 99,000
Mean price:	\$ 103,751
Low price:	\$ 70,000
High price:	\$ 125,000



# SUBJECT PHOTOS - Page 1

Borrower: N / A			File No.: 13755
Address: NHN Shelley Avenue			Case No.:
City: Homer	St: AK	Zip: 99803	Lender: Client: City of Homer Planning Department



Looking west on Shelley Avenue



Looking west from the end of Shelley Avenue



Looking east on Shelley Avenue



Looking west



Looking south



Looking east from West Hill Road. I used GPS waypoints to walk all eight of the subject lots and locate their approximate lot lines.



# COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: N/A	File No.: 13755
Address: NHM Shalley Avenue	Case No.:
City: Homer	St: AK
Zip: 99603	Lender: Client: City of Homer Planning Department



## COMPARABLE SALE #1

3885 Main Street  
Homer, AK 99603  
Sale Date: Cisd 10/2014



## COMPARABLE SALE #2

2243 Highland Drive  
Homer, AK 99603  
Sale Date: Cisd 04/2014



## COMPARABLE SALE #3

2500 Highland Drive  
Homer, AK 99603  
Sale Date: Cisd 11/2013



# COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: N/A			File No.: 13765
Address: NHH Shelley Avenue			Case No.:
City: Homer	St: AK	Zip: 99603	Lender: Client: City of Homer Planning Department



## COMPARABLE SALE #4

976 Latham Avenue  
Homer, AK 99603  
Sale Date: Cisd 4/2013



## COMPARABLE SALE #5

1866 Uminski Circle  
Homer, AK 99603  
Sale Date: Cisd 03/2013



## COMPARABLE SALE #6

000 West Fairview Avenue  
Homer, AK 99603  
Sale Date: Cisd 4/2005



# COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: N / A	File No.: 13755
Address: NMN Shelley Avenue	Case No.:
City: Homer	St: AK
Zip: 99603	Lender: Client: City of Homer Planning Department



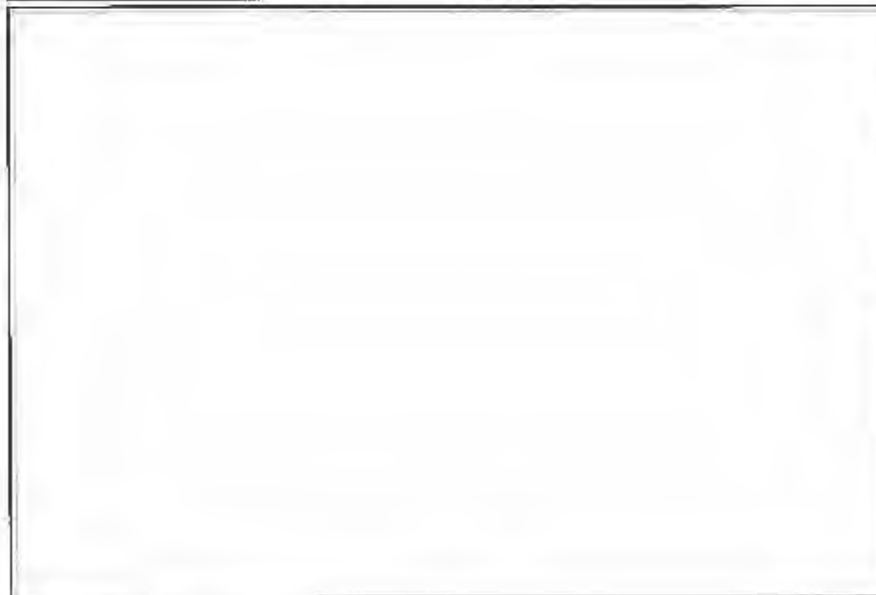
## COMPARABLE SALE #7

1000 Carriage Court  
Homer, AK 99603  
Sale Date: Cld 11/2001  
Sale Price: \$ 28,358



## COMPARABLE SALE #8

Sale Date:  
Sale Price: \$



## COMPARABLE SALE #9

Sale Date:  
Sale Price: \$



Borrower: N / A	File No.: 13755
Property Address: <b>NHN Shelley Avenue</b>	Case No.:
City: <b>Homer</b>	State: <b>AK</b> Zip: <b>99603</b>
Lender: Client: <b>City of Homer Planning Department</b>	



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# LOCATION MAP

Borrower: N/A	File No.: 13755
Property Address: NHN Shelley Avenue	Case No.:
City: Homer	State: AK
Lender: Client: City of Homer Planning Department	Zip: 99603



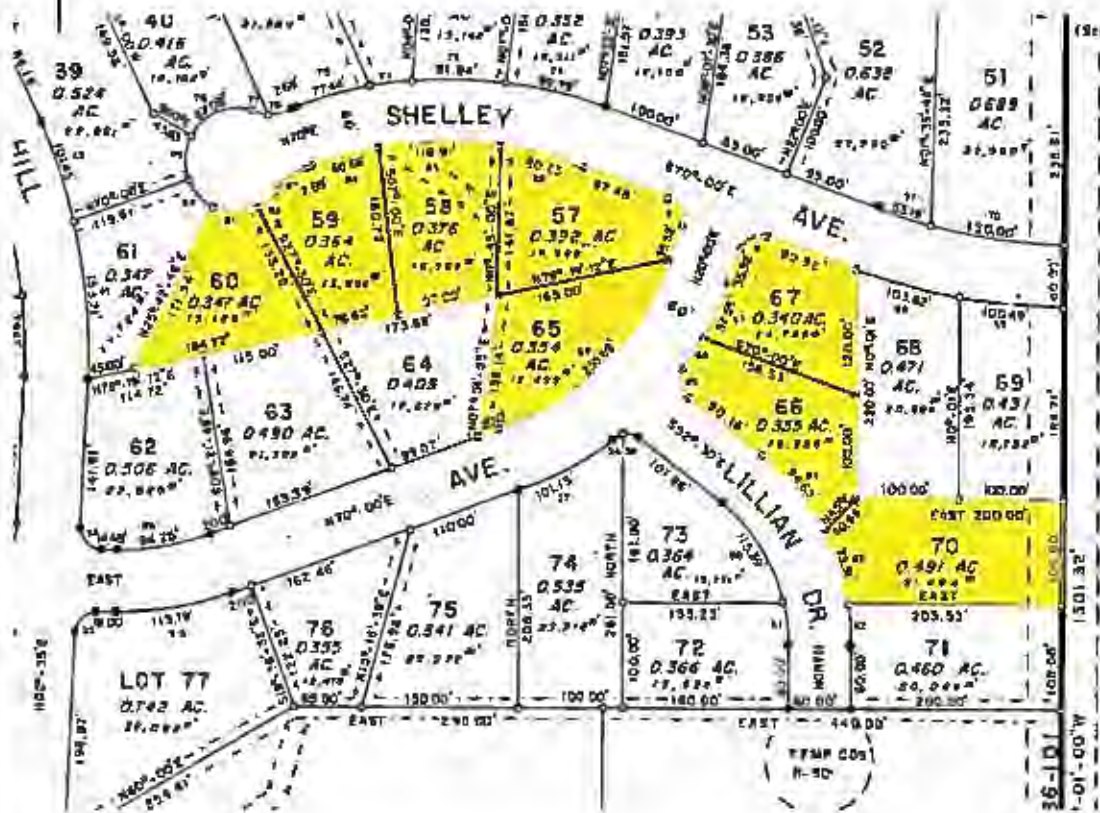
This appraisal may not be used by anyone other than the intended user(s) identified in this report.



PLATMAP

Borrower: N/A  
 Property Address: NHN Shelley Avenue  
 City: Homer  
 Lender: Client, City of Homer Planning Department  
 File No.: 13755  
 Case No.:  
 State: AK  
 Zip: 99603

# *Lillian Walli Estate*



This appraisal may not be used by anyone other than the intended user(s) identified in this report.



# FLOOD MAP

Borrower: N/A	File No.: 13755
Property Address: NHN Shelley Avenue	Case No.:
City: Homer	State: AK
Lender: Client: City of Homer Planning Department	Zip: 99603



## FLOOD INFORMATION

Community: CITY OF HOMER  
 Property is NOT in a FEMA Special Flood Hazard Area  
 Map Number: 0201076040B  
 Panel: 6040B  
 Zone: D  
 Map Date: 09-25-2009  
 FIPS: 02122  
 Source: FEMA DFIRM

## LEGEND

- = FEMA Special Flood Hazard Areas - High Risk
- = Moderate and Minimal Risk Areas
- Road View:
  - = Forest
  - = Water

## Sky Flood™

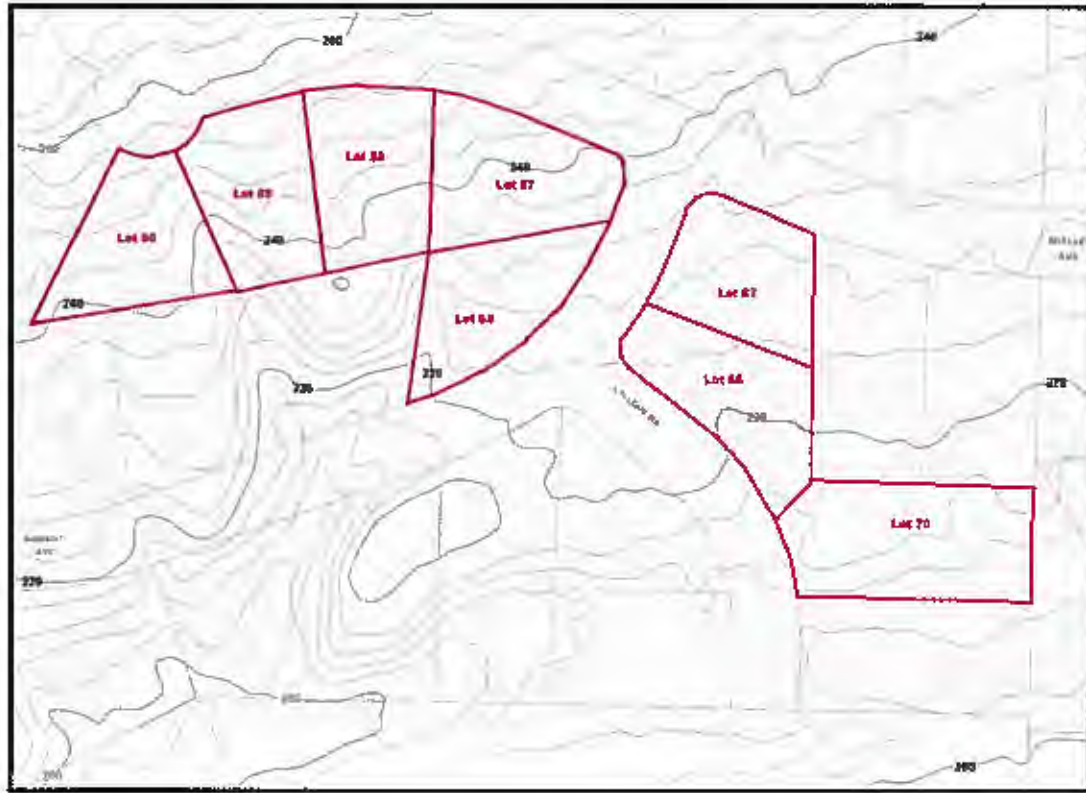
No representation or warranty is made to any party concerning the content, accuracy or completeness of the flood report, including any warranty of merchantability or fitness for a particular purpose as implied or provided. Visual scaling features differ between map layers and are separate from flood zone information in market location. No liability is accepted by any third party for any use or misuse of this flood map or its data.

This appraisal may not be used by anyone other than the intended user(s) identified in this report.



# TOPOGRAPHIC MAP

Borrower: N/A	File No.: 13755
Property Address: NHN Shelley Avenue	Case No.:
City: Homer	State: AK Zip: 99803
Lender/Client: City of Homer Planning Department	

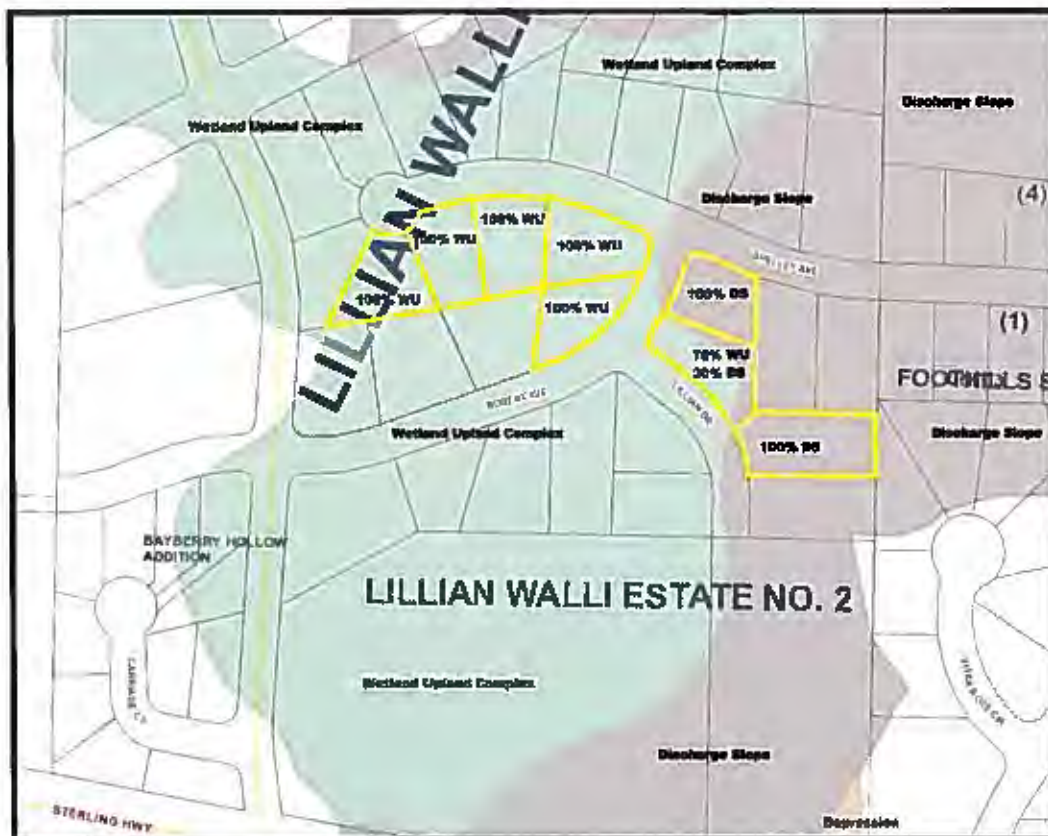
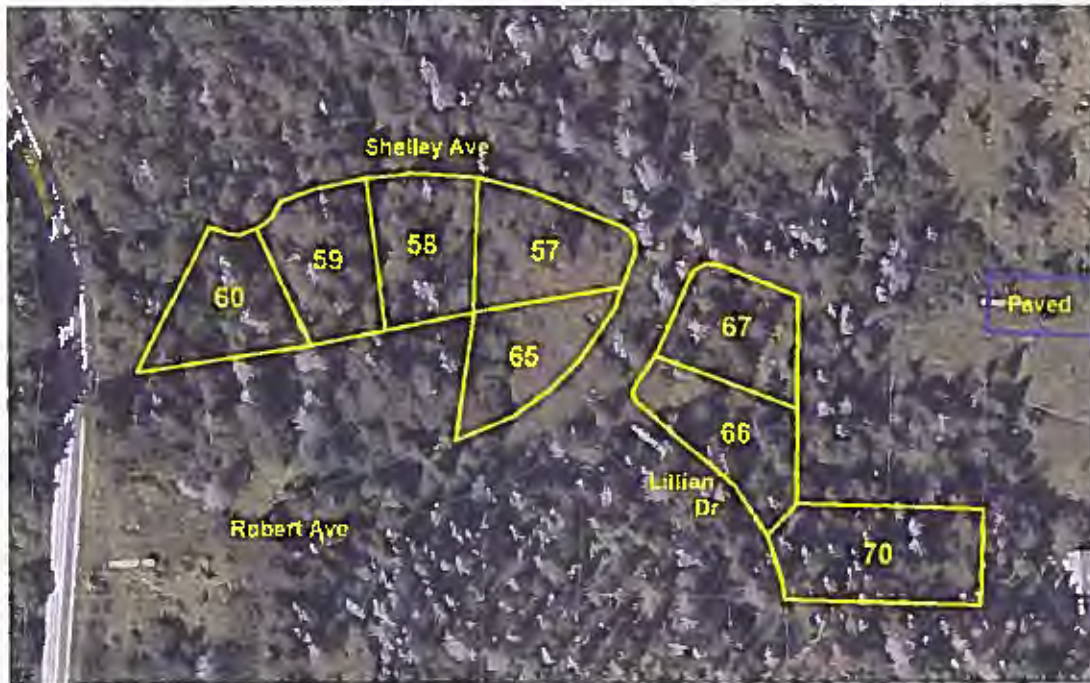


This appraisal may not be used by anyone other than the intended user(s) identified in this report.



# AERIAL PHOTO & WETLANDS MAP

Borrower: N/A		File No.: 13755
Property Address: NHH Shelley Avenue		Case No.:
City: Homer	State: AK	Zip: 99603
Lender: Client: City of Homer Planning Department		



This appraisal may not be used by anyone other than the intended user(s) identified in this report.



## USPAP ADDENDUM

FA 66, 13755

Borrower: N/A			
Property Address: 1110 Shelley Avenue			
City: Homer	County: Kenai Peninsula Borough	State: AK	Zip Code: 99603
Lender: Client, City of Homer Planning Department			

## APPRAISAL AND REPORT IDENTIFICATION

This report was prepared under the following USPAP reporting option:

- ☒ **Appraisal Report** A written report prepared under Standards Rule 2-2(a).
- ☐ **Restricted Appraisal Report** A written report prepared under Standards Rule 2-2(b).

## Reasonable Exposure Time

My opinion of a reasonable exposure time for the subject property at the market value stated in this report is: six to twelve months.

**Reasonable Exposure Time:** This is the estimated length of time that the property being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective analysis of the period prior to the effective date of the appraisal. Marketing time, on the other hand, is a prospective analysis of the period after the effective date of the appraisal.

## Additional Certifications

- ☒ I have performed NO services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- ☐ I HAVE performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. These services are described in the comments below.

I have no present or prospective financial interest in the subject property.

## Additional Comments

Classification of Intended Use and Intended User:

The intended user of this appraisal report is the Client. The intended use is for a possible listing and sale of the property. This use is subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional intended users are identified by the appraiser.

## APPRAISER:

## SUPERVISORY APPRAISER (only if required):

Signature: Kirk Olson  
 Name: Kirk Olson, Certified Appraiser  
 Date Signed: 08/05/2015  
 State Certification #: 225  
 or State License #: \_\_\_\_\_  
 or Other (describe): \_\_\_\_\_ State #: \_\_\_\_\_  
 State: AK  
 Expiration Date of Certification or License: 08/05/2017  
 Effective Date of Appraisal: 08/17/2015

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_  
 Supervisory Appraiser inspection of Subject Property:  
☐ Did Not ☐ Entered only from street ☐ Interior and Exterior



**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area: these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the Appraiser's judgment.

## STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

**CONTINGENT AND LIMITING CONDITIONS:** The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower, the mortgagee or its successors and assigns, the mortgage insurer, consultants, professional appraisal organizations, any state or federally approved financial institution, or any department, agency, or instrumentality of the United States or any state or the District of Columbia, except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.



**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraisal value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for those adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

**SUPERVISORY APPRAISER'S CERTIFICATION:** If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 1 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

**ADDRESS OF PROPERTY APPRAISED:** NNN Shelley Avenue, Homer, AK, 99803

**APPRAISER:****SUPERVISORY APPRAISER (only if required)**

Signature: Kirk Olson  
 Name: Kirk Olson, Certified Appraiser  
 Date Signed: 09/05/2015  
 State Certification #: 225  
 or State License #: \_\_\_\_\_  
 State: AK  
 Expiration Date of Certification or License: 06/30/2017

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date Signed: \_\_\_\_\_  
 State Certification #: \_\_\_\_\_  
 or State License #: \_\_\_\_\_  
 State: \_\_\_\_\_  
 Expiration Date of Certification or License: \_\_\_\_\_

☐ Did ☐ Did Not Inspect Property

PO Box 580, Homer, AK 99803



**APPRAISER CERTIFICATION**

Borrower: N/A		File No.: 13755
Property Address: NHN Shelley Avenue		Case No.:
City: Homer	State: AK	Zip: 99603
Lender/Client: City of Homer Planning Department		

License #: APR0225  
Effective: 06/03/2015  
Expires: 06/03/2017

**STATE OF ALASKA**  
Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing  
**Board of Certified Real Estate Appraisers**

Licensee: **KIRK ALAN OLSEN**

License Type: **Certified General Real Estate Appraiser**

Status: **Active**

Commissioner: Chris Hladick



***Kachemak Bay Title Agency, Inc.***

3733 Ben Walters Lane, Suite 1

Homer, AK 99603

Tel: (907) 235-8196 Fax: (907) 235-2420

**LIMITED LIABILITY REPORT**

Agent for Stewart Title Guaranty Company

CITY OF HOMER  
491 E. Pioneer Ave.  
Homer, AK 99603  
Attention: Julie Engebretsen

File Number: 32304  
Premium: \$250.00  
Tax:

Today's Date: July 07, 2015

This is a Limited Liability Report as of June 29, 2015 at 8:00 A.M. on the following described property:

Lots Fifty-seven (57), Fifty-eight (58), Fifty-nine (59), Sixty (60), Sixty-five (65), Sixty-six (66), Sixty-seven (67) and Seventy (70), LILLIAN WALLI ESTATE, according to Plat No. 88-16, in the Homer Recording District, Third Judicial District, State of Alaska

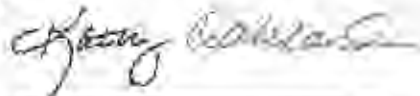
A search of the records of the Homer Recording District Office by this Company reveals that title to the property described herein is vested on the date shown above in:

CITY OF HOMER  
an estate in fee simple

SUBJECT only to the exceptions shown herein.

Kachemak Bay Title Agency, Inc.

By



Authorized Countersignature

Kathy Oakland  
Authorized Signator



**SUBJECT TO:**

1. **RESERVATIONS** and exceptions as contained in U.S. Patent, and/or acts authorizing the issuance thereof.
2. **TAXES AND ASSESSMENTS**, if any, due the taxing authority indicated:  
Taxing Authority: Kenai Peninsula Borough/City of Homer
3. **EASEMENT** for electric lines or system and/or telephone lines together with right to enter, maintain, repair and clear shrubbery:  
Recorded: September 18, 1959  
Volume/Page: 17/328  
Granted To: Homer Electric Association, Inc.  
Affects: General Easement, no definite location disclosed
4. **EASEMENT** affecting a portion of said premises and for the purposes herein noted, and incidental purposes, delineated on the face of, or dedicated by the noted plat.  
Plat No.: 88-16  
For: Utility Easement  
Affects: West 10 feet of Lots 57, 59 and 65 and the East 10 feet of Lots 58 and 60
5. **EFFECT** of the notes on said Plat No. 88-16, to the record of which reference is hereby made.
6. **SUBJECT TO A ROAD RESERVATION** of 33 feet along each side of the section line as created by 43 U.S.C. 932 (Affects Lot 70)
7. **EFFECT, IF ANY, OF:**  
**SUBDIVISION AGREEMENT:**  
Dated: May 16, 1988  
Recorded: May 19, 1988  
Volume/Page: 183/424  
Executed by: Eric Steve Walli, executor and John Robert Gibson, Co-Executor and City of Homer
8. **EFFECT, IF ANY, OF:**  
**AGREEMENT for Assumption of Pro-Rata Share of Assessments:**  
Recorded: September 18, 1959  
Volume/Page: 187/241  
Executed by: John R. Gibson, et al.

This report is restricted to the use of the addressee and is not to be used as a basis for closing any transaction affecting title to said property. Liability of the Agency is limited to the compensation received therefore.

July 07, 2015



BOOK 0228 PAGE 865

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA  
THIRD JUDICIAL DISTRICT AT HOMER

IN THE MATTER OF CITY OF HOMER  
LOCAL IMPROVEMENT DISTRICT  
FORECLOSURES: STERLING HIGHWAY  
WATER AND SEWER IMPROVEMENT  
DISTRICT AND THE COOPER  
SUBDIVISION SEWER IMPROVEMENT  
DISTRICT FOR 1989 AND 1990.

Case No. JHO-90-451 CIVIL

CORRECTED CLERK'S DEED

This corrected Clerk's Deed is executed and delivered for the sole purpose of correcting an error appearing in the legal description of that Clerk's Deed already delivered by the Clerk of Court to the City of Homer, and recorded in Book 223 at Pages 321 and 322 of the records of the Homer Recording District, Alaska, on August 20, 1993. Said Clerk's Deed incorrectly includes Lot 56 and omits Lot 57 of LILLIAN WALLI ESTATES, according to Plat No. 88-16.

In the matter of the foreclosing of liens for delinquent special assessments of the City of Homer for the years 1989 and 1990, the liens having been foreclosed by judgment and decree of the Superior Court, and the properties described herein remaining unredeemed after the expiration of the redemption period prescribed by law, and notice of the expiration of the redemption period having been given as

CLERK'S DEED/Page 1  
[131326-0407/AA531720016]

PERKINS COLE  
1029 West Third Avenue, Suite 300  
Anchorage, Alaska 99501-1970  
(907) 279-8561



prescribed by law, I, the undersigned Clerk of Court for the State of Alaska, Third Judicial District, pursuant to AS 24.53.380, convey to the City of Homer, whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, all right, title and interest in the properties described herein, situated in the Homer Recording District, Third Judicial District, State of Alaska:

Lot 57, 58, 59, 60, 63, 65, 67, and 70,  
LILLIAN WALLI ESTATES, according to Plat No.  
88-16.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the trial courts for the State of Alaska, Third Judicial District, this 17 day of November, 1993.

  
Clerk of the Court for the State  
of Alaska, Third Judicial District

Per Order of the Court Dated:

November 9, 1993

PERKINS COPE

1029 9th Ave. Ste. 200  
Anchorage, Alaska 99501-1970  
(907) 279-3561



The foregoing instrument was acknowledged before me  
this 17 day of November, 1993, by ROBIN L. ANDREE,  
Clerk of Court for the State of Alaska, Third Judicial  
District.

*Deirdre Check*  
Deputy Clerk of Court

Return to:  
City Clerk  
City of Homer  
491 East Pioneer Avenue  
Homer, Alaska 99603



93-4122

RECORDED	FILED 2/10
REC. DIST.	
DATE	12-13-93
TIME	9:38 A.M.
Submitted by	City of Homer
Address	

PERKINS COIE  
1029 West Third Avenue, Suite 300  
Anchorage, Alaska 99501-1970  
(907) 279-8561



BOOK 0228 PAGE 578

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA  
THIRD JUDICIAL DISTRICT AT KENAI

IN RE: KENAI PENINSULA BOROUGH  
1991 FORECLOSURE OF DELINQUENT  
1990 REAL PROPERTY TAX LIENS.

Case No. 3RN-91-105 CI

CLERK'S DEED

In the matter of foreclosure of delinquent tax liens  
by the Kenai Peninsula Borough, Soldotna, Alaska, for the year  
1990, I, Gobin L. Andree  
Clerk of Superior Court for the State of Alaska, Third Judicial  
District, 145 Main Street Loop, Kenai, Alaska 99611, pursuant to  
the provisions of AS 29.45.450, do hereby convey to the CITY OF  
HOMER, 491 E. Pioneer Avenue, Homer, Alaska 99603, all right,  
title and interest in the properties in the area of the City of  
Homer, Homer Recording District, and not redeemed as provided by  
law, which properties are described as follows:

Lot Sixty-Seven (67), LILLIAN WALLI ESTATES, according to  
Plat No. 48-16, located in the Homer Recording District,  
Third Judicial District, State of Alaska. (Tax Assessor  
No. 175-241-12-4)

Lot Nine (9), THOMPSON SUBDIVISION, according to Plat No.  
64-51, located in the Homer Recording District, Third  
Judicial District, State of Alaska. (Tax Assessor No. 179-  
020-28-4)

Tract H-Two (H-2), a Resubdivision of Tracts "G" and "H" of  
TIETJEN SUBDIVISION, according to Plat No. 75-42, located  
in the Homer Recording District, Third Judicial District,  
State of Alaska. (Tax Assessor No. 179-280-33-4)

Clerk's Deed/City of Homer  
Homer Recording District  
Page 1 of 2

NOV 27 1991



BOOK 0228 PAGE 577

SUBJECT TO the payment by the City of Homer to the Kenai Peninsula Borough of unpaid Borough taxes and costs of foreclosure levied against the properties before foreclosure.

This instrument is executed without covenants of any character, express or implied, and the execution thereof shall not in any circumstances impose any liability on the undersigned.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the Superior Court for the State of Alaska, Third Judicial District, this 8 day of November, 1993.

John L. Anderson  
Clerk of Superior Court

ACKNOWLEDGMENT

STATE OF ALASKA                    )  
  ) ss.  
THIRD JUDICIAL DISTRICT        )

The foregoing instrument was acknowledged before me on this 8 day of November, 1993, by Robert L. Andrew.

Deirdre J. Cheek  
Notary Public for State of Alaska  
My Commission Expires: 10/1/94

Chief Deputy Clerk

After recording return to:  
City of Homer  
491 Pioneer Avenue  
Homer, AK 99603

93-3973

HOMER REC  
DISTRICT

REQUESTED BY KPB

Clerk's Desk/City of Homer  
Homer Recording District  
Page 2 of 2

'93 DEC 1 PM 2 25



IN THE SUPERIOR COURT FOR THE STATE OF ALASKA  
THIRD JUDICIAL DISTRICT AT HOMER

IN THE MATTER OF CITY OF HOMER  
LOCAL IMPROVEMENT DISTRICT  
FORECLOSURES: STERLING HIGHWAY  
WATER AND SEWER IMPROVEMENT  
DISTRICT AND THE COOPER  
SUBDIVISION SEWER IMPROVEMENT  
DISTRICT FOR 1989 AND 1990.

CASE NO. JHO-90-451 CIVIL

CLERK'S DEED

In the matter of the foreclosing of liens for  
delinquent special assessments of the City of Homer for the  
years 1989 and 1990, the liens having been foreclosed by  
judgment and decree of the Superior Court, and the properties  
described herein remaining unredeemed after the expiration of  
the redemption period prescribed by law, and notice of the  
expiration of the redemption period having been given as  
prescribed by law, I, the undersigned Clerk of Court for the  
State of Alaska, Third Judicial District, pursuant to  
AS 29.53.160, convey to the City of Homer, whose address is  
491 East Pioneer Avenue, Homer, Alaska 99603, all right, title  
and interest in the properties described herein, situated in  
the Homer Recording District, Third Judicial District, State  
of Alaska;

CLERK'S DEED/Page 1  
(12136-0402/AA954730015)

PENNING COWE  
1025 West Third Avenue, Suite 300  
Anchorage, Alaska 99501-1970  
(907) 279-8561

JUL - 2 1993 6:58 PM



DUPLICATE 0225 PAGE 322

lots 57, 58, 59, 60, 65, 66, 66, and 70,  
LILLIAN WALLI ESTATES, according to Plat No.  
88-16.

IN WITNESS WHEREOF, I have hereunto set my hand and  
the seal of the trial courts for the State of Alaska, Third  
Judicial District, this 10 day of August, 1993.

Robin L. Andree  
Clerk of the Court for the State  
of Alaska, Third Judicial District

Per Order of the Court Dated:

August 6, 1993

The foregoing instrument was acknowledged before me  
this 10 day of AUGUST, 1993, by ROBIN L. ANDREE  
Clerk of Court for the State of Alaska, Third Judicial  
District.

Deirdre Cheek  
Deputy Clerk of Court

Return to:  
City Clerk  
City of Homer  
491 East Pioneer Avenue  
Homer, Alaska 99603

93-2503

HOMER REC  
DISTRICT  
REQUESTED BY City of Homer

CLERK'S DESK/Page 2  
(13126-0407/AA931720014)

03 AUG 20 PM 3 15

PERKINS-COME  
1029 West Tenth Avenue, Suite 300  
Anchorage, Alaska 99501-1970  
(907) 279-0561



## IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

## THIRD JUDICIAL DISTRICT AT KENAI

IN RE: KENAI PENINSULA BOROUGH  
1990 FORECLOSURE OF DELINQUENT  
1989 REAL PROPERTY TAX LIENS.

Case No. 18N-90-096 CI

CLERK'S DEED

In the matter of the Foreclosure of delinquent tax liens by the Kenai Peninsula Borough, Soldotna, Alaska, for the year 1989, I, Robin L. Turnbull-Andree, Clerk of the Superior Court for the State of Alaska, Third Judicial District, 145 Main Street Loop, Kenai, Alaska 99611, pursuant to the provisions of AS 29.45.450, do hereby convey to the CITY OF HOMER, 491 East Pioneer Avenue, Homer, Alaska 99603, all right, title and interest in the properties in the area of the City of Homer, Homer Recording District, and not redeemed as provided by law, which properties are described as follows:

Lots Fifty-seven (57), Fifty-eight (58), Fifty-nine (59), Sixty (60), Sixty-five (65), and Seventy (70), LILLIAN WALLI ESTATE, filed under Plat No. 88-16, Homer Recording District, Third Judicial District, State of Alaska. Tax Parcel Nos. 175-241-29; 175-241-28; 175-241-27; 175-241-26; 175-241-30; 175-241-10

Lots Two (2), Three (3), Four (4), Five (5), Eight (8), Nine (9), Ten (10) and Eleven (11), GLACIER VIEW SUBDIVISION NO. SEVENTEEN (17), filed under 85-38, Homer Recording District, Third Judicial District, State of Alaska. Tax Parcel Nos. 177-107-14; 177-107-15; 177-107-13; 177-107-22; 177-107-11; 177-107-10; 177-107-09; 177-107-08

SUBJECT TO the payment by the City of Homer to the Kenai Peninsula Borough of unpaid Borough taxes and costs of foreclosure levied against the properties before foreclosure.

This instrument is executed without covenants of any character, express or implied, and the execution thereof shall not in any circumstances impose any liability on the undersigned.

Clerk's Deed  
City of Homer  
Page 1 of 2

AUG 24 1992



IN WITNESS WHEREOF, I have hereunto set my hand and seal of the Superior Court for the State of Alaska, Third Judicial District, this 18 day of September, 1992.

*John Thomas Aiden*  
Clerk of the Superior Court

SUBSCRIBED AND SWORN TO on this 18 day of September, 1992.

*Deborah J. Cheek*  
Notary Public for the State of Alaska  
My commission expires: 12/31/93

Return to:  
Kenai Peninsula Borough  
Borough Attorney's Office  
144 N. Sinkley Street  
Soldotna, AK 99669

92-3022

HOWER REC 18  
DISTRICT  
REQUESTED BY KPB

'92 SEP 28 AM 10 25

Clark's Deed  
City of Homer  
Page 2 of 2



ms0187ms241

AGREEMENT FOR ASSUMPTION OF PRO RATA  
SHARE OF ASSESSMENTS AND RESPONSIBILITIES  
UNDER DEVELOPMENT AGREEMENT, CITY OF HOMER

THIS AGREEMENT, made the 16<sup>th</sup> day of November, 1988,  
by and between the CITY OF HOMER, a first class Alaska  
municipality, hereinafter called City, and all persons having an  
interest in certain real property hereinafter described, and  
referred to as "The Walli Tract", hereinafter referred to  
collectively as "the Walli Interests".

WITNESSETH:

WHEREAS, the Walli Interests have subdivided the Walli  
Tract, hereinafter described into 75 lots for the purpose of sale  
to individual purchasers, and

WHEREAS, the Walli Interests acknowledge that assessments  
for the construction of water and sewer utilities by the City  
which benefit a portion of the Walli Tract, are a first lien  
against said property in the total sum of \$249,457.00, and

WHEREAS, the Walli Interests have requested that the City  
allow payment of the aforesaid assessments by applicable  
individual owners of lots within the Walli Subdivision, Plat No.  
84-16 filed in the Homer Recording District on February 17, 1988  
on a pro rata basis, and

WHEREAS, Eric Steve Walli and John E. Gibson, as executors,  
signed a development agreement with the City of Homer, which is  
recorded in Book 8181 pages 424 and 425 Homer Recording District,  
the terms of this Development Agreement being incorporated herein  
by this reference, designating themselves responsible for street,  
drainage, water, storm drain, sanitary sewer, street signs,

See Record to 10/10/88, 10/10/88, 10/10/88  
and many other records in the  
Homer Recording District, Book 8181, Page 424  
and 425, dated 10/10/88.



0187 MR 242

street lighting, underground power and monumentation improvements to the Walli Estate, and

WHEREAS, Bro Steve Walli and John E. Gibson also represented in said development agreement with the City of Homer that no building permit and/or request for utility connection will be submitted to the City for any lot within the subdivision until such time that the improvements are completed and accepted by the City of Homer.

NOW, THEREFORE, in consideration of the premises and the actual benefits derived herefrom, the parties agree as follows:

1. Pro-rata Assessment. The City agrees to allow pro rata assessment of individual lots in the Walli Subdivision subject to all terms and conditions of this agreement.

2. Property Descriptions. The Walli Tract is described as follows:

Tracts A, B, C, D and Lots 1 to 77 of Plat No. 88-16, filed in the Homer Recording District, Third Judicial District, State of Alaska, prepared by Benning Johnson, Registered Professional Land Surveyor, approved by the Kenai Peninsula Borough on the 16th day of May, 1966.

3. Acknowledgment of Assessments. The parties acknowledge that the total amount of the assessments for water and sewer utilities now due on the Walli Subdivision properties included in the Sterling Highway Improvement District above described, is \$249,457.88. The parties further acknowledge and agree that the pro rata share of such assessments which are attributable to and are a lien on individual lots is listed in the Schedule of Assessments hereby incorporated by this reference and a copy thereof attached hereto marked as Exhibit A.

Law Office of Nelson, Jewell & Stangorrell  
401 West Seventh Avenue, Suite 410  
Anchorage, Alaska 99501 - Telephone 571-1166  
HOMER, ALASKA - Telephone 842-8706



7. Default. In the event of default on the part of the Walli Interests, delinquent assessments shall be subject to foreclosure under the Alaska Statutes and the Homer Municipal Code. Failure to perform all conditions and comply with all requirements of the Development Agreement described in the preceding Paragraph shall constitute a material breach of this Agreement.



0187-244

8. Assigns and Successors. This agreement shall be binding upon and inure to the benefit and burden of the heirs, assigns and successors in interest of the parties hereto.

9. Recording. Upon execution, this agreement shall be recorded in the Home Recording District.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

CITY

CITY OF HOMER

By

*Phil Shealy*  
Philip C. Shealy  
City Manager

WALLI INTERESTS

*Lillian May Miller*  
LILLIAN MAY MILLER

*Robert J. Walli*  
ROBERT JOHN WALLI

*Bob Steve Walli*  
BOB STEVE WALLI

*John R. Gibson*  
JOHN R. GIBSON

*Carolyn Platt*  
CAROLYN PLATT

*David Gibson*  
DAVID GIBSON

*Ruth In White*  
RUTH IN WHITE

*Cathy Kay Ford*  
CATHY KAY FORD

*Pat W. Miller*  
PAT W. MILLER

See Chapter 10, Section 4, Statutes.  
Any copy of this agreement shall be  
deposited with the City Clerk of  
Homer, Alaska, within 10 days of the  
date of recording.





0187 REC 245

NOTARY CERTIFICATE

STATE OF ALASKA

ss.

THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY THAT on the 15th day of November, 1948, before me, the undersigned Notary Public in and for Alaska, duly commissioned and sworn as such, personally appeared Phil C. Shealy known to me to be the City Manager of the City of Homer, Alaska and he acknowledged to me the execution of the foregoing instrument for and on the behalf of the City of Homer and further acknowledged to me that said instrument was signed by him on behalf of the City of Homer.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

*Marion D. Shealy*  
Notary Public in and for Alaska  
My Commission Expires: 10/14/51





0187246

STATE OF ALASKA  
County of Kenai  
Third Judicial District

THIS IS TO CERTIFY that on the 10<sup>th</sup> day of November 1980, before me, the undersigned Notary Public in and for Alaska, duly commissioned and sworn as such, personally appeared Charles Ray Ford, known to me to be the individual named herein and he acknowledged to me the execution of the above and foregoing instrument to be his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

Carol F. Ford  
Notary Public in and for Alaska  
My Commission Expires: 2-2-90  
714th Industrial Circuit



Law Offices of H. J. H. & H. J. H.  
One West 10th Avenue, Suite 110  
Anchorage, Alaska 99501  
Telephone: 261-1111  
Telex: 261-1111



0187-247

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the 5<sup>th</sup> day of October, 1988, before me, the undersigned Notary Public in and for Alaska, duly commissioned and sworn as such, personally appeared Robert J. Wells, known to me to be the individual named herein and he acknowledged to me the execution of the above and foregoing instrument to be his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.



Linda Lora  
Notary Public in and for Alaska  
My Commission Expires: \_\_\_\_\_  
acting Postmaster

John Smith of Victor, Alaska, is hereby  
444 Super Highway Road, Victor, AK  
99801-1001. Telephone 907-244-1001  
Victor, Alaska, is hereby  
444 Super Highway Road, Victor, AK  
99801-1001. Telephone 907-244-1001



0187-248

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the 23rd day of September  
1988, before me, the undersigned Notary Public in and for Alaska,  
duly commissioned and sworn as such, personally appeared  
John R. Gibson, known to me to be the individual named  
herein and he acknowledged to me the execution of the above and  
forgoing instrument to be his free and voluntary act and deed  
for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed  
my notarial seal the day and year in this certificate first above  
written.

*Patricia Ann Hobbie*  
Notary Public in and for Alaska  
My Commission Expires: *Feb 14, 1990*



See Notice on Alaska Journal of Business  
and other important documents, forms and  
information, Alaska 99501 - Telephone 476-1844  
Internet: Alaska - Telephone 476-6799



no 0187-249

STATE OF ALASKA  
County of *Kenai*  
Trial Justice District

THIS IS TO CERTIFY that on the *7<sup>th</sup>* day of *November*, 1986, before me, the undersigned Notary Public in and for Alaska, duly commissioned and sworn as such, personally appeared *Paul W. Miller*, known to me to be the individual named herein and he acknowledged to me the execution of the above and foregoing instrument to be his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.



*Claudia Ecola*  
Notary Public in and for ~~Alaska~~ *Washington*  
my Commission Expires: *8-19-92* ~~5-1-92~~

Can be used as follows: *Alaska, Nevada, & Oregon*  
- only when signed, sealed, and dated  
- not valid for use in *California, Florida, and Texas*  
- *Alaska, Nevada, & Oregon* only



0187-250

STATE OF OREGON )  
THIRD JUDICIAL DISTRICT ) ss.

THIS IS TO CERTIFY that on the 13th day of October 1968, before me, the undersigned Notary Public in and for Oregon, duly commissioned and sworn as such, personally appeared Carolyn Platt, known to me to be the individual named herein and he acknowledged to me the execution of the above and foregoing instrument to be his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal the day and year in this certificate first above written.

*Caroline J. Eason*  
Notary Public in and for Alaska  
My Commission Expires: 7-23-79



STATE OF OREGON,

County of Clackamas On this 13th day of October, 19 68, before me, the undersigned, a notary public in and for said county and state, personally appeared the within named Carolyn Platt

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that she executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

*Caroline J. Eason*  
Notary Public for Oregon  
My commission expires

COB-41 78



0187-251

STATE OF ALABAMA  
THIRD JUDICIAL DISTRICT

THIS IS TO CERTIFY that on the 18th day of October 1988, before me, the undersigned Notary Public in and for the State of ALABAMA, duly commissioned and sworn as such, personally appeared Walter M. WHITE, known to me to be the individual named herein and he acknowledged to me the execution of the above and foregoing instrument to be his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal the day and year in this certificate first above written.

Cathy T. [Signature]  
Notary Public in and for the State of ALABAMA  
My Commission Expires: 1/29/97

STATE OF OREGON

County of Clatsop On this 14th day of October, 1988  
before me, the undersigned, a notary public in and for said county and state, personally appeared the within and Robin M. White known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that she executed the same freely and voluntarily.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

J. Myers  
Notary Public for Oregon  
My Commission expires 05-03-91



0187-252

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the 30th day of September, 1988, before me, the undersigned Notary Public in and for Alaska, duly commissioned and sworn as such, personally appeared LILLIAN MAY MILLER, known to me to be the individual named herein and he acknowledged to me the execution of the above and foregoing instrument to be his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

*Peggy A. Burgin*  
Notary Public in and for Alaska  
My Commission Expires 1-26-91

Law Offices of JAMES J. STEWART  
201 West 4th Avenue, Suite 210  
Anchorage, Alaska 99501 - Telephone 581-1144  
Telex 153023 - Teletype 581-0740



01877253

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

THIS IS TO CERTIFY that on the 11th day of Oct  
1988, before me, the undersigned Notary Public in and for Alaska,  
duly commissioned and sworn as such, personally appeared  
David L. [redacted], known to me to be the individual named  
herein and he acknowledged to me the execution of the above and  
foregoing instrument to be his free and voluntary act and deed  
for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed  
my notarial seal the day and year in this certificate first above  
written.



David L. [redacted]  
Notary Public in and for Alaska, Commission Expires 9-2-91

NOTARY PUBLIC IN ALASKA  
DAVID L. [redacted]  
1000 W. [redacted] ANCHORAGE, ALASKA 99501  
TELEPHONE 581-1111



0187-254

STATE OF ALASKA )  
THIRD JUDICIAL DISTRICT ) ss.

THIS IS TO CERTIFY that on the 23rd day of September, 1986, before me, the undersigned Notary Public in and for Alaska, duly commissioned and sworn as such, personally appeared Eric Steve Walli, known to me to be the individual named herein and he acknowledged to me the execution of the above and foregoing instrument to be his free and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

*Patricia Ann McArthur*  
Notary Public in and for Alaska  
My Commission Expires: 06-15-1988

Law Office of Nelson, Jernell & Stappell  
401 West 9th Street, Suite 200  
Anchorage, Alaska 99501 • Telephone 875-1555  
Telex 155555 • Teletype 155555



0187-255

### Background

WALLS SUBDIVISION  
SCHEDULE OF PRO RATA SHARE OF  
STERLING HIGHWAY IMPROVEMENT DISTRICT ASSESSMENTS

	Property Owner	Lot Description	Assessment Water	Amount Sewer
3				Per Data
4	Robert John Walli	Tract A	\$7,684.00	\$7,684.00
5	Eric Steve Walli	Tract B	\$7,684.00	\$7,684.00
6	John R. Gibson			
7	Carolyn Platt			
8	David Gibson			
9	Robin White			
10	Cheryl Gay Ford			
11	Pat W. Miller			
12	John R. Gibson	Lots 1	\$1,499.46	\$1,499.46
13		57	\$1,499.46	\$1,499.46
14		58	\$1,499.46	\$1,499.46
15		59	\$1,499.46	\$1,499.46
16		60	\$1,499.46	\$1,499.46
17		61	\$1,499.46	\$1,499.46
18		62	\$1,499.46	\$1,499.46
19		63	\$1,499.46	\$1,499.46
20		64	\$1,499.46	\$1,499.46
21		65	\$1,499.46	\$1,499.46
22		66	\$1,499.46	\$1,499.46
23		67	\$1,499.46	\$1,499.46
24		68	\$1,499.46	\$1,499.46
25	Eric Steve Walli	Lots 4	\$1,499.46	\$1,499.46
26		19	\$1,499.46	\$1,499.46
27		20	\$1,499.46	\$1,499.46
28		21	\$1,499.46	\$1,499.46
29		22	\$1,499.46	\$1,499.46
30		23	\$1,499.46	\$1,499.46
31		24	\$1,499.46	\$1,499.46
32		25	\$1,499.46	\$1,499.46
33		26	\$1,499.46	\$1,499.46
34	Carolyn Platt	Lots 5	\$1,499.46	\$1,499.46
35		26	\$1,499.46	\$1,499.46
36		27	\$1,499.46	\$1,499.46
37		28	\$1,499.46	\$1,499.46
38		29	\$1,499.46	\$1,499.46
39		30	\$1,499.46	\$1,499.46
40		31	\$1,499.46	\$1,499.46
41		32	\$1,499.46	\$1,499.46
42		33	\$1,499.46	\$1,499.46

[illegible]



BOOK 0187 PAGE 258

1. **NAME** (Last, First, Middle): **JOHN DAVID SMITH**  
 2. **DATE OF BIRTH** (MM/DD/YYYY): **03/15/1985**  
 3. **SSN** (Last four digits): **1234**  
 4. **ADDRESS** (Street, City, State, ZIP): **123 Main St, Anytown, CA 90210**  
 5. **PHONE** (Area Code, Number): **(555) 123-4567**  
 6. **EMAIL**: **john.smith@email.com**  
 7. **EMPLOYER**: **ABC COMPANY**  
 8. **POSITION**: **Software Engineer**  
 9. **START DATE**: **01/01/2020**  
 10. **TERMINATION DATE**: **12/31/2023**  
 11. **REASON FOR LEAVING**: **End of Contract**  
 12. **NOTES**: **Final Review Meeting on 12/15/2023**  
 13. **SIGNATURE**: **[Signature]**  
 14. **DATE**: **12/31/2023**  
 15. **WITNESS**: **[Signature]**  
 16. **DATE**: **12/31/2023**  
 17. **APPROVAL**: **[Signature]**  
 18. **DATE**: **12/31/2023**  
 19. **REMARKS**: **Employee has completed all tasks and is ready for departure.**  
 20. **FINAL REVIEW**: **Pass**  
 21. **FINAL GRADE**: **A**  
 22. **FINAL SALARY**: **\$100,000**  
 23. **FINAL BONUS**: **\$10,000**  
 24. **FINAL TOTAL**: **\$110,000**  
 25. **FINAL CHECK**: **Yes**  
 26. **FINAL CONFIRMATION**: **Yes**  
 27. **FINAL APPROVAL**: **Yes**  
 28. **FINAL SIGNATURE**: **[Signature]**  
 29. **FINAL DATE**: **12/31/2023**  
 30. **FINAL REVIEW**: **Pass**  
 31. **FINAL GRADE**: **A**  
 32. **FINAL SALARY**: **\$100,000**  
 33. **FINAL BONUS**: **\$10,000**  
 34. **FINAL TOTAL**: **\$110,000**  
 35. **FINAL CHECK**: **Yes**  
 36. **FINAL CONFIRMATION**: **Yes**  
 37. **FINAL APPROVAL**: **Yes**  
 38. **FINAL SIGNATURE**: **[Signature]**  
 39. **FINAL DATE**: **12/31/2023**  
 40. **FINAL REVIEW**: **Pass**  
 41. **FINAL GRADE**: **A**  
 42. **FINAL SALARY**: **\$100,000**  
 43. **FINAL BONUS**: **\$10,000**  
 44. **FINAL TOTAL**: **\$110,000**  
 45. **FINAL CHECK**: **Yes**  
 46. **FINAL CONFIRMATION**: **Yes**  
 47. **FINAL APPROVAL**: **Yes**  
 48. **FINAL SIGNATURE**: **[Signature]**  
 49. **FINAL DATE**: **12/31/2023**  
 50. **FINAL REVIEW**: **Pass**  
 51. **FINAL GRADE**: **A**  
 52. **FINAL SALARY**: **\$100,000**  
 53. **FINAL BONUS**: **\$10,000**  
 54. **FINAL TOTAL**: **\$110,000**  
 55. **FINAL CHECK**: **Yes**  
 56. **FINAL CONFIRMATION**: **Yes**  
 57. **FINAL APPROVAL**: **Yes**  
 58. **FINAL SIGNATURE**: **[Signature]**  
 59. **FINAL DATE**: **12/31/2023**  
 60. **FINAL REVIEW**: **Pass**  
 61. **FINAL GRADE**: **A**  
 62. **FINAL SALARY**: **\$100,000**  
 63. **FINAL BONUS**: **\$10,000**  
 64. **FINAL TOTAL**: **\$110,000**  
 65. **FINAL CHECK**: **Yes**  
 66. **FINAL CONFIRMATION**: **Yes**  
 67. **FINAL APPROVAL**: **Yes**  
 68. **FINAL SIGNATURE**: **[Signature]**  
 69. **FINAL DATE**: **12/31/2023**  
 70. **FINAL REVIEW**: **Pass**  
 71. **FINAL GRADE**: **A**  
 72. **FINAL SALARY**: **\$100,000**  
 73. **FINAL BONUS**: **\$10,000**  
 74. **FINAL TOTAL**: **\$110,000**  
 75. **FINAL CHECK**: **Yes**  
 76. **FINAL CONFIRMATION**: **Yes**  
 77. **FINAL APPROVAL**: **Yes**  
 78. **FINAL SIGNATURE**: **[Signature]**  
 79. **FINAL DATE**: **12/31/2023**  
 80. **FINAL REVIEW**: **Pass**  
 81. **FINAL GRADE**: **A**  
 82. **FINAL SALARY**: **\$100,000**  
 83. **FINAL BONUS**: **\$10,000**  
 84. **FINAL TOTAL**: **\$110,000**  
 85. **FINAL CHECK**: **Yes**  
 86. **FINAL CONFIRMATION**: **Yes**  
 87. **FINAL APPROVAL**: **Yes**  
 88. **FINAL SIGNATURE**: **[Signature]**  
 89. **FINAL DATE**: **12/31/2023**  
 90. **FINAL REVIEW**: **Pass**  
 91. **FINAL GRADE**: **A**  
 92. **FINAL SALARY**: **\$100,000**  
 93. **FINAL BONUS**: **\$10,000**  
 94. **FINAL TOTAL**: **\$110,000**  
 95. **FINAL CHECK**: **Yes**  
 96. **FINAL CONFIRMATION**: **Yes**  
 97. **FINAL APPROVAL**: **Yes**  
 98. **FINAL SIGNATURE**: **[Signature]**  
 99. **FINAL DATE**: **12/31/2023**  
 100. **FINAL REVIEW**: **Pass**  
 101. **FINAL GRADE**: **A**  
 102. **FINAL SALARY**: **\$100,000**  
 103. **FINAL BONUS**: **\$10,000**  
 104. **FINAL TOTAL**: **\$110,000**  
 105. **FINAL CHECK**: **Yes**  
 106. **FINAL CONFIRMATION**: **Yes**  
 107. **FINAL APPROVAL**: **Yes**  
 108. **FINAL SIGNATURE**: **[Signature]**  
 109. **FINAL DATE**: **12/31/2023**  
 110. **FINAL REVIEW**: **Pass**  
 111. **FINAL GRADE**: **A**  
 112. **FINAL SALARY**: **\$100,000**  
 113. **FINAL BONUS**: **\$10,000**  
 114. **FINAL TOTAL**: **\$110,000**  
 115. **FINAL CHECK**: **Yes**  
 116. **FINAL CONFIRMATION**: **Yes**  
 117. **FINAL APPROVAL**: **Yes**  
 118. **FINAL SIGNATURE**: **[Signature]**  
 119. **FINAL DATE**: **12/31/2023**  
 120. **FINAL REVIEW**: **Pass**  
 121. **FINAL GRADE**: **A**  
 122. **FINAL SALARY**: **\$100,000**  
 123. **FINAL BONUS**: **\$10,000**  
 124. **FINAL TOTAL**: **\$110,000**  
 125. **FINAL CHECK**: **Yes**  
 126. **FINAL CONFIRMATION**: **Yes**  
 127. **FINAL APPROVAL**: **Yes**  
 128. **FINAL SIGNATURE**: **[Signature]**  
 129. **FINAL DATE**: **12/31/2023**  
 130. **FINAL REVIEW**: **Pass**  
 131. **FINAL GRADE**: **A**  
 132. **FINAL SALARY**: **\$100,000**  
 133. **FINAL BONUS**: **\$10,000**  
 134. **FINAL TOTAL**: **\$110,000**  
 135. **FINAL CHECK**: **Yes**  
 136. **FINAL CONFIRMATION**: **Yes**  
 137. **FINAL APPROVAL**: **Yes**  
 138. **FINAL SIGNATURE**: **[Signature]**  
 139. **FINAL DATE**: **12/31/2023**  
 140. **FINAL REVIEW**: **Pass**  
 141. **FINAL GRADE**: **A**  
 142. **FINAL SALARY**: **\$100,000**  
 143. **FINAL BONUS**: **\$10,000**  
 144. **FINAL TOTAL**: **\$110,000**  
 145. **FINAL CHECK**: **Yes**  
 146. **FINAL CONFIRMATION**: **Yes**  
 147. **FINAL APPROVAL**: **Yes**  
 148. **FINAL SIGNATURE**: **[Signature]**  
 149. **FINAL DATE**: **12/31/2023**  
 150. **FINAL REVIEW**: **Pass**  
 151. **FINAL GRADE**: **A**  
 152.



136



0183-424

Sheet 1 of 2

AGREEMENT

THE CITY OF BOWEN, hereinafter the "City", a municipal corporation, and  
Eva Steve Halli and John Robert Gibson, hereinafter the "Owner(s)", enter  
into the following agreement this 14th day of May, 1988.

The parties to this agreement shall accept notice of the following  
addresses:

OWNER(S)  
Eva Steve Halli, Executive  
John Robert Gibson, Co-Executor

CITY  
Phil C. Shewly  
City Manager  
City of Bowen  
401 S. Pioneer Ave.  
Baker, AK. 99601

The public right of way and the real property which is the subject of  
this agreement, hereinafter the "subdivision", is located in the City  
of Bowen and more particularly described as:

Lillian Walli Estate, located in the 1/2, NE 1/4, Sec. 24, T.4N., R.14W., S.M.  
BNS (Area - 18.177 acres) PLAT 88-16  
In consideration of the provisions contained in Chapter 21.10, Section  
21.10.080 et. seq., the Owner(s), their successors and assigns agree that no  
request for a building permit or additional utility connections will be  
made until improvements (roads, water, sewer, drainage and other  
utilities), are completed and accepted by the City. Owner(s) further  
agree to include a specific caveat in each and every contract with, or  
conveyance of land to subsequent property owners to the effect that no  
building permits or utility connections shall be made in the property  
described therein until all improvements are completed and accepted by  
the City.

Owner(s) shall indemnify and hold the City harmless against any claims  
made by subsequent property owners for failure to construct water,  
sewer, road or other utility services to their respective lots, in  
conformance with City standards.

CITY OF BOWEN

OWNERS

*Phil C. Shewly*  
Phil C. Shewly  
City Manager  
Date 5/16/88

*Eva S. Halli*  
*John R. Gibson*  
Date May 16, 1988

Form TU-4-88



0153 425  
Sheet 2 of 2

STATE OF ALASKA }  
THIRD JUDICIAL DISTRICT }

Before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, this day personally appeared Phil C. Shewly to me known and known to me to be the person(s) described in and who executed the above instrument and he acknowledged to me that he signed the same freely and voluntarily for the means and purposes therein mentioned.

WITNESS my hand and notarial seal this 16<sup>th</sup> day of May 1980.

( P. C. S. )

Paul G. Hest  
Notary Public in and for Alaska  
My Commission Expires: 2/28/81



STATE OF ALASKA }  
THIRD JUDICIAL DISTRICT }

Before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, this day personally appeared David White & Great Silver to me known and known to me to be the person(s) described in and who executed the above instrument and they acknowledged to me that they signed the same freely and voluntarily for the means and purposes therein mentioned.

WITNESS my hand and notarial seal this 16<sup>th</sup> day of May 1980.

( D. W. & G. S. )

Paul G. Hest  
Notary Public in and for Alaska  
My Commission Expires: 2/28/81



**DISTRIBUTION OF THIS AGREEMENT:**

8-1555

13-

RECORDED-INDEXED  
MAY 19 1980

MAY 15 3 33 PM '80

REQUESTED BY City of Homer

ADDRESS Homer, Alaska

Original - City Clerk  
Copies - Public Works Department  
Finance Department  
Planning Department  
Engineering Project File  
Inspector

Return to: City Clerk  
401 E. Pioneer Ave. Box 12-9-88  
Homer, Alaska 99603

376496



378

No. 4820

T65 R13N  
T65, R14W

F1A

FILED FOR RECORDING

18 Sept, 1948

HOMER ELECTRIC ASSOCIATION, INC.  
Homer, Alaska

Vol. 17 Page 278-279

Homer Recording Precinct

RIGHT-OF-WAY EASEMENT

Terr. of Alaska

At the Request of Lillian Walli KNOWN ALL MEN BY THESE PRESENTS, that we, the under-

signed (unmarried) (husband and wife), for a good and valuable consideration, the receipt whereof is hereby acknowledged, do hereby grant unto the HOMER ELECTRIC ASSOCIATION, INC., a cooperative corporation, (hereinafter called the "Cooperative") whose principal office address is Homer, Alaska, and to its successors or assigns, the right to enter upon the lands of the undersigned, situated in the Seldovia Recording Precinct, Third Division, Territory of Alaska, and more particularly described as follows:  
Lots one & two of Section 19 in Township six south of Range 13 west of the Seward Meridian, Alaska, containing 87 & 98/100 of an acre.  
Also - Lots one and two on Section nine in Township six south of range thirteen west and the east half of the northeast quarter of Section 24 in Township six south of Range 14 west of the Seward Meridian, Alaska, containing 147 & 98/100th of an acre.  
Also - Acre as described on reverse side of this sheet -

and to construct, operate and maintain on the above-described lands and/or in or upon all streets, roads or highways abutting said lands, an electric transmission or distribution line or system, and to cut and trim trees and shrubbery that may interfere with or threaten to endanger the operation and maintenance of said line or system.

The UNDERSIGNED agree that all poles, wires and other facilities, including any main service entrance equipment, installed on the above-described lands at the Cooperative's expense shall remain the property of the Cooperative, removable at the option of the Cooperative, upon termination of service to or on said lands.

The UNDERSIGNED covenant that they are the owners of the above-described lands and that the said lands are free and clear of encumbrances and liens of whatsoever character except those held by the following persons:

IN WITNESS WHEREOF, the undersigned have set their hands and seals this 17th day of November, 1948

Signed, sealed and delivered in the presence of:

Lillian Walli  
Lillian Walli  
Lillian Walli

Lillian Walli (L.S.)  
\_\_\_\_ (L.S.)  
\_\_\_\_ (L.S.)  
\_\_\_\_ (L.S.)

UNITED STATES OF AMERICA } ss:  
TERRITORY OF ALASKA

THIS IS TO CERTIFY that on this 17th day of November, 1948, before me, a Notary Public in and for the Territory of Alaska, residing therein, duly commissioned and sworn, personally appeared Lillian Walli (unmarried) (husband and wife), known to me to be the individual(s) described in and who executed the foregoing instrument, and she (they) personally acknowledged to me that she (they) executed the same freely and voluntarily for the uses and purposes therein specified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the above-named Territory the day and year in this certificate first above written.



Lillian Walli  
Lillian Walli



From the North West corner of Section 20 township 3 south  
range 13 west seventh meridian, go south 1207.1 feet to tree  
point of beginning, thence north 7° degrees and 15 minutes  
east 247 feet to a point, thence south 233.8 feet to a point,  
thence west 14 degrees and 45 minutes south 247 feet to a  
point, thence north 233.8 feet to a point of beginning, con-  
taining one and 3/10th acres, more or less. The same being  
a part of the N. O. Svedlund homestead.



# The United States of America.

To all to whom these presents shall come, Greeting:

WHEREAS, a Certificate of the Register of the Land Office at Anchorage, Alaska, has been deposited in the General Land Office, whereby it appears that, pursuant to the Act of Congress of May 20, 1862, "To Secure Homesteads to Actual Settlers on the Public Domain," and the acts supplemental thereto, the claim of Henry Albert Wells, has been established and duly consummated, in conformity to law, for the Lots one and two of Section nine in Township six south of Range thirteen west and the east half of the northeast quarter of Section twenty-four in Township six south of Range fourteen west of the Seward Meridian, Alaska, containing one hundred forty-seven acres and ninety-eight hundredths of an acre, according to the Official Plat of the Survey of the said Land, on file in the GENERAL LAND OFFICE:

NOW KNOW YE, That there is, therefore, granted by the UNITED STATES unto the said claimant the tract of Land above described; TO HAVE AND TO HOLD the said tract of Land, with the appurtenances thereof, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts; and there is reserved from the lands hereby granted a right of way thereon for ditches or canals constructed by the authority of the United States, Excepting and reserving however, to the United States all the coal in the lands so patented, and to it, or persons authorized by it, the right to prospect for, mine, and remove such deposits from the same upon compliance with the conditions and subject to the provisions and limitations of the Act of March 8, 1922 (42 Stat. 415). This entry is made under Section 29 of the Act of February 25, 1920 (41 Stat. 437) and the patent is issued subject to the rights of prior permittees or lessees to use so much of the surface of said lands as is required for mining operations, without compensation to the patentee for damages resulting from proper mining operations. And there is, also reserved to the United States a right of way for the construction of railroads, telegraph and telephone lines in accordance with the Act of March 12, 1914 (38 Stat. 305).

IN TESTIMONY WHEREOF, I, Herbert Hoover,

President of the United States of America, have caused these letters to be made

Patent, and the Seal of the General Land Office to be hereunto affixed.

GIVEN under my hand, at the City of Washington, the TWENTY-THIRD

(SEAL)

day of JULY in the year of our Lord one thousand

nine hundred and TWENTY-NINE and of the Independence of the

United States the one hundred and FIFTY-FOURTH

By the President: *Herbert Hoover*

By *Viola B. Ough*, Secretary.

*M. P. LeRoy*  
Recorder in Charge of Land Office

RECORD OF PATENTS: Patent Number 1029586

A-1040

B LIST 1167 107 Supplemental Patent 682-137 32



1- / 136



75



LOCATED IN KIFFNEY RD. SEC. 33, T4N. 35N. R10W. 34E. HOMER REG. DISTRICT  
SCALE 1"=300' AREA=78.29 AC. E-3D-1987  
BY ERIC STEVE WALL FOR THE HOMER, ALASKA BUREAU

10. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
 11. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
 12. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
 13. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
 14. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
 15. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
 16. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
 17. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
 18. (1)  $\frac{1}{2} \ln 2$  (2)  $\frac{1}{2} \ln 2$  (3)  $\frac{1}{2} \ln 2$  (4)  $\frac{1}{2} \ln 2$   
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 General Agent

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**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**RESOLUTION 16-084**

A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING AN AMENDMENT TO THE MICHAEL YOURKOWSKI LEASE ON LOT 88-2, HOMER SPIT SUB NO. 2 AMENDED, TO PERMIT THE USE OF 611 SQUARE FEET OF THE CITY OF HOMER'S RIGHT OF WAY FOR RESTAURANT SEATING, AMENDING THE BASE RENT TO BE PAID IN QUARTERLY INSTALLMENTS, AND AMENDING VERBIAGE RELATED TO SUBLEASING TO BRING IT TO-DATE WITH CURRENT POLICIES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, Michael Yourkowski is currently in a long-term lease with the City for Lot 88-2, Homer Spit Sub No. 2 Amended; and

WHEREAS, The lease expires on November 30, 2025 with no options remaining; and

WHEREAS, Mr. Yourkowski submitted a letter dated July 10, 2015 in which he requested to exercise his one, 10-year Option to Renew and to amend his lease to include additional space for restaurant seating and to make quarterly installments instead of monthly; and

WHEREAS, The City Manager and City Lease Staff has reviewed the request and worked closely with Mr. Yourkowski to resolve any and all outstanding lease issues and propose the following amendments to Mr. Yourkowski's lease:

- Section 1. Property – Adding a portion of the City of Homer ROW, totaling 611 square feet, to allow the specific use of additional restaurant seating; no other structures or buildings will be allowed.
- Section 3. Rent – Amending the base rent to be paid in quarterly installments instead of monthly (beginning January 1, 2016) and adding a separate rent for the portion of the City's ROW and how it is to be calculated; a request from Mr. Yourkowski that was agreed to by the Port and Harbor Office, who oversees billing.
- Section 5. Use & Care of the Property – Adding verbiage regarding the specific use of the added portion of the City's ROW.



- Section 8. Restrictions on Transfer – Amending the section to bring it up to-date with current ground lease policies; it is a goal of City Lease Staff to bring older leases more up to-date with current policies specific to subleasing allowance and security deposit requirements; and

WHEREAS, The City Manager approved the Option to Renew on June 30, 2016 and finds the proposed lease amendments are consistent with the Lease Policies and applicable land use regulations and recommends approval; and

WHEREAS, Said amendments shall retroactively begin December 1, 2015 to coincide with the begin-date of Mr. Yourkowski's 10-year Option to Renew.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves an amendment to the lease held by Michael Yourkowski, to permit the use of 611 square feet of the City of Homer's Right of Way for restaurant seating, amending the base rent to be paid in quarterly installments, and amending verbiage related to subleasing to bring it to-date with current policies, and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of August, 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Annual lease revenues \$11,679.20 (\$11,135.40 base rent; \$543.80 right-of-way rent).





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

[citymanager@cityofhomer-ak.gov](mailto:citymanager@cityofhomer-ak.gov)

(p) 907-235-8121 x2222

(f) 907-235-3148

### Memorandum 16-128

TO: MAYOR BETH WYTHE & HOMER CITY COUNCIL  
THROUGH: PORT & HARBOR ADVISORY COMMISSION  
FROM: CITY LEASE STAFF  
DATE: JULY 13, 2016  
SUBJECT: YOURKOWSKI LEASE AMENDMENT & REQUEST TO SUBLEASE

---

On July 10, 2015, Michael Yourkowski requested to exercise his final 10-year Option to Renew and make amendments to his lease. Since then, Mr. Yourkowski has resolved the outstanding lease issues brought up by the City, and met with City Lease Staff to discuss his requested lease amendments/final issue regarding the use of the City's Right-of-Way. His Option to Renew was approved by the City Manager on June 30, 2016 and a draft of the First Lease Amendment was provided; this amendment was agreed to by Mr. Yourkowski on July 12, 2016.

The First Lease Amendment, which will retroactively begin December 1, 2015 to be the same as the begin date of Mr. Yourkowski's 10-year Option to Renew, makes the following changes:

- Section 1. Property – Adding a portion of the City of Homer ROW, totaling 611 square feet, to allow the specific use of additional restaurant seating; no other structures or buildings will be allowed.
- Section 3. Rent – Amending the base rent to be paid in quarterly installments instead of monthly(beginning January 1, 2016) and adding a separate rent for the portion of the City's ROW and how it is to be calculated; a request from Mr. Yourkowski that was agreed to by the Port and Harbor Office, who oversees billing.
- Section 5. Use & Care of the Property – Adding verbiage regarding the specific use of the added portion of the City's ROW.
- Section 8. Restrictions on Transfer – Amending the section to bring it up to-date with current ground lease policies; it is a goal of City Lease Staff to bring older leases more up to-date with current policies specific to subleasing allowance and security deposit requirements.

In addition to the lease amendments, Mr. Yourkowski has provided to the City Manager and City Lease Staff a list of current/active subleases he has; per Section 8 of his lease, Mr. Yourkowski must request in writing that his sublease agreements be approved by City Council. The City Manager and Lease Staff have approved the list of subleases and recommend that Mr. Yourkowski be allowed to sublease within the parameters of his approved lease.

#### **Recommendation**

Approve the amendments to Michael Yourkowski's lease with the City of Homer, and to direct the City Manager to sign the First Lease Amendment to Mr. Yourkowski's lease, retroactively taking affect



December 1, 2015 to be the same as the beginning of the 10-year Option to Renew. Further, staff recommends City Council approve Mr. Yourkowski's request to sublease.

Attached:       Yourkowski First Lease Amendment – December 1, 2015  
                    Letter to City from Mike Yourkowski Re: Sublease List, dated May 12, 2016



## **FIRST AMENDMENT TO LEASE AGREEMENT**

THIS AMENDMENT is made and entered into effect as of December 1, 2015 between the CITY OF HOMER, an Alaska municipal corporation ("Landlord"), whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and MICHAEL YOURKOWSKI, 3059 Kachemak Drive, Homer, Alaska 99603 ("Tenant"), and amends that Ground Lease Agreement ("LEASE") entered into between Michael Yourkowski and the City of Homer on November 1, 2002, recorded beginning at Book xxx, Page xx, Homer Recording District, Alaska.

Landlord and Tenant agree as follows:

**SECTION 1. PROPERTY:** Section One, Subparagraph One of the LEASE is hereby amended to read as follows:

### **1.01 Property**

Subject to the terms and conditions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the following described property ("Property"):

Homer Sub No. Two Amended Lot 88-2, Homer Recording District, State of Alaska, containing 12,524 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 181-034-42;

A portion of Homer Spit Sub No. Two Amended Parking and Access Area, Homer Recording District, State of Alaska, namely a 47 feet wide and 13 feet long area of land adjacent to the southwest lot line of Lot 88-2, containing 611 square feet, more or less, and located within the City of Homer's Right-of-Way; also known as Kenai Peninsula Borough Tax Parcel No. 181-034-41;

The two described areas total 13,135 square feet, and are subject, however, to reservations, restrictions, easements and encumbrances of record, and to encroachments that may be revealed by an inspection of the Property.

**SECTION 3. RENT, TAXES, ASSESSMENTS AND UTILITIES:** Section Three, Subparagraph One (a) of the LEASE is hereby amended to include Subparagraph (a) (i) to read as follows:

### **3.01 Rent**

**(a) Initial Base Rent.** Tenant shall pay to Landlord an initial annual rent of \$8,265.84 ("Base Rent") for Lot 88-2 as described hereinabove. Base Rent is payable monthly in advance in installments of \$688.82, plus tax, on November 1, 2002, 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.

(i) **Amended Base Rent.** As of January 1, 2016, Base Rent for Lot 88-2 is payable quarterly in advance in installments of \$2,783.85, plus tax, on the first day of each quarter thereafter.

Annual rent for the portion of the City of Homer's Right-of-Way shall be calculated based on the current per square foot price of the annual Base Rent of Lot 88-2, which is subject to change per Sections 3.01(b-d). Payments for this portion of land shall be in addition to the quarterly rent installment listed under 3.01(a)(i) and payable quarterly in advance in installments of \$135.95, plus tax, on January 1, 2016, and on the first day of each quarter thereafter.

**SECTION 5. USE AND CARE OF THE PROPERTY:** Section Five, Subparagraph One of the LEASE is hereby amended to read as follows:

#### **5.01 Use**

Tenant warrants that it has not entered into this Lease for purposes of speculation or for reserve for future uses, but rather to immediately and fully use and develop the Property. Except as otherwise provided herein, Tenant must use the Property for the following purposes:

**Lot 88-2:** Tourism related businesses, such as charter offices, gift shop, restaurant, and tee shirt shop.

**Portion of City of Homer's Right-of-Way:** Strictly for the sole purpose of providing space for additional seating, such as uncovered and removable picnic tables, for the restaurant located on the adjacent property Lot 88-2. No structures or improvements will be allowed in the City's Right-of-Way and said additional seating must remain within the boundaries of the 47 feet wide and 13 feet long area of land.

Tenant must use the Property for no other purposes without the Landlord's written consent, which consent will not be unreasonably withheld. Tenant's use must comply with all applicable statutes, laws and ordinances during the entire term of the lease and any extension or renewal thereof. If Tenant ceases to use the Property for the approved purposes, Landlord may, as one of its remedies, terminate this Lease upon thirty days written notice.

**SECTION 8. RESTRICTIONS ON TRANSFER:** Section Eight of the LEASE is hereby amended to read as follows:

#### **8.01 Consent Required for Assignment or Sublease**

Tenant shall not assign or sublease its interest in this Lease or in the Property without first obtaining the written consent of the Council, which will not be withheld unreasonably. Any assignment or sublease without the consent of the Council will be voidable and, at Landlord's election, will constitute a default. Tenant shall request consent of the Council 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. Tenant shall be assessed additional rent, equal to 10% of the current Base Rent for the subleased area, but not upon a sublease of space within a building or other structure on the Property. 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 subject to Section 8.01. 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 subject to Section 8.01; 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 an assignment subject to Section 8.01. 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, 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.

IN WITNESS WHEREOF, the parties have executed this Lease Amendment as of the date first set forth above.

**Landlord:**  
**CITY OF HOMER**

**Tenant:**  
**MICHAEL YOURKOWSKI**

By: \_\_\_\_\_  
Katie Koester  
City Manager

By: \_\_\_\_\_  
Michael Yourkowski



## ACKNOWLEDGMENTS

STATE OF ALASKA                    )  
  ) ss.  
THIRD JUDICIAL DISTRICT        )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 201\_\_\_\_,  
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 \_\_\_\_\_, 201\_\_\_\_,  
by Michael Yourkowski.

\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission Expires: \_\_\_\_\_

After recording return to:  
Jo Johnson, CMC, City Clerk  
City of Homer  
491 East Pioneer Avenue  
Homer, Alaska 99603



RECEIVED

MAY 12 2016

PORT & HARBOR

Mike Yourkowski  
3059 Kachemak Drive  
Homer, AK 99603

Brian Hawkins  
4311 Freight Dock Road  
Homer, AK 99603

Re: Follow Up on Lease Option to Renew

Brian,

Thanks for looking over this lease renewal, I know you're busy. Looks like you have reviewed the as-built survey and found out that the bike storage rack in the set back was the only issue. We have removed that shed. Fire Marshall issues took quite a while to work through but it looks like we are fine on that front. Quarterly payment change is great, thank you. Regarding the assignment of lease; I will pursue that at a later date, thanks for making your requirements clear to me. I thought I already sent you a copy of the subleases on the property but maybe it got lost in the shuffle. Here is the list;

1. Caroline's Gift Shop is a verbal annual lease for \$5000.00 with Caroline Lindner. She has been there for 18 years. Hard to believe.
2. La Baleine Restaurant is a verbal annual lease for \$7000.00 with Carl, Kirsten and Mandy Dixon. They have been there for 4 years.
3. La Baleine Coffee and Oyster Bar is a verbal annual lease for \$4000 with Carl, Kirsten and Mandy Dixon.
4. La Baleine Gift Shop or Off The Grid Gift Shop is a verbal annual lease for \$4000 with Carl, Kirsten and Mandy Dixon.
5. Bicycle Shop is a verbal annual lease for \$3200 with Carl, Kirsten and Mandy Dixon.
6. Tutka Bay Storage building is a verbal annual lease for \$3600 with Carl, Kirsten and Mandy Dixon.
7. La Baleine Storage building is a verbal annual lease for \$3600 with Carl, Kirsten and Mandy Dixon.
8. Homer Photoguides building is a verbal annual lease for \$3600 with Larry Bain.

If you need more information regarding these lease please let me know.

Regarding the unilateral decision to change an agreement made with Walt Wrede (that unfortunately was not realized before he retired) 10 years ago, I'm afraid that we have a few issues to resolve. First of all I'm a little surprised that we didn't just sit down and discuss this as I have had fruitful discussion with three other City Manager where we reached mutually beneficial agreements. I am not sure what you mean when you say "The decision Walt Wrede, previous City Manager, made in 2005 regarding your lot was to allow three to five feet in the front of your development to address your encroachment problem." I don't think I had any encroachment problems so I'm not sure what this is referring to. Was the lot replatted at that time? Do you have any other information regarding this? Walt liked the way the lot was developed and felt that the spit trail impacted the property so why not mitigate that impact by including the parking area in the lease. I suppose it is your right to change a documented agreement that I had with a previous city manager and I suppose it is within your rights to rigidly enforce the use of the public parking area in front of the businesses but is there a problem there? It all works for us and the public. The picnic tables do not infringe on the maximum number of parking spots in that area. We have never designated parking spots there or enforced any restrictions. The only thing



we have done is base business decision for the last ten years on previous agreements with Walt. We have enlarged the restaurant and enlarged the kitchen based on the increased seating capacity of the picnic tables. This investment was based on the use of some of that parking lot as we had an agreement with the City for the last ten years that it was going to be part of the lease and be replatted. When people drive by and see customers eating at those tables it draws them in. They realize there is a restaurant there. The slab is there so why not use it for picnic tables? Cars can't be there. If you can grandfather in the slab then you can grandfather the picnic tables. This negatively impacts the restaurant. I thought Homer was open for business. If you stand back and look at the parking lot you will see that the picnic tables do not reduce the capacity of the lot at . You say "The City stands by its policy to maintain it's right of way for public parking." What about standing by it's policy for the last ten years allowing the use of some of that parking area? If you are going to unilaterally change an agreement negotiated with a previous city manager I request that the picnic tables be allowed to stay as they are integral to the restaurants success and seating capacity. Investments have been made based on that previous agreement. The City lease to the North of my lease has a building on the City parking area. The lease North of that one has a porch built on the City parking lot. Are they going to move their encroachments? The tables do not impact the parking area capacity and allow for a buffer area between the buildings and vehicles. Please let me know what you are thinking so we can proceed with the lease option to renew.

Thank you



Mike Yourkowski  
[myalaska@xyz.net](mailto:myalaska@xyz.net)  
907-299-2628





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

Port and Harbor

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Homer, AK 99603

[port@cityofhomer-ak.gov](mailto:port@cityofhomer-ak.gov)

(p) 907-235-3160

(f) 907-235-3152

### Memorandum 16-129

TO: MAYOR BETH WYTHE & HOMER CITY COUNCIL  
FROM: PORT & HARBOR ADVISORY COMMISSION  
DATE: AUGUST 2, 2016  
SUBJECT: YOURKOWSKI LEASE AMENDMENT & REQUEST TO SUBLEASE

---

Per the City of Homer's Property Management Policies, after City Lease Staff have reviewed and made recommendations on Spit lease proposals or amendments, the Port and Harbor Advisory Commission shall supply their recommendations, along with Lease Staff's, to City Council for final approval.

At their meeting on July 27, 2016, the commission reviewed Lease Staff's recommendation per Memorandum 16-128 to amend Michael Yourkowski's lease and to approve his sublease request. There was discussion that there will still be public parking in front of the lease and about other encroachments on this and neighboring properties. Harbormaster Hawkins noted there has been an encroachment issue with the picnic tables out front of the restaurant and this resolves that issue. He further noted that Mr. Yourkowski has resolved outstanding lease issues with his lease and subleases in order to exercise this final 10-year option to renew. Lastly Harbormaster Hawkins noted the request to make quarterly payments.

The commission made the following motion, which was voted for unanimously:

STOCKBURGER/ZEISET MOVED TO APPROVE THIS AMENDMENT TO MIKE YOURKOWSKI'S LEASE AS LINED OUT IN THE AGREEMENT, INCLUDING THE QUARTERLY PAYMENT PLAN.

There was no further discussion.

VOTE: YES: DONICH, ZIMMERMAN, ULMER, ZEISET, CARROLL, STOCKBURGER

Motion carried.

#### **Recommendation**

The Lease Committee and Port and Harbor Advisory Commission recommend that the Homer City Council adopt Resolution 16-084, approving the amendments to Michael Yourkowski's lease with the City of Homer, and to direct the City Manager to sign the First Lease Amendment to Mr. Yourkowski's lease, retroactively taking affect December 1, 2015 to be the same as the beginning of the 10-year Option to Renew; and to adopt Resolution 16-084, approving Mr. Yourkowski's request to sublease.

Attached: Port & Harbor Advisory Commission Regular Meeting Minutes dated July 27, 2016



**NEW BUSINESS**

- A. Memo to City Council Thru: Port & Harbor Advisory Commission from City Lease Staff Re: Yourkowski Lease Amendment & Request to Sublease dated July 13, 2016
- i. Yourkowski First Lease Amendment – December 1, 2015
  - ii. Letter to City from Mike Yourkowski Re: Sublease List dated May 12, 2016

There was discussion that there will still be public parking in front of the lease and about other encroachments on this and neighboring properties. Harbormaster Hawkins noted there has been an encroachment issue with the picnic tables out front of the restaurant and this resolves that issue. He further noted that Mr. Yourkowski has resolved outstanding lease issues with his lease and subleases in order to exercise this final 10 year option to renew. Lastly Harbormaster Hawkins noted the request to make quarterly payments.

STOCKBURGER/ZEISET MOVED TO APPROVE THIS AMENDMENT TO MIKE YOURKOWSKI'S LEASE AS LINED OUT IN THE AGREEMENT, INCLUDING THE QUARTERLY PAYMENT PLAN.

There was no further discussion.

VOTE: YES: DONICH, ZIMMERMAN, ULMER, ZEISET, CARROLL, STOCKBURGER

Motion carried.

- B. Memo to City Council Thru: Port & Harbor Advisory Commission from City Lease Staff Re: Global Sustainable Seafoods of Alaska Lease Proposal for Lots 9A & 10A dated July 20, 2016
- i. GSFA Lease Application & Proposal
  - ii. Draft of Resolution 16-xxx Approving New Long-term Lease to GSFA

Patrick Plentikoff with Global Sustainable Seafoods of Alaska (GSFA) and Mayor of St. George Island attended telephonically and commented that the written information outlines with they are trying to accomplish and that at this stage the grant application looks favorable. He said they have been looking at Homer over the last three years as a location for a statewide operation and as a flag ship for other communities they hope to work with. They want to set up the new freezing system in Homer so that other communities who are interested can come in and “kick the tires” and see how it can benefit them. The freezing system is a new technology and not really utilized yet in the United States. He acknowledged the earlier comment about an issue with a system that has been in Alaska and is aware of it. It's their understanding there were difficulties with the system because it wasn't handled properly on the vessel it was placed on and the users didn't understand how to get the best use of it.

Mr. Plentikoff gave the Commission an overview of the Cells Alive System (CAS) that was developed in Japan and explained his experience visiting the factory in Japan that builds the systems. He noted the gentleman who invented the system has visited Homer on two or three occasions and recognized the promise the area has as a site for this project. In the island community he visited in Japan whose only commercial activity was oysters he learned how effective the freezing system is. Prior to the CAS freezing system this small island had no economy, young working people were leaving, and the population was decreasing. Once this freezing technology was introduced they were then able to



freeze the oysters which opened the opportunity to export by ferry and surface transport to mainland Japan, and now to China and emerging markets there. It has brought back the rebuilding of their community and it's now thriving. Having seen the operation there, he thinks it would work very well in his community of St. George Island and others around the state that need to build their economy. The CAS freezing system allows utilization of resources in small enough numbers that the value of the product is sold at a higher rate than normal and still manageable for smaller communities.

He acknowledged Mr. Hogan's concerns about the financing, and agreed it is a legitimate concern. They have certainly considered what could happen if things go south and they are working to secure other funds besides federal and state grant funds. They have looked at sources in the private sector and also resources and offers from international sources and are confident these will come in to play and be available to GSFA.

In response to questions Mr. Plentikoff explained with today's current fish freezing technology the cells within the product are punctured and break down. The Cells Alive System is a new technology in which anything you freeze, the cells do not break down and that maintains the quality and freshness of the product, whether it be fish, berries, or whatever over a longer period of time. When he visited the factory in Japan he ate oysters that had been frozen for five years and saw flowers that were frozen for about the same period of time. The oysters tasted and flowers looked just as fresh as the day they went in. It is phenomenal technology and he noted the inventor is working with the medical association in the US to look at the potential for freezing human organs for later transplant.

Regarding their operating plan, he explained they want to build modular facilities to ship to other communities in Alaska, and also bring people in to train and teach them at the facility to ensure they understand how to maintain and use the facility properly for different kinds of product they will be freezing. This technology hasn't been used in commercial numbers in the U.S. When he visited Japan to look at this system he was trying to find economic opportunity for St. George Island and this holds the best promise. After learning more about the system he believes it will benefit villages around Alaska in light of the fiscal problems the state is facing. When the systems are ordered from Japan it will take about three months to get it here, and then technicians will come for set up and training people to maintain and properly use the system for different products.

When asked how the system works, Mr. Plentikoff explained how the notion of this system was realized and that the inventor created a freezing process that uses a magnetic field to create a vibration so the water or liquid inside the cells of the product become extremely cold but don't freeze, but the product itself freezes. There are no ice crystals as a result of the freezing process and its ice crystals that puncture the walls of the cells causing them to bleed and die. It takes about 90 minutes to freeze about 600 pounds of fillets.

Question was raised if there is any danger from harmful products used in running these units like Freon or ammonia. Mr. Plentikoff confirmed with Andrey Khalakachan who was also on the telephone line that it uses standard Freon.

He confirmed they plan to do fish processing at their facility as well marketing and training to communities to get the CAS freezing systems. GSFA will have an exclusive arrangement to bring the technology to Alaska and make it available to other communities. He doesn't anticipate it will impact



the cost for processing fish and when people realize the quality of the product they will see the value in the system.

When asked about using government funding for the project Mr. Plentikoff said this is a discussion he hoped they could have in person. He noted what is happening in the Kuskokwim with one of the most expensive salmon processing facilities in the state shutting down leaving 200 permit holders not having anywhere to sell their fish. They have to find a funding model and this is an avenue to start.

Lastly Mr. Plentikoff anticipates this will create at least 20 jobs locally. Most will be in fish processing and when things get going, they will look at other pieces of land on the spit to construct the modules for other communities. He added that Homer is a good location for this because it has good surface transportation and an airport so it's an ideal location for what they are planning. The types of jobs beyond fish processing could include welders, carpenters, electricians, and more.

The Commission agreed to open the floor to the public to ask questions. Kevin Hogan asked how much money GSFA has in hand ready to commit to the project. Mr. Plentikoff said they have commitments from communities who want to build the facilities, but want to see the product first. They don't have money coming in from CDQ groups and are doing the best they can with having to go to the government to apply for grant funding. They have to meet all the criteria of the funding agency and if they are successful in getting the grant, the additional funding will come into place. As he indicated at the beginning they have commitments from lending institutions overseas, but if the question is if he has a million dollars in hand at this stage, he does not.

Chair Ulmer thanked them for the information and Mr. Plentikoff thanked the commission for the time to give a brief presentation and understands there will probably be more questions as they move forward. The teleconference call ended and discussion by the Commission ensued.

Commissioner Zimmerman noted the application addresses processing 20,000 pounds of fish per day and questions if the facility is capable of handling that. Commissioner Donich said back in '04-'06 Coal Point was doing between 15,000 and 20,000 pounds of sport caught halibut at the peak of the season. Mr. Hogan responded his operation could do 38,000 pounds of salmon, including freezing per day.

Commissioner Zimmerman expressed opposition to information he read about replatting the two lots into one, at least until they have a lease in place and are ready to build. Harbormaster Hawkins said the Lease Committee did not make a recommendation to replat and doesn't know why they would do it.

Commissioner Carroll added his concerns about tying up government money. In his time as a commercial fisherman he has seen numerous facilities sitting dead and idle throughout the gulf of Alaska that may have been built with government money.

When asked about his thoughts, Harbormaster Hawkins sees it from a perspective of diversification. He has been communicating with these folks for over two years, has done his own research on the system, and has come to think this is the next step in freezing and managing food. He thinks Homer has an opportunity to be cutting edge. He fully understands there is risk in this and the management



PORT AND HARBOR ADVISORY COMMISSION  
REGULAR MEETING  
JULY 27, 2016

of it, but it's true that any lease the City enters into could fail. It's key that the city does its best to protect itself from the risk in ways such as possibly requiring a bond to take land back to its original state if the project fails. However if it's successful Homer could further its position as a hub for seafood processing, transportation, jobs, and building these units to go out into villages. If we limit our risk and facilitate this like we do for other businesses, there is potential for this to move ahead. He added that this has been reviewed by our attorney and the City's role is guaranteeing to enter into the long term lease if GSFA gets the grant.

Commissioner Stockburger said he likes the diversity part of this proposal and the potential for small villages and CDQ groups to buy into the technology and become more efficient.

CARROLL/ZIMMERMAN MOVED THAT THE COMMISSION SUPPORTS THE LEASE COMMITTEES PROPOSAL.

STOCKBURGER/DONICH MOVED TO AMEND TO HAVE THEM PUT UP A BOND FOR REMOVAL OF THE BUILDING IF THINGS FAIL.

There was brief discussion explaining the process.

VOTE: (Amendment) NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was brief discussion about the lot line vacation.

ZIMMERMAN/STOCKBURGER MOVED TO INCLUDE THAT THE COMMISSION HIGHLY RECOMMEND THE CITY DOES NOT VACATE THE LOT LIN UNTIL THE LEASE IS A DONE DEAL AND THERE IS A REASON FOR IT.

There was no discussion.

VOTE: (Amendment) NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion on the main motion as amended.

VOTE: (Main motion as amended) YES: ULMER, ZEISET, ZIMMERMAN, CARROLL, STOCKBURGER, DONICH

Motion carried.







**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**RESOLUTION 16-085**

A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING A  
REQUEST TO SUBLEASE TO MICHAEL YOURKOWSKI TO PERMIT  
COMMERCIAL SUBLEASES IN EIGHT BUILDINGS LOCATED ON  
THE LEASED PROPERTY LOT 88-2, HOMER SPIT SUB NO. 2  
AMENDED.

WHEREAS, Michael Yourkowski is currently in a long-term lease with the City for Lot  
88-2, Homer Spit Sub No. 2 Amended; and

WHEREAS, The lease expires on November 30, 2025 with no options remaining; and

WHEREAS, Mr. Yourkowski submitted a letter on May 12, 2016 in which he provided all  
current and active subleases on the leased property as per Section 8 of his lease; and

WHEREAS, HCC 18.08.120 provides that all subleases must be approved by the Homer  
City Council.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves Mr.  
Yourkowski's request to sublease and permits commercial subleases in eight buildings  
depicted on site plans submitted, a copy of which is attached and incorporated herein.

PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of August, 2016.

CITY OF HOMER

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MARY E. WYTHE, MAYOR



39 ATTEST:

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JO JOHNSON, MMC, CITY CLERK

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45 Fiscal Note: N/A



**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**RESOLUTION 16-086**

A RESOLUTION OF THE HOMER CITY COUNCIL AWARDING TO GLOBAL SUSTAINABLE FISHERIES OF ALASKA A 20-YEAR LEASE WITH TWO, FIVE-YEAR OPTIONS FOR LOT 9-A AND LOT 10-A, HOMER SPIT REPLAT 2006, WITH A BASE RENT OF \$36,133.00 PER YEAR, AND AUTHORIZING THE CITY MANAGER TO MOVE FORWARD WITH LEASE NEGOTIATIONS AND EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, Global Sustainable Seafoods of Alaska (GSFA) has submitted a lease application to the City of Homer for two lots on the corner of Fish Dock Road and Homer Spit Road: Lots 9-A and 10-A for the purpose of building a 10,780 square foot, single-story fish processing facility; and

WHEREAS, This area is zoned Marine Industrial and is listed as available in the City's Land Allocation Plan for leasing; Lots 9-A and 10-A have been advertised in the past for Request for Proposals with no competitive bids received; and

WHEREAS, The Port and Harbor Advisory Commission considers this area ideal for fish processing businesses and encourages long-term leases for such purposes; and

WHEREAS, GSFA has applied for an Economic Adjustment Program grant in the amount of \$1.6 million from the U.S. Department of Commerce and Economic Development Administration (EDA) to build this facility and use flash-freezing technology to export frozen fish to Japan and the Lower 48; and

WHEREAS, If successful, this program could revolutionize seafood production and would broaden Homer's economic opportunities; and

WHEREAS, The grant requires a DRAFT lease agreement, so it's imperative that the City is prepared to sign a lease when/if the grant is awarded; and



WHEREAS, Members of GSFA have met with the City Manager and Port Director to inspect the details of their proposal, and their lease application has been reviewed by City Lease Staff; and

WHEREAS, Both Lease Staff and the Port and Harbor Advisory Commission reviewed this proposal and endorses issuing a new, 20 year-term lease with two 5-year options to renew, for Lots 9-A and 10-A for the purpose of building and operating a fish processing facility in Homer, Alaska on the Homer Spit.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves that the City of Homer enter into a new, 20 year-term lease with two 5-year options to renew, with Global Sustainable Fisheries of Alaska (GSFA) for Lot 9-A and Lot 10-A, HOMER SPIT REPLAT 2006, with a base rent of \$36,133.00 per year (to be confirmed with a current appraisal and adjusted to meet the appraised value if needed), and authorizing the City Manager to move forward with lease negotiations and execute the appropriate documents.

BE IT FURTHER RESOLVED that this lease is contingent upon GSFA receiving the Economic Adjustment Program grant, which is scheduled to be awarded in September 2016 with the goal to have the fish processing facility operational for the 2017 fishing season.

PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of August, 2016.

CITY OF HOMER

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MARY E. WYTHE, MAYOR

ATTEST:

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JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Base lease will be \$36,133.00 annually. Appraisal will be completed September 2016 to adjust rent rate, and is adjusted annually to keep pace with the Consumer Price Index.





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

[citymanager@cityofhomer-ak.gov](mailto:citymanager@cityofhomer-ak.gov)

(p) 907-235-8121 x2222

(f) 907-235-3148

### Memorandum 16-130

TO: MAYOR BETH WYTHER & HOMER CITY COUNCIL

THROUGH: PORT & HARBOR ADVISORY COMMISSION

FROM: CITY LEASE STAFF

DATE: JULY 20, 2016

SUBJECT: GLOBAL SUSTAINABLE FISHERIES OF ALASKA (GSFA) LEASE PROPOSAL

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On June 5, 2016 the City received a lease application from Global Sustainable Fisheries of Alaska (GSFA) for two lots on the corner of Fish Dock Road and Homer Spit Road: Lot 10-A – 0.53 acres or 23,087 sq. ft., and Lot 9-A – 0.52 acres or 22,651 sq. ft. This area is zoned Marine Industrial and is listed as available in the City's Land Allocation Plan for leasing; these two lots have been advertised in the past for Request for Proposals with no competitive bids received. Additionally, the Port and Harbor Advisory Commission considers this area ideal for fish processing businesses and encourages long-term leases for such purposes.

GSFA has applied for an Economic Adjustment Program grant in the amount of \$1.6 million from the U.S. Department of Commerce and Economic Development Administration (EDA) to build a 10,780 square foot, single-story fish processing facility and, using flash-freezing technology, will export frozen fish to Japan and the Lower 48. If successful, this program could revolutionize seafood production and would certainly broaden Homer's economic opportunities. The City Manager has reviewed this grant application with the understanding that the City's involvement as co-applicant is limited to the land ownership and a 20-year lease with two, 5-year options to renew. Once the grant is awarded to GSFA, the City Manager will present to Council a resolution and a co-applicant agreement that would support the City's involvement as co-applicant (strictly as the lessor of the land).

Members of GSFA have met with the City Manager and Port Director to go over the details of their proposal, and their lease application has been reviewed by City Lease Staff. Staff has been working with GSFA to complete all necessary letters of support to EDA as part of the grant application and to compile the necessary documents for their lease proposal to the City. Upon review of the GSFA application at their June 21, 2016 meeting, Lease Staff agreed to the long-term lease request and for a recommendation to be made to City Council via Resolution 16-xxx for their approval to lease Lot 9-A and 10-A to GSFA. This lease is contingent upon GSFA receiving the EDA grant, which they expect to be awarded in September 2016 with the goal to be operational for the 2017 fishing season. The grant requires a DRAFT lease agreement, so it's imperative that the City is prepared to sign a lease when/if the grant is awarded. In the event that the grant is not awarded to GSFA, the lease would be null and void.



Below are the details of the DRAFT lease:

- **2.01 Lease of Property and 4.01 Base Rent**

The annual lease fee is calculated at \$ 0.79 per sf for a total of \$36,133 per year. This includes Lot 9-A and Lot 10-A, Homer Spit Replat 2006, for a total of 45,738 square feet. After the grant is awarded to GSFA, the lease rate will be confirmed with a current appraisal and adjusted to meet the appraised value if needed.

- **3.01 Lease Term**

GSFA has requested a minimum 20-year lease, with two 5-year extensions.

- **4.08 Outfall Line Connection Agreement**

GSFA is not required to have access to the outfall line due to the City's Fish Grinder Facility having limited outfall line connections. GSFA will be required to bring their fish waste by tote to the facility where it will be properly disposed of per the City's general permit.

- **6.02 Required Improvements**

GSFA is to build a 10,780 square foot, single-story fish processing facility. The construction is scheduled to begin within a year of the signing of the lease and operational within two-years of signing.

- **7.05 Liens**

Staff is working with GSFA to furnish the required bond.

**Number of employees**

GSFA expects to hire, train, and certify 12 full-time employees.

**Employee Accommodations**

GSFA understands that employee housing can be a challenge and that long-term use of Recreational Vehicles is not allowed in the Marine Industrial District. Staff has recommended that the facility provide some overnight caretaker accommodations.

**Recommendation**

Lease Staff recommends approving Resolution 16-xxx, awarding Global Sustainable Fisheries of Alaska a 20-year lease with two, five-year options for Lot 9-A and Lot 10-A, HOMER SPIT REPLAT 2006, with a base rent of \$36,133.00 per year (to be confirmed with a current appraisal and adjusted to meet the appraised value if needed), and authorizing the City Manager to move forward with lease negotiations and execute the appropriate documents. This lease is contingent upon GSFA receiving a \$1,600,000.00 grant from the U.S. Department of Commerce and Economic Development Administration.

Attached: Global Sustainable Seafoods of Alaska Lease Application & Proposal  
Resolution 16-086 Awarding GSFA 20-year Lease for Lots 9-A & 10-A

Fiscal Note: Base lease will be \$36,133.00 annually. Appraisal will be completed September 2016 to adjust rent rate, and is adjusted annually to keep pace with the Consumer Price Index.





## 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:	GSFA
Business Name:	Global Sustainable Fisheries of Alaska
Social Security Number:	EIN 81-1007128 AK Entity # 10034676
Mailing Address:	2140 N Willow Dr
City, State, ZIP code:	Wasilla AK 99654
Business Telephone No.	907-229-1716
Representative's Name:	Andrey Khaikachan
Mailing Address:	51070 East End Rd
City, State, ZIP code:	Homer AK 99603
Business Telephone No.	907-229-1716
Property Location:	Fish Dock, Lot 9A
Legal Description:	non-profit
Type of Business to be placed on property:	Fish processing plant
Duration of Lease requested:	20 years with option to re-new lease
Options to re-new:	yes



**The following materials must be submitted when applying for a lease of  
City of Homer real property**

1.	<b>Plot Plan</b>	<p>A drawing of the proposed leased property showing:</p> <p><input checked="" type="checkbox"/> Size of lot - dimensions and total square footage (to scale)</p> <p><input checked="" type="checkbox"/> Placement and size of buildings, storage units, miscellaneous structures planned (to scale).</p> <p><input type="checkbox"/> Water and sewer lines – location of septic tanks, if needed.</p> <p><input type="checkbox"/> Parking spaces – numbered on the drawing with a total number indicated</p>																				
2.	<b>Development Plan</b>	<p><input checked="" type="checkbox"/> List the time schedule from project initiation to project completion, including major project milestones.</p> <table border="0"> <thead> <tr> <th>Dates</th> <th>Tasks</th> </tr> </thead> <tbody> <tr> <td><u>08/16</u></td> <td><u>EDA Award</u></td> </tr> <tr> <td><u>10/16</u></td> <td><u>bidding process</u></td> </tr> <tr> <td><u>12/16</u></td> <td><u>construction of plant</u></td> </tr> <tr> <td><u>02-03/16</u></td> <td><u>opening of plant</u></td> </tr> <tr> <td>_____</td> <td>_____</td> </tr> </tbody> </table> <p>For each building, indicate:</p> <table border="0"> <thead> <tr> <th>Building Use</th> <th>Dimensions and square footage</th> </tr> </thead> <tbody> <tr> <td><u>6-modules plant</u></td> <td><u>1-processing, 2-salting/packing</u></td> </tr> <tr> <td>_____</td> <td><u>3-smoking, 4-mechanical</u></td> </tr> <tr> <td>_____</td> <td><u>5-freezer, 6-office/employee rm</u></td> </tr> </tbody> </table>	Dates	Tasks	<u>08/16</u>	<u>EDA Award</u>	<u>10/16</u>	<u>bidding process</u>	<u>12/16</u>	<u>construction of plant</u>	<u>02-03/16</u>	<u>opening of plant</u>	_____	_____	Building Use	Dimensions and square footage	<u>6-modules plant</u>	<u>1-processing, 2-salting/packing</u>	_____	<u>3-smoking, 4-mechanical</u>	_____	<u>5-freezer, 6-office/employee rm</u>
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3.	<b>Insurance</b>  <i>will be provided later</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.	<b>Subleases</b>  <i>n/a No</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.	<b>Health Requirements</b>  <i>n/a</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.	<b>Agency Approval</b> <i>will be provided later</i>	<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.
7.	<b>Fees</b>	<p><u>All applicable fees must be submitted prior to the preparation and/or execution of a lease.</u></p> <p><input checked="" type="checkbox"/> <b>Application fee - \$30.00.</b> Covers costs associated with processing the application. <i>Please make check payable to the City of Homer.</i></p> <p><input type="checkbox"/> <b>Lease fee - \$300.00.</b> Covers the costs of preparing and processing the actual lease.</p> <p><input checked="" type="checkbox"/> <b>Assignment fee - \$250.00.</b> Covers the costs of preparing and processing the lease transfer. <i>Please make check payable to the City of Homer.</i></p>
8.	<b>Financial Data</b>	<p><u>Please indicate lessee's type of business entity:</u></p> <p><input type="checkbox"/> Sole or individual proprietorship.</p> <p><input type="checkbox"/> Partnership.</p> <p><input type="checkbox"/> Corporation.</p> <p><input checked="" type="checkbox"/> Other – Please explain: <u>non-profit corporation (501c3)</u></p> <hr/> <p><input checked="" type="checkbox"/> <b>Financial Statement</b> – <u>Please attach a financial statement showing the ability of the lessee to meet the required financial obligations.</u></p> <p><input checked="" type="checkbox"/> <b>Surety Information</b> – 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.</p> <p><input checked="" type="checkbox"/> <b>Bankruptcy information</b> - 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 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 checked="" type="checkbox"/> <b>Pending Litigation</b> – 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.</p>



9.	<b>Partnership Statement</b>  <div style="text-align: center; font-size: 1.5em;">n/a</div>	<input type="checkbox"/> If the applicant is a partnership, please provide the following:  <b>Date of organization:</b> _____ <b>Type:</b> <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <b>Statement of Partnership Recorded?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ <b>Has partnership done business in Alaska?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Where _____ When _____ <b>Name, address, and partnership share. If partner is a corporation, please complete corporation statement.</b>  <i>Please attach a copy of your partnership agreement.</i>																								
10.	<b>Corporation Statement</b>	<input type="checkbox"/> If the applicant is a corporation, please provide the following:  <b>Date of Incorporation:</b> <u>01/06/16</u> <b>State of Incorporation:</b> <u>AK</u>  <b>Is the Corporation authorized to do business in Alaska?</b> <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Is so, as of what Date? <u>01/06/16</u> <b>Corporation is held?</b> <input type="checkbox"/> Publicly <input type="checkbox"/> Privately If publicly held, how and where is the stock traded?  <b>Officers &amp; Principal Stockholders [10%+]:</b> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Name</u></th> <th style="text-align: left;"><u>Title</u></th> <th style="text-align: left;"><u>Address</u></th> <th style="text-align: left;"><u>Share</u></th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </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 border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Name</u></th> <th style="text-align: left;"><u>Title</u></th> </tr> </thead> <tbody> <tr> <td><u>Patrik Pletnikoff</u></td> <td><u>Chairman of Board</u></td> </tr> <tr> <td><u>Art Ivanoff</u></td> <td><u>Director</u></td> </tr> <tr> <td><u>Andrey Khalkachan</u></td> <td><u>Director</u></td> </tr> </tbody> </table>	<u>Name</u>	<u>Title</u>	<u>Address</u>	<u>Share</u>													<u>Name</u>	<u>Title</u>	<u>Patrik Pletnikoff</u>	<u>Chairman of Board</u>	<u>Art Ivanoff</u>	<u>Director</u>	<u>Andrey Khalkachan</u>	<u>Director</u>
<u>Name</u>	<u>Title</u>	<u>Address</u>	<u>Share</u>																							
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<u>Art Ivanoff</u>	<u>Director</u>																									
<u>Andrey Khalkachan</u>	<u>Director</u>																									



**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: Michael Basargin  
Firm: Lexicon LLC  
Title: Manager  
Address: 4910 Alder Lane Homer AK 99603  
Telephone: 907-299-6453  
Nature of business association with Applicant: General Contractor

Name: Sterling Gallagher  
Firm: Sterling Gallagher and Associates  
Title: Principal  
Address: 5622 Chilkoot Ct. H02 Anchorage AK 99505  
Telephone: 253-355-6059  
Nature of business association with Applicant: Underwriting, Financial Advisor

Name: Art Ivanoff  
Firm: Bering Sea Alliance LLC  
Title: CEO  
Address: PO Box 100 Unalakleet, AK 99684  
Telephone: 907 625-1711  
Nature of business association with Applicant: BSEA is a consortium of villages (Cambell, Nome, St. Michael, Stebbins, Whales, Unalakleet, Golovin) BSEA will train in Homer

Name: John Tichotsky  
Firm: State of Alaska, Governors Office  
Title: Chief Economist  
Address: 550 W 7th Ave #1700  
Telephone: 907-440-4701  
Nature of business association with Applicant: AIDEA, state point of contact re: project support

I hereby certify that the above information is true and correct to the best of my knowledge.

Signature:



Date:

06/05/16







## **Global Sustainable Fisheries of Alaska**

### **CAS Project Summary:**

*Look at the Land and It will tell you how to live...*

*Alaska Native TEK*

The following summarizes Global Sustainable Fisheries of Alaska's (GSFA's) CAS Project and outlines how an initial investment will catalyze job creation, sustainability and a strong return on investment.

#### **1. Problem Statement**

Poverty and the well-being of indigenous peoples is an issue not only in developing countries, as it is often thought. Even in developed countries, indigenous peoples consistently lag behind the non-indigenous population in terms of most indicators of well-being. They live shorter lives, have poorer health care and education and endure higher unemployment rates. Those indigenous persons who do enjoy full employment earn significantly less than their nonindigenous counterparts. (*State of World's Indigenous Peoples*, United Nations 2009) This problem is illustrated throughout rural Alaska, where basic services are typically lacking and food security is a great concern.

#### **2. GSFA goals**

- To provide full time employment for as many tribal members as possible at market wage rates and benefits.
- Through full time, year-round employment, make each participating community a home that current and future generations want to remain in or return to.
- To provide a local market for local fishermen and farmers, that can pay them an above market price as a result of the advanced freezing and off-season production of higher margin products.
- To promote and capitalize on the abundance, quality and diversity of food products unique to Alaska, with consequent economic and social benefits for participating communities and the entire state.
- Promote sustainable fisheries and marine conservation.

#### **3. Business Organization**



Each participating tribal community or groups of villages, will organize themselves into an LLC, Community Development Entity or Section 17 corporations or cooperatives. Some of these entities may have commercial partners in the form of shareholders, in order to obtain the benefit of seed capital, business expertise, and guidance. Each community entity will in turn partner with the GSFA, a registered 501(c)(3) non-profit organization, which will provide legal, accounting and administrative services, food safety and quality training and oversight, guidance regarding conformance with federal and state laws and regulations, HR support, IT support, including access to a central database, server and ERP software and, most importantly, will perform marketing and sales functions on behalf of village shareholders.

#### **4. Business Operations:**

Each partner entity will be equipped with a modular production facility capable of producing salmon rounds, Headed&Gutted, filets, smoked, jerky, caviar and reindeer meat products. These products will be preserved using the ground-breaking CAS freezing system. By preventing the formation of ice crystals during the initial freezing process, CAS systems protect products from experiencing the cell breakdown that is common to conventionally frozen products. CAS products remain fresh and ready for market for periods of time that are orders of magnitude longer than conventional freezing technologies can provide.<sup>1</sup>

GSFA' production complex will also include a CAS storage facility that will hold products for shipment, for future product processing that will increase margins, and/or for the Rural Alaska Strategic Food Reserve Program (a distributed rural long-term food storage network). Partner entities will sell all of their products not designated for the Rural Alaska Strategic Food Reserve Program to the GSFA at a cost that fully absorbs the entitie's variable and fixed operating expenses. The GSFA will in turn warehouse and sell the products through established food distribution channels to retail distributors, major retails grocery chains, food service distributors and major food service operators. The proceeds from these sales will pay for the GSFA's operating costs and generate a profit which will be distributed to each partner community in proportion to the quantity of product sold to the GSFA, thus providing a secondary source of income for each member village, which can be further distributed to members/shareholders of the village, or otherwise used for the common good.

#### **5. Equipment and Product Sources:**

Equipment, production and warehouse modules will be powered by renewable local power sources to the extent possible and will be transported by barges from the Homer, Alaska-based manufacturer. CAS technology will be supplied by ABI Company, Inc, and will be installed and operated by local trade people and employees of the partner communities. A preliminary Memorandum of Understanding signed by the principle

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<sup>1</sup> See, e.g., (<http://nhk.or.jp/nhkworld/english/tv/scienceview/archives20120123.html>)



parties grants the GSFA and its members the access rights to the CAS technology in Alaska.

Fish, meat and plants will be supplied by tribal fishermen and farmers. Packaging will come from commercial sources, utilizing made-in-Alaska and made-in-USA products wherever possible, thus providing downstream benefits throughout the state.

As each tribal partner comes on line, they will acquire and staff both a tender (support boat), to meet the fishing fleet, and a truck to move raw ingredients and packaging to the production facility, move CAS-frozen products to frozen storage and subsequently back to the production facility for off-season value-added processing and then to commercial shipping facilities for movement to GSFA's CAS storage warehouses located in Anchorage, in the lower 48 states and overseas.

## **6. Cash flow models**

### **a. Pilot phase**

Attachment 1.

### **b. Mid-term**

Attachment 2.

## **7. Competitive Advantage**

GSFA has a unique competitive advantage for several reasons:

- The internationally patented CAS freezing storage technology is a game changer. With the ability to provide fresh, high quality food products years after harvesting, the CAS system has no rival in the market. GSFA has exclusive distribution rights for CAS in Alaska.
- GSFA has secured preliminary supply agreements with fisheries responsible for up to 50 percent of the fish caught in the Gulf of Alaska each year.
- GSFA's Chairman, Pat Pletnikoff, and other staff have unmatched relationships with local communities throughout Alaska, making it possible to establish a distribution network in very short order.
- State economic development officials have made strong preliminary expressions of support and have indicated a willingness to provide as supportive an environment for GSFA as possible.

## **8. Social and Conservation Benefits: Catch Less – Make More!**

The transfer of CAS technology to rural Alaska will result in multiple synergies:

- New markets will be created for natural, wild, organic products.
- Fishermen will receive a greater share of the value (up to a 50% increase) through participation in the local revenue-sharing program.



- Each participating community will obtain 20-40 full-time newly created artisan fish-cutting jobs.
- The quality of local products will be improved.
- The availability of fresh quality ingredients locally will enable the creation of rural commissary kitchens that could, in turn, incubate northern cuisine catering businesses.
- Community owners of CAS-stored food will receive revenue-generating assets that can be leveraged to fund common-good projects.
- With the CAS system's extended shelf-storage capacity, less fish will need to be harvested during low bio-cycles and more during higher ones (e.g., big/small salmon runs) thus reducing pressure on stocks.
- Marine conservation and sustainable fisheries educational and outreach activities will be fully integrated into project implementation.

Sustainability is a cornerstone of GSFA's business philosophy. The project will leverage its relationships with the fishing industry, environmental organizations and local communities to promote marine conservation and sustainable fisheries. Our goal is prevent overfishing and ensure marine biodiversity for future generations.

The island of St. George, a participating community where Pat Pletnikoff serves as Mayor, is commencing a ground-breaking marine conservation initiative. This effort has already drawn interest from communities in the Bering Sea Alliance, which represents communities in the northern Bering Sea region. GSFA envisions partnering with national and statewide environmental organizations to provide outreach and education promoting marine conservation in each participating community, and a stream of revenue will be dedicated to this work.

GSFA's revenue model, which drives benefits to local communities, will create capital that is much needed in rural Alaska in order to provide access to safe drinking water and basic sanitation. These urgent local environmental needs are top priorities for GSFA.

GSFA is also focused on providing emergency relief to communities under pressure from climate change. Due to rising sea levels and resulting coastal erosions five coastal Alaskan communities (Shishmareff, Kivalina, Newtok, Shaktoolik, Kotlik) need to relocate within the next 2-3 years. The estimated cost for each relocation will be \$150 million. During the next ten years, over 50 villages will need to do the same. Eighty percent of the State of Alaska's revenues come from oil. Due to low oil prices, the State is currently experiencing a budget deficit of \$3.8 billion. The prospects for federal or state governments support are likely to be minimal.

We will partner with the communities of the Bering Sea Alliance LLC in St. Michael (Norton Sound), Stebbins (Yukon Delta) and Golovin (Chukchi Sea) to install and operate modular CAS facilities at the planned relocation sites, thus providing an economic engine for these villages to start a new community. The creation of at least 20 new full-time jobs at the new sites will ensure a steady income for at least 20 households and will provide an economic base for leveraging additional public



resources for housing. (Employment and economic activity are critical indicators for both state and federal allocations of funds for essential services.)

All of the GSFA's target partner villages have local food resource bases (e.g., herring, salmon, trout) that will ensure the project's sustainability. The transfer of CAS technology to these villages will significantly improve their food security and sense of stability and wellbeing. We envision improved lives in a historically underserved villages, where property will be shared, livelihoods will be created, local fisheries will be sustained, marine environments will be protected, and young people will have the opportunity to return to their communities and find meaningful work in local food preservation facilities.

## **9. Implementation Timeline**

### ***Pilot phase***

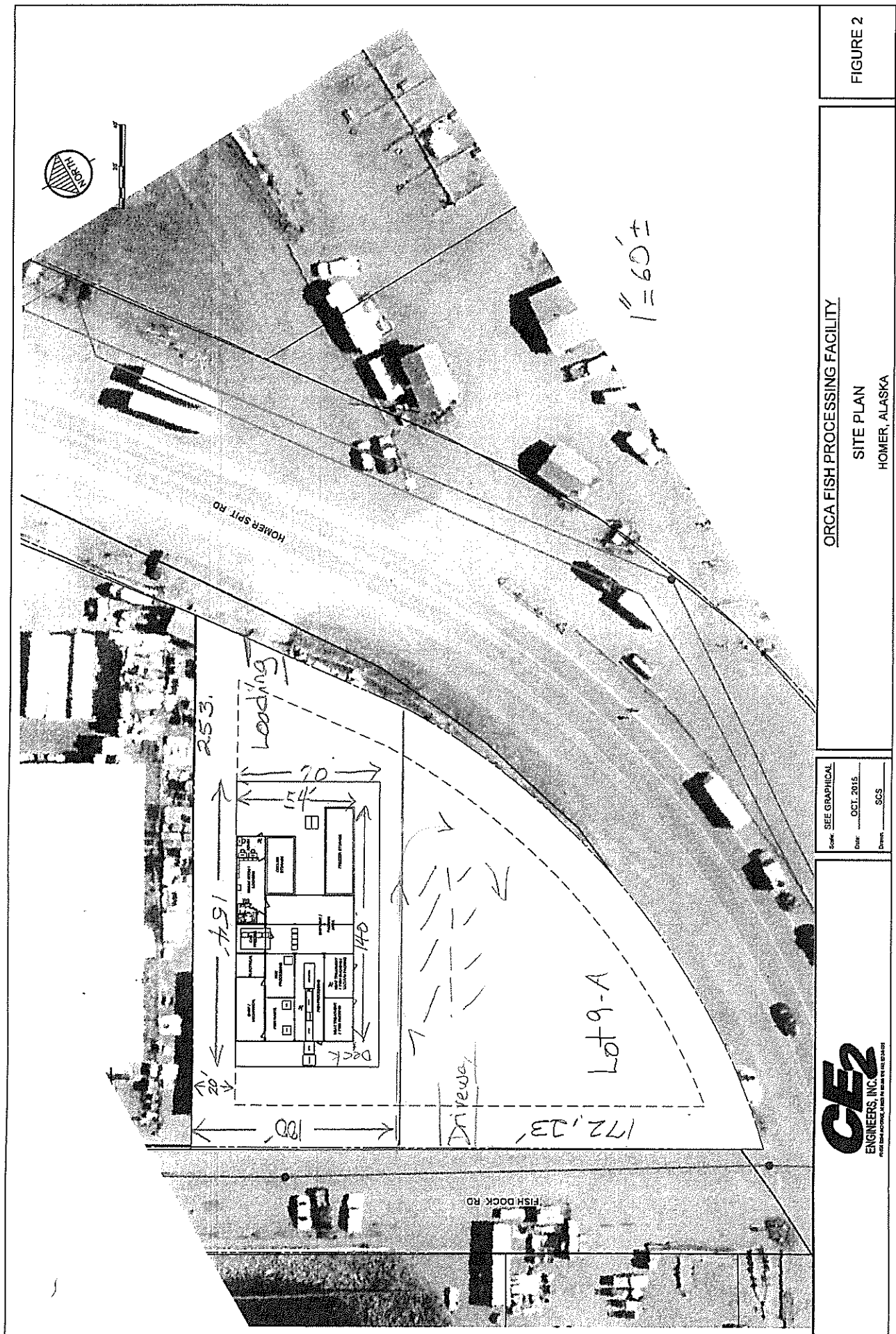
Months	Outcome
0-4	Purchase & deliver CAS technology freezer Lease business site land and obtain permits from city of Homer Procure and Install fish plant modules with CAS technology at the Homer Spit Fish Dock Hire, train and certify 12 employees in seafood processing best practices Secure orders from all 3 main 8 of 10 customers groups in the form of contracts/purchase orders
4-6	Obtain Alaska Dept. of Environmental Conservation (ADEC/FDA) food safety and fish ticket permits
6-12	Deliver fish to partner communities and commence sales to retail customers

### ***Mid-term phase***

## **10. Contacts:**

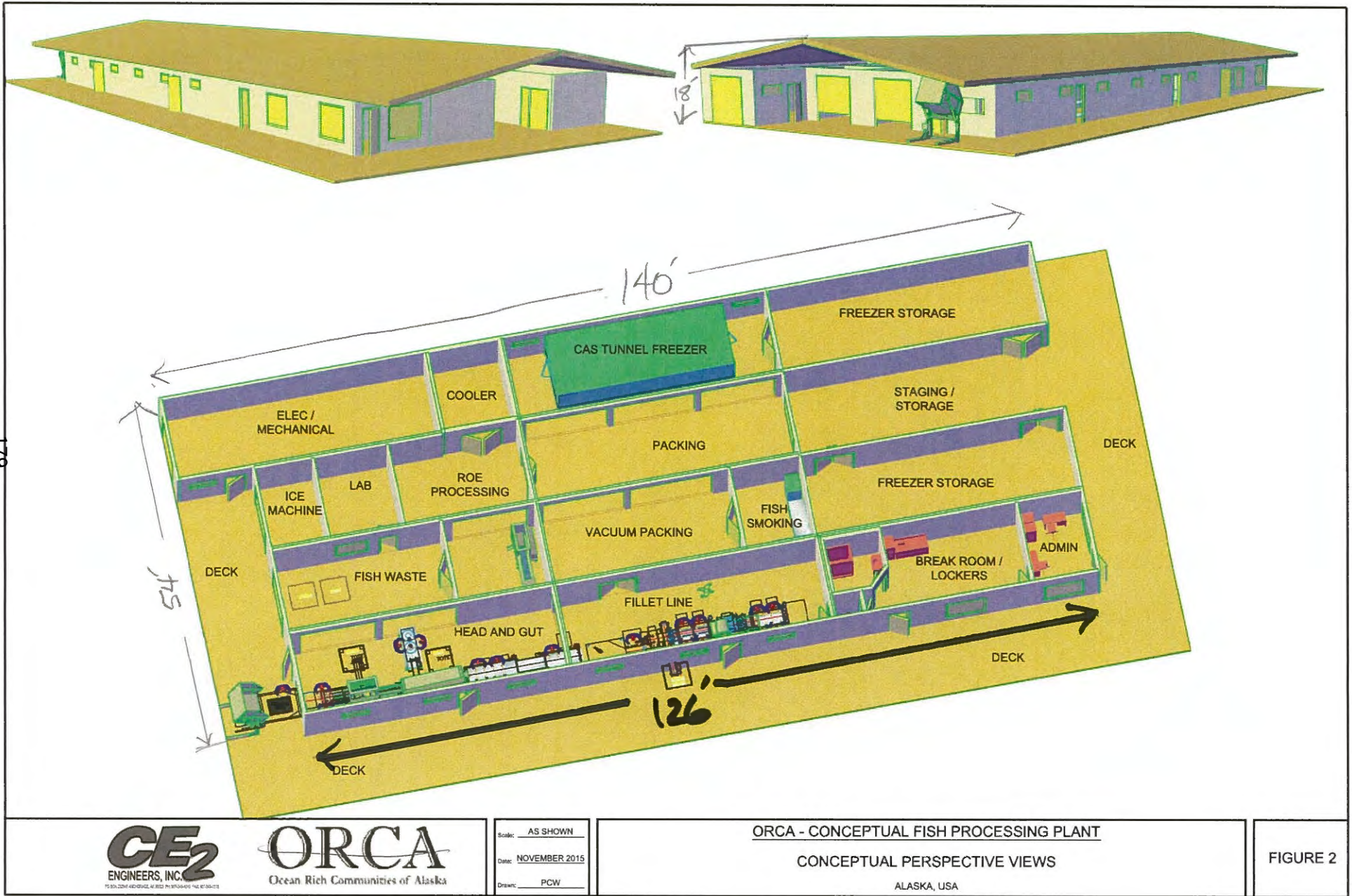
- Mayor Pat Pletnikoff, Chair  
[pat714@yahoo.com](mailto:pat714@yahoo.com)  
+1 (907) 444-2324
- Andrey Khalkachan, Board advisor  
[akhalkachan@gmail.com](mailto:akhalkachan@gmail.com)  
+1 (907) 229-1716



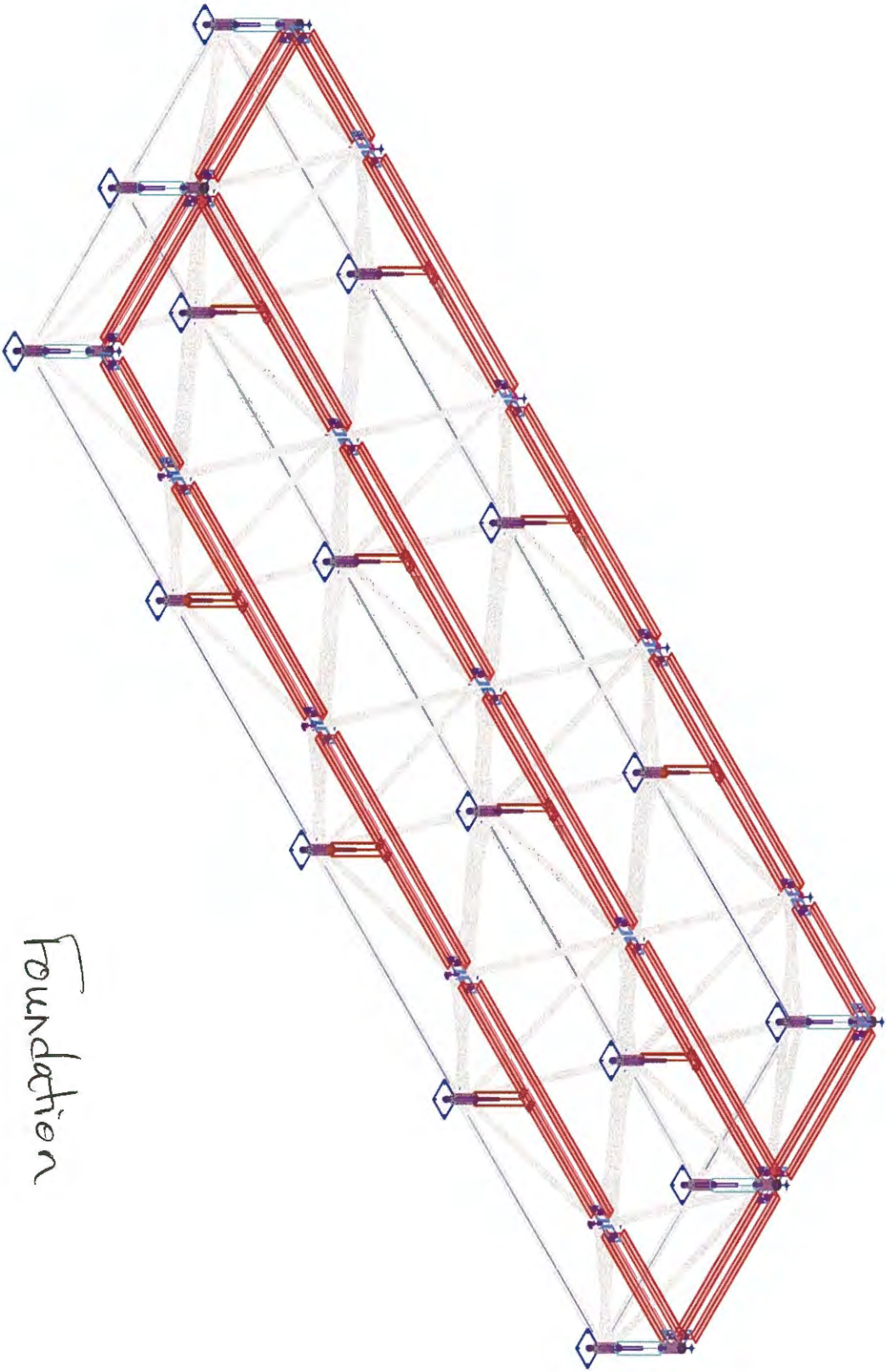




671

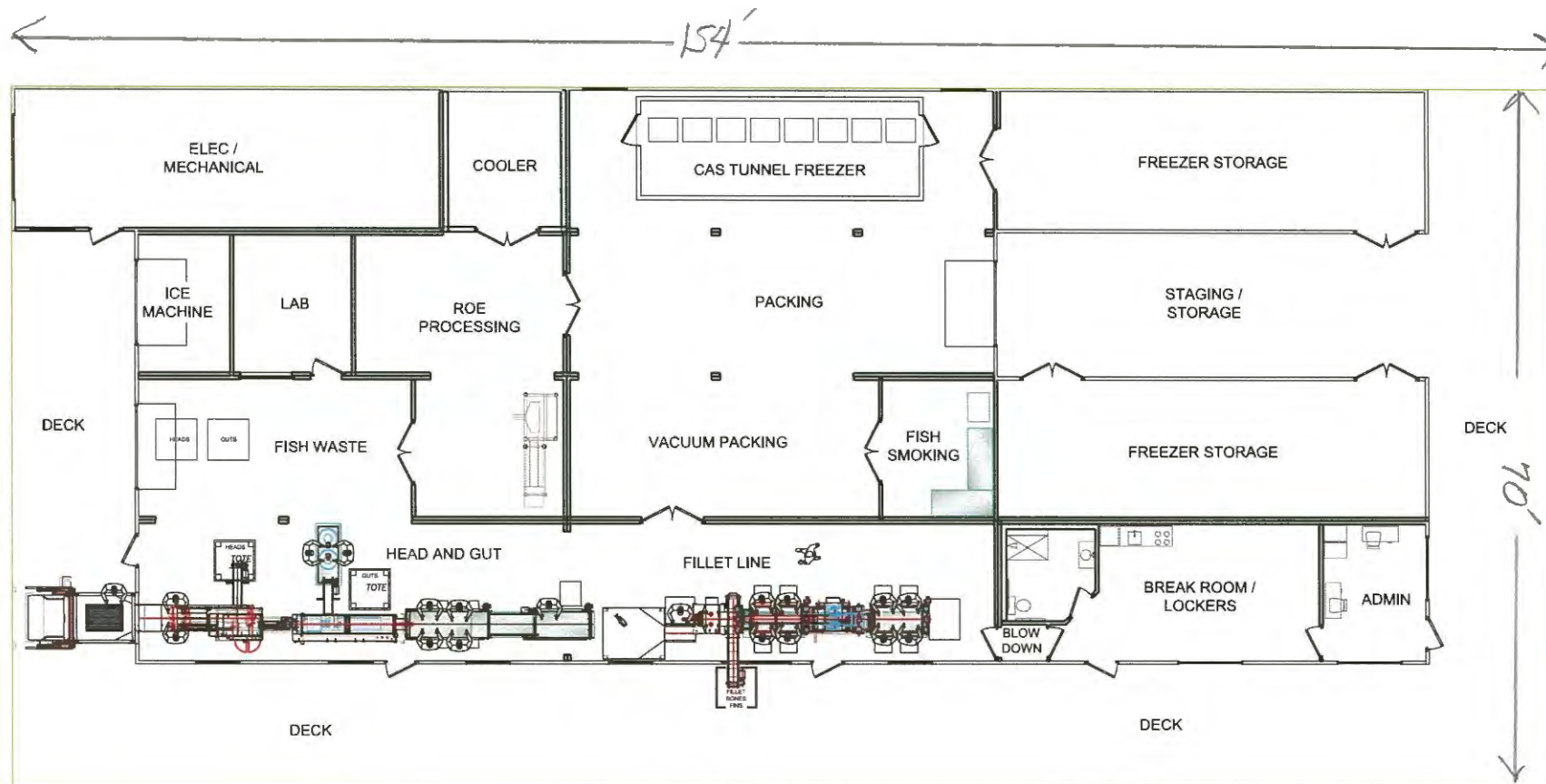






Foundation





**CE<sub>2</sub>**  
ENGINEERS, INC.  
7030 COMMERCE BLVD. #100 FORT SMITH, AR 72301-1111

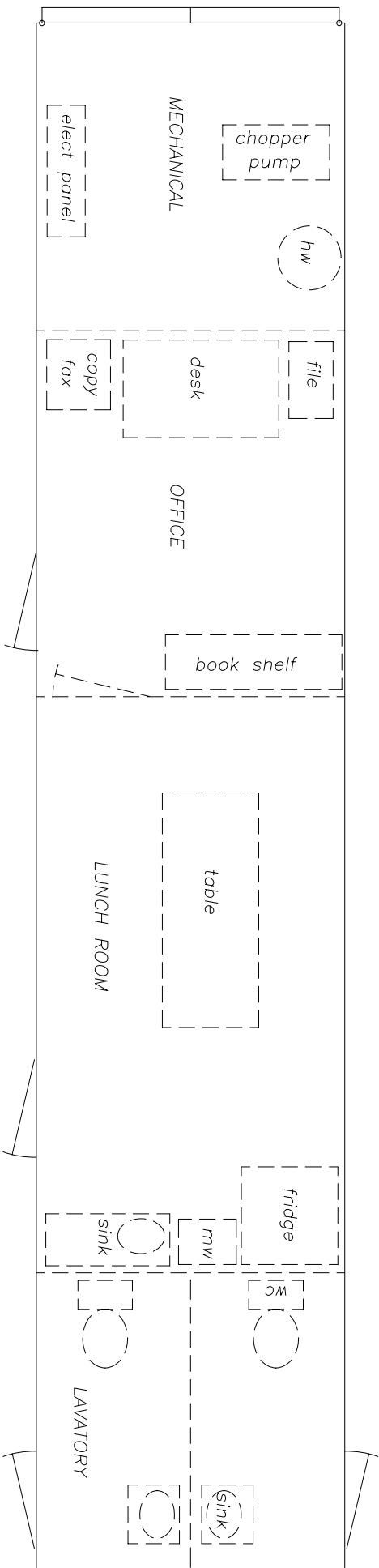
**ORCA**  
Ocean Rich Communities of Alaska

Scale: 3/32" = 1'-0"  
Date: NOVEMBER 2015  
Drawn: PCW

ORCA - CONCEPTUAL FISH PROCESSING PLANT  
CONCEPTUAL FLOOR PLAN  
ALASKA, USA

FIGURE 1









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](mailto:corporations@alaska.gov)  
Website: [Corporations.Alaska.gov](http://Corporations.Alaska.gov)

AK Entity #: 10034676  
Date Filed: 01/06/2016  
State of Alaska, DCCED

FOR DIVISION USE ONLY

## Articles of Incorporation

Domestic Nonprofit Corporation

Web-1/6/2016 4:29:18 PM

### 1 - Entity Name

**Legal Name:** Global Sustainable Fisheries of Alaska

### 2 - Purpose

A charitable organization that transfers capital and technology to rural Alaska and provide business support services to its participating members.

### 3 - NAICS Code

311712 - FRESH AND FROZEN SEAFOOD PROCESSING

### 4 - Registered Agent

**Name:** Loren Crawford  
**Mailing Address:** 2140 N Willow Dr, Wasilla, AK 99654  
**Physical Address:** 2140 N Willow Dr, Wasilla, AK 99654

### 5 - Entity Addresses

**Mailing Address:** 2140 N Willow Dr, Wasilla, AK 99654  
**Physical Address:** 2140 N Willow Dr, Wasilla, AK 99654

### 6 - Officials



Name	Address	% Owned	Titles
Patrick Pletnkoff	Box 991, St George Island, AK 99591	N/A	Director
Andrey Khalkachan		N/A	Incorporator
Patrick Pletnkoff		N/A	Incorporator
Art Ivanoff		N/A	Incorporator
Art Ivanoff	PO Box 100, Unalakleet, AK 99684	N/A	Director
Andrey Khalkachan	51070 East End Road, Homer, AK 99603	N/A	Director

### **Name of person completing this online application**

I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Incorporator(s) listed above to act on behalf of this entity.

**Name:** Loren



**State of Alaska**  
**Department of Commerce, Community, and Economic Development**  
**Corporations, Business, and Professional Licensing**

## **Certificate of Incorporation**

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

**Global Sustainable Fisheries of Alaska**



IN TESTIMONY WHEREOF, I execute the certificate  
and affix the Great Seal of the State of Alaska  
effective **January 06, 2016**.

A handwritten signature in black ink, appearing to read "Chris Hladick".

Chris Hladick  
Commissioner



<h1 style="margin: 0;">NOTICE OF INTENT</h1> <p style="margin: 0;">To be covered under  <b>NPDES GENERAL PERMIT AK-G52-4000</b>  For  <b>SEAFOOD PROCESSORS IN ALASKA</b></p>	<p style="margin: 0;">Please submit this NOI to:  EPA Region 10, NPDES Permits Unit  1200 6<sup>th</sup> Ave, Ste. 900, OWW-130  Seattle, WA 98101</p>
Submittal of this document constitutes notice that the party identified in Section 1 intends to be covered by the NPDES general permit authorizing discharges from seafood processing activities in Alaska and obligates the permittee to comply with the terms and conditions of the permit.	
<b>SECTION 1 – PERMIT INFORMATION (Part IV.C.1)</b>	
NPDES Permit No. AK-G52-4	ADEC Permit No(s).
<b>SECTION 2 – OPERATOR INFORMATION (Part IV.C.2)</b>	
Company Name	
Address	
City/State/Zip	
Representative/ Title	
Phone	Fax
E-mail	
<b>SECTION 3 – OWNER INFORMATION (Part IV.C.3)</b>	
Owner Name	
Address	
City/State/Zip	
Representative/ Title	
Phone	Fax
E-mail	
<b>SECTION 4 – VESSEL INFORMATION (Part IV.C.4)</b>	
Vessel Name	No. of Employees
Phone	Fax
Previous Vessel Name(s)	
Date of Change	USCG No.
Type of Vessel	Vessel Length



SECTION 5 – PROJECTED PRODUCTION INFORMATION (Part IV.C.5)												
	Whole		Head-on & Guttled		Headed & Guttled		Fillets		Cured, salted or smoked			
	Canned		Fish meal		Surimi, fish paste		Mince, dry/washed		Mince, wet/unwashed			
	Roe		Crab: whole, pieces		Shrimp, scallops, clams, oysters, snails urchins, cucumbers (circle appropriate items)				Other (identify):			
Catch Processed by type (e.g., cod, pollock, salmon)		Finished Product by type (e.g., fillets, surimi, canned)		24-hour Design Capacity in lbs of processing raw product		Projected Maximum Quantity in lbs of Process Waste Solids that are discharged						
						Total Daily (Amount of Solids Discharged)			Total Annual (Amount of Solids Discharged)			
						lbs.			lbs.			
						lbs.			lbs.			
						lbs.			lbs.			
						lbs.			lbs.			
						lbs.			lbs.			
						lbs.			lbs.			
						lbs.			lbs.			
						lbs.			lbs.			
						lbs.			lbs.			
						lbs.			lbs.			
Anticipated Processing Activity – Number of days per month												
Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
SECTION 6 –RECEIVING WATER INFORMATION (Part IV.C.7)												
Name(s) of waterbody(ies) receiving discharges of the facility												
Location(s) (Lat/Long or NMFS Federal reporting areas)												
List any areas within one (1) nautical mile of operation which are excluded from coverage under the General Permit												



<b>SECTION 7 – DESCRIPTION OF DISCHARGES (Part IV.C.6)</b>			
<b>Sanitary Wastes</b>			
USCG Approved System (MSD) Type:			
Capacity (gals/day):		Number of people using MSD:	
Date USCG Approved & Certified MSD:		Date MSD was installed:	
Identify other waste streams that combine w/ MSD effluent prior to discharge			
<b>Seafood Processing Wastes</b>			
Depth in feet from sea surface to outfall terminus:		ft.	
Range of water column depths in ft. of receiving water:		to.	ft.
Grinder(s) – Type/Name:			
Grind seafood wastes to:		inch(es) in all dimensions	
Other Wastewaters (Check all that apply)			
	Process disinfectants List Types:		
	Refrigerated seawater		Transfer water
	Cooling water		Gray Water
	Boiler water		Live tank water
	Cooking water		Air scrubber water
	Other (name):		
<b>SECTION 8 – REFUELING CAPABILITY AND PROXIMITY TO FUELING STATIONS (Part IV.C.8)</b>			
Does your facility/ vessel refuel fishing vessels?    Yes    No			
If yes, what is the capacity of your refueling tanks?			
<b>SECTION 9 – SUBMITTALS (Part IV.C.9)</b>			
	Letter certifying that the facility has developed and operates in accordance with a Best Management Practices Plan		
	General Area Map showing the location where discharges will occur		
	Process flow Diagram or Schematic		
<b>SECTION 10 – SIGNATURE AND CERTIFICATION (Part IV.C.10)</b>			
I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system or those persons directly responsible for gathering information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment of knowing violations,			
Signature Principal or Partner			
Title		Company	
Print name		Date	



From: **Anne Herschleb** <[aherschleb@gmail.com](mailto:aherschleb@gmail.com)>  
Date: Mon, Oct 5, 2015 at 2:14 PM  
Subject: CE2 Engineers Update for ORCA Processing Plant  
To: Andrey Khalkachan <[akhalkachan@gmail.com](mailto:akhalkachan@gmail.com)>, [pat714swet@yahoo.com](mailto:pat714swet@yahoo.com)  
Cc: Paul Weisner <[p.weisner@ce2engineers.com](mailto:p.weisner@ce2engineers.com)>

Andrey and Pat,

Here is our progress to date regarding planning and permitting for ORCA's proposed processing plant in Homer:

**City of Homer Permitting:**

Anne Herschleb talked with Julie Engebretsen, Deputy Planner with the City of Homer Planning Department on Friday, October 2. Lots 9a and 10a are zoned Marine Industrial Zone, therefore ORCA does not need to go before the Homer Planning Commission as the project does not require a Conditional Use Permit. There are no flood plain issues with the site.

ORCA needs a driveway permit and a water & sewer permit from the City to begin site work. These permits can be obtained before final drawings are complete and *without* the Fire Marshall's permit and the Seafood Processor's Permit. ORCA may also receive a "Foundation Only" building permit from the City without the Fire Marshall's permit. This would help you proceed with the building process before permitting and design are complete. The City will want to ensure the lease has been negotiated and signed before issuing any permits, including the preliminary.

Paul Weisner has had discussions with the City of Homer Water and Sewer Department and has received a packet of information regarding water and sewer connections to the property and standard details for hooking up water and sewer per the City's requirements.

Ms Engebretson of the Planning Department also indicated that the City could start immediately on replatting the two lots to vacate the lot line between the two, making for a larger building area. This would be done at the City's expense and she felt it should be done for whomever would be interested in developing the lots, it is not necessarily based on ORCA's negotiating a lease for the property with the City.



### **Seafood Processor's Permit:**

Additional information is necessary to proceed: some items are basic paperwork (EIN, business license), some will be in your business plan, (percentage of retail, wholesale sales, etc.), and others are decisions to be made in the design phase.

- Employer Identification Number – obtain from the IRS
- Alaska Fisheries Business License – obtain from the Alaska Department of Revenue
- APDES/NPDES Permit number – to be obtained from the City of Homer, if ORCA is using their permitted outfall line for waste disposal; necessary to reach agreement with them on this.
- ADEC Fee for permit processing \$2094
- Product & Packaging details – please review permit application for accuracy
- Ice Source – will the plant have an ice machine or will you buy it from somewhere else?
- Percentage of products to be sold via resale, wholesale, intrastate, interstate, and exported
- Type of Disinfection used by the Homer Water System and the PPM
- Estimate of gallons of salt water to be used daily and will it be direct injection or batch vessel?
- Estimate of gallons of wastewater to be disposed of daily in the City of Homer municipal system
- Water depth of discharge below Mal Lower Low Water of Homer outfall line - obtain from Harbor

### **Conceptual Plan:**

Paul Weisner and Drafter Chris Merz are developing the site layout and conceptual plan. They expect the plan to be complete by the end of this week and will get it to you to discuss for finalization.

### **Fire Marshall Approval:**

Paul Weisner met with the Fire Marshall on October 1 to discuss permitting requirements. The Plan Review and Approval to Construct will be issued when the design drawings are complete, stamped by the engineer in each discipline (architect, electrical, mechanical, civil, structural), and reviewed and approved by the State Fire Marshall.

Systems such as foam structured panels will have to have an independent third party approval to indicate that these materials meet code limitations for flame spread and smoke generation. The Fire Marshall will need to see the Operations Manual for the blast freezer to see that it meets code requirements. Note that the requirements are for finished drawings and not conceptual plans.

As mentioned above, you can proceed with several planning and permitting items without the Fire Marshall's Plan Reviews and Approval to Construct.

Please contact Paul or I if you have any questions or more information for us to proceed. Paul will contact you when the conceptual plan is complete.

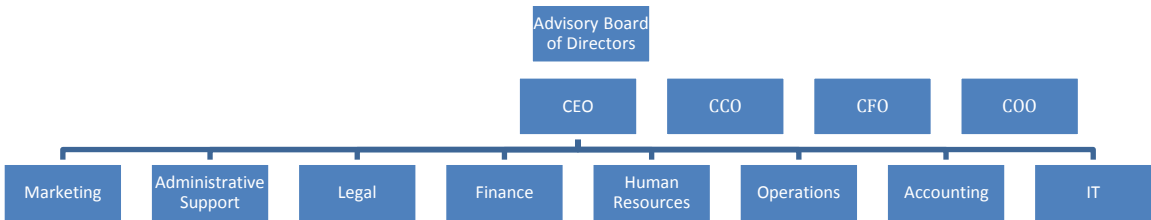
Best Regards,

Anne Herschleb  
Environmental Specialist  
CE2 Engineers, Inc.



# GSFA Management Plan

The organization will be managed by Alaska residents and tribal members. A CEO will oversee the company operations, and lead a team with responsibilities in marketing, production, legal support, finance, human resources, daily overall operations, and administration. An Advisory Board will counsel and advise the CEO as requested.





### **Patrick (Pat) Pletnikoff, Chairman of the Board**



Pat Pletnikoff was born on St. George Island, 1948, in July. Pat attended Sheldon Jackson High School and after graduating in 1967, went off to the University of Colorado for 2 years and then transferred to the University of Washington (BA in PoliSci) for his last two years in college. Pat directed the Aleutian Pribilof Islands Association and Aleutian Housing Authority for about ten years. Pat is the Mayor of St. George and a leader of the St. George Native Fishermen Association.

### **John Sevier, Chief Operating Officer**

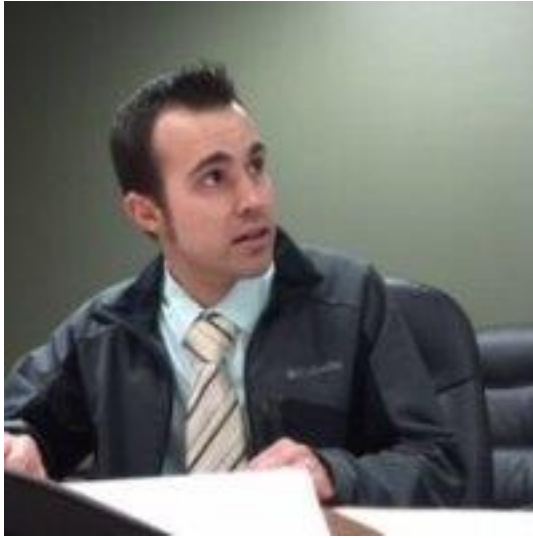


John comes to Alaska CAS project with over 30 years in the fishing industry. As a general plant manager in Kodiak, John was responsible for the operational supervision and oversight of over 600 employees and 100 fishing vessels. John has extensive experience as a seafood manufacturing consultant and implemented “LEAN” manufacturing concepts to streamline daily production goals in Qingdao, China.

Throughout his career John has served on various professional affiliations such as the Alaska Seafood Marketing Institute Board of Directors, the North Pacific Fisheries Management Council Advisory Panel, and the Alaska Special Olympics Board of Directors.

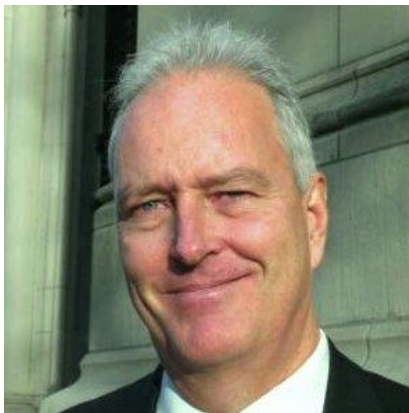


### **Loren Crawford, Chief Financial Officer**



Loren worked for three years with the State of Alaska and professor at the University of Alaska. Loren has MA in economics from the University of Arizona. While with the State of Alaska Department of Revenue, Loren worked on Revenue Sources Book Fall 2013. Worked in the AKLNG project's finance and marketing teams. Served as a liaison between the member and the credit union by assisting members with their financial transactions.

### **John Bennett, Chief Sustainability Officer**



John is a lawyer with over 25 years of environmental management experience. During that time, he has worked in more than 40 countries on behalf of the United Nations and other organization, including as an advisor to the Deep Sea Conservation Coalition. John is the founder of the Arctic Alliance, which has brought together environmental and indigenous organizations in the Far North. He is working with Alaska Natives peoples of the Pribilof and St. Lawrence Islands to pursue marine conservation strategies. John is an advisor to Aleut International Association and the Association of Polar Early Career Scientists. He is also a former Director of Public and Intergovernmental Affairs for the New York City Department of Environmental Protection, the nation's largest municipal environmental agency.

Alexandra (Sasha ) **Philbrick, Homer CAS Center Manager**





Sasha was born and raised in the far eastern part of Russia and has an Associate's degree in Accounting. Her previous work includes over 10 years of experience in the seafood industry (BRC certified), including Nova Seafood and Cozy Harbor in Portland, Maine. She is an expert in the Inventory Control, Accounts Receivable.

In her spare time, Sasha likes to experiment with new recipes. She is also a big fan of nature and tries to enjoy it whenever she can from fishing, hiking, canoeing, gardening, camping or just sightseeing.

Sasha originally moved from Russia to Alaska and lived there for 5 years then drove for what was supposed to be a 10 day trip to Maine but now coming back to join our Alaska CAS team.





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

### Port and Harbor

4311 Freight Dock Road  
Homer, AK 99603

[port@cityofhomer-ak.gov](mailto:port@cityofhomer-ak.gov)

(p) 907-235-3160

(f) 907-235-3152

May 6, 2016

Shirley Kelly, Alaska EDR  
Economic Development Administration  
510 L Street, Suite 444  
Anchorage, AK 99501

*Delivered Electronically*

RE: Letter of Support for the Global Sustainable Fisheries of Alaska (GSFA)

Ms. Kelly,

Over the past two years I have met several times with Mr. Andrey Khalkachan to discuss the proposal made by Global Sustainable Fisheries of Alaska, as well as Mr. Owada, the inventor of the CAS system. I am encouraged to hear that this project may be moving from concept to planning and implementation. I believe that, if successful, this program could revolutionize the small food production industry by solving a problem that has always been an issue: long-term storage and preservation. It could very well be the biggest innovation to Alaska's seafood resource development since the retort canner.

#### **Why is Homer a good choice for the GSFA project?**

Homer is centrally located in the Gulf of Alaska, making it Cook Inlet's gateway for maritime traffic and Kachemak Bay the Port of Refuge for large ships and barges traveling the Cook Inlet. The City of Homer owns and operates a port and harbor that acts as a regional transportation hub. This hub serves all non-road-connected communities in Southcentral and Western Alaska with freight barge and landing craft services for everything including fuel, groceries and produce, construction supplies, and equipment.

We are home-port for the Alaska Marine Highway System's Tustumena ferry, which serves many of the communities not connected to the road system south of Homer to Dutch Harbor. We are a major commercial fishing port; the City owns and operates a commercial Fish Dock with eight public-accessible cranes and an industrial Ice Plant that is capable of producing 100 tons of high quality, food-grade flake ice every 24 hours. Homer also has a thriving marine trade's industry that supports and supplies every level of service needed by commercial, charter, and personal fleets.

#### **City of Homer's Support of a Long-term Lease with GSFA**

The City of Homer owns and leases properties on the Homer Spit. These properties are advertised for lease annually, and the use of the land is managed through the City Council's Land Allocation Plan and City lease policies. GSFA has made a verbal proposal to the City for a long-term lease for lots 9 and 10, which are located on the corner of Fish Dock Road and Homer Spit Road. These lots have been set aside for the use of fish processing and fisheries-support industry. The City has encouraged Mr. Khalkachan to prepare and submit an application for the long term lease of these properties since GSFA's proposal is consistent with the City's vision of how those properties are to be used.

Letter of Support for GSFA's Proposal - 5/6/2016

Page 1 of 2



In closing, the City of Homer supports the Innovative Sustainable Community Based Fisheries and Supply-Chain Development Model for Rural Alaska project. We look forward to receiving a lease application from GSFA for Lots 9 and 10 on the Homer Spit and, ultimately, seeing this project mature into jobs for Alaskans and value added seafood processing in Alaska.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan Hawkins", written over a horizontal line.

Bryan Hawkins  
Port Director/Harbormaster

Cc: Patrick Pletnikoff, Chairman  
Global Sustainable Fisheries of Alaska  
2140 N Willow Dr.  
Wasilla, AK 99654





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

[citymanager@cityofhomer-ak.gov](mailto:citymanager@cityofhomer-ak.gov)  
(p) 907-235-8121 x2222  
(f) 907-235-3148

July 15, 2016

Shirley Kelly, Alaska EDR  
Economic Development Administration  
510 L Street, Suite 444  
Anchorage, AK 99501

### *Delivered Electronically*

Re: Letter of Support for the Global Sustainable Fisheries of Alaska (GSFA)

Ms. Kelly,

The City of Homer would like to express our support for the Global Sustainable Fisheries of Alaska (GSFA) grant application to the Economic Development Administration. If successful, this program could revolutionize seafood production and would certainly broaden Homer's economic opportunities.

GSFA has submitted a Lease Application for the long-term lease of two lots on the corner of Homer Spit Road and Freight Dock Road. This area is zoned Marine Industrial which is ideal for fish processing and has full access to the harbor's facilities including eight cranes and an industrial ice plant. The City is in the process of reviewing the grant application with the understanding that the City's involvement as co-applicant is limited to the land ownership and a land lease.

The next step in this public process is for the Port and Harbor Advisory Commission to review GSFA's proposal at their regular meeting on July 27, 2016. Afterwards, the commission's recommendations as well as the recommendations of City Lease Staff will be directed to the Homer City Council, who will be considering two resolutions at the regular meeting on August 8, 2016 that awards a long-term lease to GSFA and supports the City as co-applicant on the grant application. Once City Council has approved the resolutions, we can move forward with lease negotiations and final signing of the long-term lease with GSFA.

The City of Homer looks forward to working with GSFA and supports this innovative approach to seafood processing.

Sincerely,

Katie Koester  
City Manager



GSFA Homer CAS plant summary

*Projected - first yr operation*

	900,000 lbs	1,8mln lbs	300,000 lbs	200,000 lbs	3.2 mln lbs
Item	Salmon	Grey Cod	Halibut Black Cod	Bycatch Rock Fis	TOTAL
Total overhead costs	\$237,000	\$262,000	\$185,000	\$93,000	\$777,000
Total fish cost	1,385,640	1,019,700	1,874,400	133,960	4,413,700
Total processing and selling costs	\$577,737	\$1,087,038	\$171,639	\$89,320	\$1,925,734
Total costs	\$2,352,377	\$2,368,738	\$2,352,377	\$316,280	\$7,389,772
Total sales revenues	\$5,304,600	\$6,861,600	\$3,115,500	\$840,000	\$16,121,700
Profit or loss	\$2,952,223	\$4,492,862	\$884,461	\$523,720	\$8,853,266

City of Homer  
491 East Pioneer Avenue  
Homer AK 99603-7645 907-235-8121

Receipt No: 1.135459 Jun 8, 2016

lexicon llc

Previous Balance: .00  
MISCELLANEOUS 30.00

400-0600-4650  
Rents & Leases

Total: 30.00

Check  
Check No: 110 30.00

Payor:  
lexicon llc  
Total Applied: 30.00

Change Tendered: .00

06/08/2016 01:18PM



Actual

**BUDGET INFORMATION - Construction Programs**

TE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.

COST CLASSIFICATION	a. Total Cost	b. Costs Not Allowable for Participation	c. Total Allowable Costs (Columns a-b)
Administrative and legal expenses	\$ 30,000.00	\$	\$ 30,000.00
Land, structures, rights-of-way, appraisals, etc.	\$	\$	\$
Relocation expenses and payments	\$	\$	\$
Architectural and engineering fees	\$ 80,000.00	\$	\$ 80,000.00
Other architectural and engineering fees	\$ 20,000.00	\$	\$ 20,000.00
Project inspection fees	\$ 80,000.00	\$	\$ 80,000.00
Site work	\$	\$	\$
Demolition and removal	\$	\$	\$
Construction	\$ 600,000.00	\$	\$ 600,000.00
Equipment	\$ 1,100,000.00	\$	\$ 1,100,000.00
Miscellaneous	\$	\$	\$
SUBTOTAL (sum of lines 1-11)	\$ 1,910,000.00	\$	\$ 1,910,000.00
Contingencies	\$ 90,000.00	\$	\$ 90,000.00
SUBTOTAL	\$ 2,000,000.00	\$	\$ 2,000,000.00
Project (program) income	\$	\$	\$
TOTAL PROJECT COSTS (subtract #15 from #14)	\$ 2,000,000.00	\$	\$ 2,000,000.00

**FEDERAL FUNDING**

Federal assistance requested, calculate as follows:

(Consult Federal agency for Federal percentage share.)

Enter eligible costs from line 16c Multiply X

80 %

\$ 1,600,000.00



IRS DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
CINCINNATI OH 45999-0023

Date of this notice: 01-06-2016

Employer Identification Number:  
81-1007128

Form: SS-4

Number of this notice: CP 575 A

GLOBAL SUSTAINABLE FISHERIES OF  
ALASKA  
% PATRICK PLETNIKOFF  
2140 N WILLOW DRIVE  
WASILLA, AK 99654

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 81-1007128. 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.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 940	01/31/2017
Form 944	01/31/2017

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

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.







INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **MAR 09 2016**

GLOBAL SUSTAINABLE FISHERIES OF  
ALASKA  
2140 N WILLOW DRIVE  
WASILLA, AK 99654-0000

Employer Identification Number:

81-1007128

DLN:

26053463002656

Contact Person:

CUSTOMER SERVICE

ID# 31954

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b)(1)(A)(vi)

Form 990/990-EZ/990-N Required:

Yes

Effective Date of Exemption:

January 06, 2016

Contribution Deductibility:

Yes

Addendum Applies:

No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

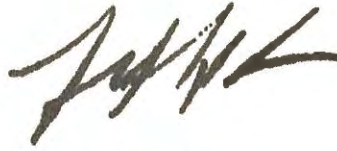
For important information about your responsibilities as a tax-exempt organization, go to [www.irs.gov/charities](http://www.irs.gov/charities). Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 5436



GLOBAL SUSTAINABLE FISHERIES OF

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Cooper', written in a cursive style.

Jeffrey I. Cooper  
Director, Exempt Organizations  
Rulings and Agreements

Letter 5436



**GLOBAL SUSTAINABLE FISHERIES OF ALASKA**

**2140 North Willow Drive  
Wasilla, AK 99654-9702  
Tel/Fax: 907-444-8862**

June 4, 2016

Kerstin Millius  
Area Director  
Seattle Regional Office  
U. S. DEPARTMENT OF COMMERCE  
Economic Development Administration  
915 Second Avenue, Room 1890  
Seattle, WA 98174  
Fax: 206.220.7669  
Voice: 206.220.7660

Dear Mrs. Kerstin Millius,

Please be advised that Global Sustainable Fisheries of Alaska will provide a cash match of up to \$400,000 over three years, toward the EDA component of the project entitled "Innovative Sustainable Community-Based Fisheries and Supply-Chain Development Model For Rural Alaska" that we are applying for through your agency. These will be non-federal funds that can be used by the project towards the EDA related component. The funds are coming from the Sustainable Ocean Fund and State of Alaska Department of Labor Force Development, as well as private investment we are garnering for our project.

Thank you for considering the application from our community. We hope very much that your agency will support this worthy project.

Sincerely,



Patrick Pletnikoff  
Chairman of the Board



## SAMPLE FOR COMPLETION BY CO-APPLICANTS

### JOINT AGREEMENT INSTRUCTIONS

The information provided on your proposed project for which you are seeking EDA assistance indicates that more than one legal entity will own and/or operate the project facilities or owns the land where the project will be constructed. In this instance, EDA requests that a Joint Agreement, or a similarly titled document, be executed between the co-applicants to delineate each entity's responsibilities under the EDA grant.

These instructions are being provided to the co-applicants as a courtesy. The co-applicants still bear full responsibility to ensure the executed joint agreement complies with all applicable federal, state and local laws. The co-applicants have the option to provide their own draft joint agreement or draft changes to this example joint agreement for EDA review and approval.

The Joint Agreement (hereinafter "the Agreement") should:

1. Identify the Parties to the Agreement (indicate the legal name and complete physical address of all Parties), describe the created Partnership and the EDA project (short project title is sufficient).
2. Indicate the ownership of EDA project and of the land used for the project, operating and maintenance interests and responsibilities of each of the Parties in each of the project components during construction and after completion of construction. For example, the Agreement might state that:

*"Dry Gulch Water District owns and operates the water lines in the project area. The District will own, during and after -construction, the 1500 linear feet of water lines running along Main Street from C Street to K Street proposed to be constructed as part of this project. The District will own, operate and maintain the proposed water lines for the useful life of the water lines."*

3. State the responsibilities of the Parties in the administration of the grant by setting forth:
  - i. The Party responsible for filing EDA project reports.
  - ii. The Party designated to receive and distribute grant funds and file EDA financial reports.
  - iii. The Party or Parties responsible for bidding, award and management of the construction contract(s). For example, if multiple construction contracts and multiple Parties are involved the Agreement might state that:

*"Dry Gulch Water District will handle the bidding, award and management of the construction contract(s) for the project component involving the construction of 1500 linear feet of water lines. Metropolis City will handle the bidding, award and management of the construction contract(s) for the project"*



*component involving the construction of the half mile of access road to the industrial park."*

- iv. The Party or Parties responsible for the EDA match requirement.
  - v. The Party or Parties responsible for holding title to the land required for implementation of the EDA grant.
  - vi. Delineate any other responsibilities the Parties determine are warranted.
- 4. State that the Parties agree and understand that they will be bound by the EDA grant application forms and award documents that they execute and the applicable statutes and regulations, and that all the Parties agree to individually submit the EDA required application materials.
  - 5. State that the Parties shall submit this Agreement to EDA.
  - 6. State that the Parties shall promptly notify EDA of any changes to this Agreement.
  - 7. Contain signatures by Authorized Representatives of the parties to the Agreement. The signature section for each Party to the Agreement should contain:
    - i. Date
    - ii. Name of Party
    - iii. Signature
    - iv. Printed Name and Title of Authorized Representative of the Party signing the Agreement.

#### RESOLUTIONS

The Agreement should be accompanied by certified resolutions providing that the Authorized Representatives of each Party executing the agreement were authorized to sign the Agreement on behalf of that Party.





# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

Port and Harbor

4311 Freight Dock Road  
Homer, AK 99603

[port@cityofhomer-ak.gov](mailto:port@cityofhomer-ak.gov)

(p) 907-235-3160

(f) 907-235-3152

## Memorandum 16-131

TO: MAYOR BETH WYTHE & HOMER CITY COUNCIL  
FROM: PORT & HARBOR ADVISORY COMMISSION  
DATE: AUGUST 2, 2016  
SUBJECT: GLOBAL SUSTAINABLE FISHERIES OF ALASKA (GSFA) LEASE PROPOSAL

---

Per the City of Homer's Property Management Policies, after City Lease Staff have reviewed and made recommendations on Spit lease proposals or amendments, the Port and Harbor Advisory Commission shall supply their recommendations, along with Lease Staff's, to City Council for final approval.

At their meeting on July 27, 2016, the commission reviewed Lease Staff's recommendation per Memorandum 16-XXX to award a new, long-term lease to Global Sustainable Fisheries of Alaska for Lots 9-A and 10-A on the Homer Spit. There was extensive discussion by the commission, the public, and members of GSFA who were participating telephonically. Full discussion is available in the meeting minutes attached.

The commission made the following motions and amendments, which were voted for unanimously:

CARROLL/ZIMMERMAN MOVED THAT THE COMMISSION SUPPORTS THE LEASE COMMITTEES PROPOSAL.

STOCKBURGER/DONICH MOVED TO AMEND TO HAVE THEM PUT UP A BOND FOR REMOVAL OF THE BUILDING IF THINGS FAIL.

There was brief discussion explaining the process.

VOTE: (Amendment) NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was brief discussion about the lot line vacation.

ZIMMERMAN/STOCKBURGER MOVED TO INCLUDE THAT THE COMMISSION HIGHLY RECOMMEND THE CITY DOES NOT VACATE THE LOT LIN UNTIL THE LEASE IS A DONE DEAL AND THERE IS A REASON FOR IT.

There was no discussion.

VOTE: (Amendment) NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion on the main motion as amended.

VOTE: (Main motion as amended) YES: ULMER, ZEISSET, ZIMMERMAN, CARROLL, STOCKBURGER,



DONICH

Motion carried.

**Recommendation**

The Lease Committee and Port and Harbor Advisory Commission recommend that the Homer City Council adopt Resolution 16-086, awarding Global Sustainable Fisheries of Alaska a 20-year lease with two, five-year options for Lot 9-A and Lot 10-A, HOMER SPIT REPLAT 2006, with a base rent of \$36,133.00 per year (to be confirmed with a current appraisal and adjusted to meet the appraised value if needed), and authorizing the City Manager to move forward with lease negotiations and execute the appropriate documents. This lease is contingent upon GSFA receiving a \$1,600,000.00 grant from the U.S. Department of Commerce and Economic Development Administration.

Attached: Port & Harbor Advisory Commission Regular Meeting Minutes dated July 27, 2016



**NEW BUSINESS**

- A. Memo to City Council Thru: Port & Harbor Advisory Commission from City Lease Staff Re: Yourkowski Lease Amendment & Request to Sublease dated July 13, 2016
- i. Yourkowski First Lease Amendment – December 1, 2015
  - ii. Letter to City from Mike Yourkowski Re: Sublease List dated May 12, 2016

There was discussion that there will still be public parking in front of the lease and about other encroachments on this and neighboring properties. Harbormaster Hawkins noted there has been an encroachment issue with the picnic tables out front of the restaurant and this resolves that issue. He further noted that Mr. Yourkowski has resolved outstanding lease issues with his lease and subleases in order to exercise this final 10 year option to renew. Lastly Harbormaster Hawkins noted the request to make quarterly payments.

STOCKBURGER/ZEISET MOVED TO APPROVE THIS AMENDMENT TO MIKE YOURKOWSKI'S LEASE AS LINED OUT IN THE AGREEMENT, INCLUDING THE QUARTERLY PAYMENT PLAN.

There was no further discussion.

VOTE: YES: DONICH, ZIMMERMAN, ULMER, ZEISET, CARROLL, STOCKBURGER

Motion carried.

- B. Memo to City Council Thru: Port & Harbor Advisory Commission from City Lease Staff Re: Global Sustainable Seafoods of Alaska Lease Proposal for Lots 9A & 10A dated July 20, 2016
- i. GSFA Lease Application & Proposal
  - ii. Draft of Resolution 16-xxx Approving New Long-term Lease to GSFA

Patrick Plentikoff with Global Sustainable Seafoods of Alaska (GSFA) and Mayor of St. George Island attended telephonically and commented that the written information outlines with they are trying to accomplish and that at this stage the grant application looks favorable. He said they have been looking at Homer over the last three years as a location for a statewide operation and as a flag ship for other communities they hope to work with. They want to set up the new freezing system in Homer so that other communities who are interested can come in and “kick the tires” and see how it can benefit them. The freezing system is a new technology and not really utilized yet in the United States. He acknowledged the earlier comment about an issue with a system that has been in Alaska and is aware of it. It's their understanding there were difficulties with the system because it wasn't handled properly on the vessel it was placed on and the users didn't understand how to get the best use of it.

Mr. Plentikoff gave the Commission an overview of the Cells Alive System (CAS) that was developed in Japan and explained his experience visiting the factory in Japan that builds the systems. He noted the gentleman who invented the system has visited Homer on two or three occasions and recognized the promise the area has as a site for this project. In the island community he visited in Japan whose only commercial activity was oysters he learned how effective the freezing system is. Prior to the CAS freezing system this small island had no economy, young working people were leaving, and the population was decreasing. Once this freezing technology was introduced they were then able to



freeze the oysters which opened the opportunity to export by ferry and surface transport to mainland Japan, and now to China and emerging markets there. It has brought back the rebuilding of their community and it's now thriving. Having seen the operation there, he thinks it would work very well in his community of St. George Island and others around the state that need to build their economy. The CAS freezing system allows utilization of resources in small enough numbers that the value of the product is sold at a higher rate than normal and still manageable for smaller communities.

He acknowledged Mr. Hogan's concerns about the financing, and agreed it is a legitimate concern. They have certainly considered what could happen if things go south and they are working to secure other funds besides federal and state grant funds. They have looked at sources in the private sector and also resources and offers from international sources and are confident these will come in to play and be available to GSFA.

In response to questions Mr. Plentikoff explained with today's current fish freezing technology the cells within the product are punctured and break down. The Cells Alive System is a new technology in which anything you freeze, the cells do not break down and that maintains the quality and freshness of the product, whether it be fish, berries, or whatever over a longer period of time. When he visited the factory in Japan he ate oysters that had been frozen for five years and saw flowers that were frozen for about the same period of time. The oysters tasted and flowers looked just as fresh as the day they went in. It is phenomenal technology and he noted the inventor is working with the medical association in the US to look at the potential for freezing human organs for later transplant.

Regarding their operating plan, he explained they want to build modular facilities to ship to other communities in Alaska, and also bring people in to train and teach them at the facility to ensure they understand how to maintain and use the facility properly for different kinds of product they will be freezing. This technology hasn't been used in commercial numbers in the U.S. When he visited Japan to look at this system he was trying to find economic opportunity for St. George Island and this holds the best promise. After learning more about the system he believes it will benefit villages around Alaska in light of the fiscal problems the state is facing. When the systems are ordered from Japan it will take about three months to get it here, and then technicians will come for set up and training people to maintain and properly use the system for different products.

When asked how the system works, Mr. Plentikoff explained how the notion of this system was realized and that the inventor created a freezing process that uses a magnetic field to create a vibration so the water or liquid inside the cells of the product become extremely cold but don't freeze, but the product itself freezes. There are no ice crystals as a result of the freezing process and its ice crystals that puncture the walls of the cells causing them to bleed and die. It takes about 90 minutes to freeze about 600 pounds of fillets.

Question was raised if there is any danger from harmful products used in running these units like Freon or ammonia. Mr. Plentikoff confirmed with Andrey Khalakachan who was also on the telephone line that it uses standard Freon.

He confirmed they plan to do fish processing at their facility as well marketing and training to communities to get the CAS freezing systems. GSFA will have an exclusive arrangement to bring the technology to Alaska and make it available to other communities. He doesn't anticipate it will impact



the cost for processing fish and when people realize the quality of the product they will see the value in the system.

When asked about using government funding for the project Mr. Plentikoff said this is a discussion he hoped they could have in person. He noted what is happening in the Kuskokwim with one of the most expensive salmon processing facilities in the state shutting down leaving 200 permit holders not having anywhere to sell their fish. They have to find a funding model and this is an avenue to start.

Lastly Mr. Plentikoff anticipates this will create at least 20 jobs locally. Most will be in fish processing and when things get going, they will look at other pieces of land on the spit to construct the modules for other communities. He added that Homer is a good location for this because it has good surface transportation and an airport so it's an ideal location for what they are planning. The types of jobs beyond fish processing could include welders, carpenters, electricians, and more.

The Commission agreed to open the floor to the public to ask questions. Kevin Hogan asked how much money GSFA has in hand ready to commit to the project. Mr. Plentikoff said they have commitments from communities who want to build the facilities, but want to see the product first. They don't have money coming in from CDQ groups and are doing the best they can with having to go to the government to apply for grant funding. They have to meet all the criteria of the funding agency and if they are successful in getting the grant, the additional funding will come into place. As he indicated at the beginning they have commitments from lending institutions overseas, but if the question is if he has a million dollars in hand at this stage, he does not.

Chair Ulmer thanked them for the information and Mr. Plentikoff thanked the commission for the time to give a brief presentation and understands there will probably be more questions as they move forward. The teleconference call ended and discussion by the Commission ensued.

Commissioner Zimmerman noted the application addresses processing 20,000 pounds of fish per day and questions if the facility is capable of handling that. Commissioner Donich said back in '04-'06 Coal Point was doing between 15,000 and 20,000 pounds of sport caught halibut at the peak of the season. Mr. Hogan responded his operation could do 38,000 pounds of salmon, including freezing per day.

Commissioner Zimmerman expressed opposition to information he read about replatting the two lots into one, at least until they have a lease in place and are ready to build. Harbormaster Hawkins said the Lease Committee did not make a recommendation to replat and doesn't know why they would do it.

Commissioner Carroll added his concerns about tying up government money. In his time as a commercial fisherman he has seen numerous facilities sitting dead and idle throughout the gulf of Alaska that may have been built with government money.

When asked about his thoughts, Harbormaster Hawkins sees it from a perspective of diversification. He has been communicating with these folks for over two years, has done his own research on the system, and has come to think this is the next step in freezing and managing food. He thinks Homer has an opportunity to be cutting edge. He fully understands there is risk in this and the management



PORT AND HARBOR ADVISORY COMMISSION  
REGULAR MEETING  
JULY 27, 2016

of it, but it's true that any lease the City enters into could fail. It's key that the city does its best to protect itself from the risk in ways such as possibly requiring a bond to take land back to its original state if the project fails. However if it's successful Homer could further its position as a hub for seafood processing, transportation, jobs, and building these units to go out into villages. If we limit our risk and facilitate this like we do for other businesses, there is potential for this to move ahead. He added that this has been reviewed by our attorney and the City's role is guaranteeing to enter into the long term lease if GSFA gets the grant.

Commissioner Stockburger said he likes the diversity part of this proposal and the potential for small villages and CDQ groups to buy into the technology and become more efficient.

CARROLL/ZIMMERMAN MOVED THAT THE COMMISSION SUPPORTS THE LEASE COMMITTEES PROPOSAL.

STOCKBURGER/DONICH MOVED TO AMEND TO HAVE THEM PUT UP A BOND FOR REMOVAL OF THE BUILDING IF THINGS FAIL.

There was brief discussion explaining the process.

VOTE: (Amendment) NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was brief discussion about the lot line vacation.

ZIMMERMAN/STOCKBURGER MOVED TO INCLUDE THAT THE COMMISSION HIGHLY RECOMMEND THE CITY DOES NOT VACATE THE LOT LINE UNTIL THE LEASE IS A DONE DEAL AND THERE IS A REASON FOR IT.

There was no discussion.

VOTE: (Amendment) NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion on the main motion as amended.

VOTE: (Main motion as amended) YES: ULMER, ZEISSET, ZIMMERMAN, CARROLL, STOCKBURGER, DONICH

Motion carried.



**CITY OF HOMER  
HOMER, ALASKA**

Aderhold

**RESOLUTION 16-087**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
OPPOSING THE NATIONAL PARK SERVICE'S CLOSURE OF THE  
HOMER FIELD OFFICE FOR LAKE CLARK NATIONAL PARK.

WHEREAS, Homer, located just 65 air miles southeast of Lake Clark National Park and Preserve is a significant gateway to Lake Clark National Park and Preserve; and

WHEREAS, The National Park Service has operated a Lake Clark National Park and Preserve Field Office in Homer since 2006 to provide general information, programming and education about visiting the park, and communicate relevant information about scientific investigations in Lake Clark, Katmai, and Kenai Fjords national parks; and

WHEREAS, Homer is home to over fifteen authorized commercial use operator companies providing air taxi, bear viewing, sport fishing and camping services to visitors of Lake Clark, Katmai, and Kenai Fjords National Parks; and

WHEREAS, Businesses in visitor-related industries, such as lodging, restaurants and bars, guiding, and arts and entertainment make up a significant portion of Homer's economy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Homer, Alaska, that the Homer City Council opposes the National Park Service's proposal to close the Homer Field Office for Lake Clark National Park.

BE IT FURTHER RESOLVED that the Homer City Clerk is instructed to transmit a copy of this resolution to the Regional Director for National Park Service Alaska and the Alaska Congressional Delegation.

PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of August, 2016.

CITY OF HOMER

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MARY E. WYTHE, MAYOR



43 ATTEST:

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JO JOHNSON, MMC, CITY CLERK

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49 Fiscal Note: N/A





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Clerk

491 East Pioneer Avenue  
Homer, Alaska 99603

[clerk@cityofhomer-ak.gov](mailto:clerk@cityofhomer-ak.gov)

(p) 907-235-3130

(f) 907-235-3143

### Memorandum 16-126

TO: MAYOR WYTHER AND CITY COUNCIL

FROM: LIBRARY ADVISORY BOARD

THRU: RENEE KRAUSE, CMC, DEPUTY CITY CLERK

DATE: JULY 27, 2016

SUBJECT: REQUEST TO HOLD A SPECIAL MEETING

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In order to assist the City and do their part in helping reduce the overall budgetary requirements and at the request of City Council several years ago the Library Advisory Board reduced the number of meetings it conducted annually.

Over the last several years they have had difficulties in recruiting and retaining new members to the Advisory Board and have scheduled their meetings to best assist the Library Director, her staff and to make serving on the Advisory Board appealing to most members of the public in order to recruit and retain members while allowing the Advisory Board to address the issues and policy decisions necessary in a timely manner.

Due to unforeseen resignations and previously scheduled absences the Advisory Board is unable to obtain a quorum to conduct its August meeting which is normally used to address the upcoming year budget requirements and the Capital Improvement Plan along with any other business before the Board.

The Advisory Board's bylaws were amended to reflect that any request for a special meeting was to be approved by Council in order to abide by Council prior to scheduling.

The Library Advisory Board is respectfully requesting permission to schedule a special meeting in September.

#### Recommendation

Approve the Library Advisory Board request to have a special meeting in September.







# VISITORS







ANNOUNCEMENTS  
PRESENTATIONS  
BOROUGH REPORT  
COMMISSION REPORTS







## PUBLIC HEARING(S)







**CITY OF HOMER  
PUBLIC HEARING NOTICE  
CITY COUNCIL MEETING**

**2017 Budget Priorities and  
Ordinances 16-38(S), 16-39, 16-40, 16-41, and 16-42**

A **public hearing** is scheduled for **Monday, August 8, 2016** 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.

**Ordinances 16-38(S), 16-39, 16-40, 16-41, and 16-42 internet address:**  
<http://www.cityofhomer-ak.gov/ordinances>

**2017 BUDGET PRIORITIES**

**Ordinance 16-38(S)**, An Ordinance of the City Council of Homer, Alaska, Amending HCC 7.04.030, Traffic Fine Schedules, and Enacting Homer City Code Chapter 7.15, Animals in Vehicles, Regarding Animals in Vehicles; and Amending Homer City Code Title 20, Animals, Regarding the Regulation and Impoundment of Animals, and Penalties for Animal Violations. City Manager/Police Chief.

**Ordinance 16-39**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount Of \$5,000 from the Public Safety Building Fund for Public Information Campaign in Support of the Ballot Proposition to Issue General Obligation Bonds not to Exceed \$12 Million Dollars to Finance the Acquisition and Construction of a Police Station and Provide for an Increase in the Rate of City Sales Tax from 4.5% to 5.15% from April 1 through September 30 with the Increase Providing Funds to Pay Debt Service on the General Obligation Bonds and Expiring on September 30 the Year when the City has Received Sufficient Funds from the Increase to Pay all of that Debt Service, Including Information that may Influence the Outcome of the Election on the Proposition. Mayor.

**Ordinance 16-40**, An Ordinance of the City Council of Homer, Alaska, Transferring Recreational Powers to the Kenai Peninsula Borough for the Leasing of Borough Property as a Site for an Indoor Athletic Field. City Manager.

**Ordinance 16-41**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2016 Operating Budget to Provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds from the General, Water and Sewer and Port and Harbor Funds. City Manager/Finance Director.



**Ordinance 16-42**, An Ordinance of the City Council of Homer, Alaska, Enacting Homer City Code 10.04.115, Appeal from Port and Harbor Citation Issued Pursuant to Homer City Code Title 7 and Homer City Code Title 10. City Manager/Port Director.



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 at Homer City Clerk's Office. Copies of the proposed Ordinances are available for review at City Hall, the Homer Public Library, and the City's homepage - <http://clerk.ci.homer.ak.us>. Contact the Clerk's Office at City Hall if you have any questions. 235-3130, Email: [clerk@ci.homer.ak.us](mailto:clerk@ci.homer.ak.us) or fax 235-3143.

Jo Johnson, MMC, City Clerk  
Publish: Homer News: August 4, 2016

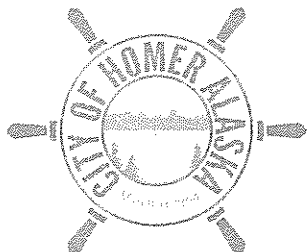


## CLERK'S AFFIDAVIT OF POSTING

I, Renee Krause, Deputy City Clerk for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for **Ordinance 16-38(S)**, Amending HCC 7.04.030, Traffic Fine Schedules, and Enacting Homer City Code Chapter 7.15, Animals in Vehicles, regarding Animals in Vehicles; and Amending Homer City Code Title 20, Animals, regarding the Regulation and Impoundment of Animals, and Penalties for Animal Violations; **Ordinance 16-39**, Appropriating Funds in the Amount of \$5000 from the Public Safety Building Fund for Public Information Campaign in Support of Ballot Proposition to Issue General Obligation Bonds Not to Exceed \$12 Million Dollars to Finance the Acquisition and Construction of a Police Station and Provide for an Increase in the Rate of City Sales Tax from 4.5% to 5.15% from April 1 through September 30 with the increase Providing funds to Pay debt Service on the General Obligation Bonds and Expiring on September 30 the Year when the City has Received Sufficient Funds from the Increase to Pay all of that Debt Service, Including Information that May Influence the Outcome of the Election on the Proposition; **Ordinance 16-40** Transferring Recreational Powers to the Kenai Peninsula Borough for Leasing of Borough Property as a Site for an Indoor Athletic Field; **Ordinance 16-41**, Amending the FY2016 Operating Budget to provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds from the General, Water and Sewer, Port and Harbor Funds; and **Ordinance 16-42**, Enacting Homer City Code 10.04.115, Appeal from Port and Harbor Citation Issued Pursuant to Homer City Code Title 7 and Homer City Code Title 10 was distributed to the City of Homer kiosks located at City Clerk's Office, and the Homer Public Library on Thursday, July 28, 2016 and posted the same on City of Homer Website on Wednesday, July 27, 2016.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 27th day of July, 2016.

  
\_\_\_\_\_  
Renee Krause, CMC, Deputy City Clerk









**ORDINANCE REFERENCE SHEET**  
**2016 ORDINANCE**  
**ORDINANCE 16-38**

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code Title 20, Animals, Regarding the Regulation and Impoundment of Animals, and Penalties for Animal Violations.

Sponsor: City Manager/Police Chief

1. Council Regular Meeting June 27, 2016 Introduction
  - a. Memorandum 16-111 from Deputy City Clerk as backup
  - b. Memorandum 16-114 from City Attorney as backup
  - c. Resolution 15-075
2. Council Regular Meeting July 25, 2016 Introduction Public Hearing and Second Reading
  - a. Memorandum 16-111 from Deputy City Clerk as backup
  - b. Memorandum 16-114 from City Attorney as backup
  - c. Resolution 15-075
3. Council Regular Meeting August 8, 2016 Public Hearing and Second Reading
  - a. Substitute Ordinance 16-38(S) as adopted by Council July 25, 2016
  - b. Memorandums 16-026 and 16-111 from Deputy City Clerk as backup
  - c. Memorandum 16-114 from City Attorney as backup
  - d. Resolution 15-075







**CITY OF HOMER  
HOMER, ALASKA**

City Manager/  
Police Chief

**ORDINANCE 16-38(S)**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,  
AMENDING HCC 7.04.030, TRAFFIC FINE SCHEDULES, AND  
ENACTING HOMER CITY CODE CHAPTER 7.15, ANIMALS IN  
VEHICLES, REGARDING ANIMALS IN VEHICLES; AND AMENDING  
HOMER CITY CODE TITLE 20, ANIMALS, REGARDING THE  
REGULATION AND IMPOUNDMENT OF ANIMALS, AND PENALTIES  
FOR ANIMAL VIOLATIONS.

THE CITY OF HOMER ORDAINS:

Section 1. The traffic offense fine schedule in Homer City Code Chapter 7.04.030,  
Traffic fine schedules, is amended by adding the following offenses and fines:

Code Section	Code Section Title	Fine per Day
7.15.010	Transporting animal	\$75
7.15.020	Animal interfering with vehicle operation	\$75

Section 2. Homer City Code Chapter 7.15, Animals in Vehicles, is enacted to read as follows:

Chapter 7.15  
ANIMALS IN VEHICLES

Sections:

7.15.010 Transporting an animal.

7.15.020 Animal interfering with vehicle operation.

7.15.010 Transporting an animal

No person may drive a motor vehicle when an animal is riding in or on the vehicle unless the animal is prevented from falling, jumping or being thrown from the vehicle by one of the following:

- a. confinement in the enclosed passenger compartment of the vehicle;
- b. confinement in an area within the vehicle that is fully enclosed or that is enclosed on all sides to a height of at least 46 inches above the floor;
- c. cross-tethering within the vehicle; or
- d. confinement in a secure container or cage.

**[Bold and underlined added. Deleted language stricken through.]**



7.15.020 Animal interfering with vehicle operation.

No person may drive a vehicle while holding an animal or with an animal in the person's lap or immediate area so as to unreasonably obstruct the view of the driver to the front or sides of the vehicle or so as to interfere with the driver's control over the driving mechanism of the vehicle.

Section 3. Homer City Code 20.04.020, Definitions, is amended to read as follows:

20.04.020 Definitions.

~~In~~ For the purposes of this title, the following words and phrases shall have the meanings respectively ascribed to them by this section:

"Animal" means a ~~all~~ domestic or domesticated member members of the animal kingdom.

"At large" means that an animal is at large when it is off the property premises of its the owner or keeper and is not in the company of or under the direct control of a the owner or keeper, a member of his family or other person to which the animal has been entrusted, by leash, cord or chain; provided, however, that such animal shall be deemed to be under control when under competent person voice control while actively engaged in an organized activity which requires that the animal not be physically restrained.

"Dog" means a member of the species *Canis familiaris* any dog (*Canis* sp.), whether neutered or nonneutered male, spayed or unspayed female.

"Kennel" means a commercial premises where four any person, group of persons, or corporation breeding, buying, keeping, selling, or boarding three or more dogs over four months of the age are owned, kept, boarded, bred or offered of four months, whether for sale profit or not.

"Large animal" means all cattle, horses, sheep, goats, swine or similar species commonly kept as livestock.

~~"License collector"~~ means the license collector who shall be the City Clerk, and shall include a person designated by the Clerk to act in her behalf.

~~License Year.~~ A "license year" shall commence on January 1st of each even-numbered year.

~~"Prior conviction"~~ means a Conviction. A "prior conviction" of a person for a violation of a provision of this title involving any animal owned or controlled by the person cited within a 24-month period preceding the date of the offense for which a citation of the person currently is pending date of the pending citation shall constitute a prior offense for penalty enhancement purposes.

"Quarantine" means the isolation of an a dog or other domestic animal in a substantial enclosure so that the ~~dog or other domestic~~ animal cannot be subject to contact with other animals or unauthorized persons.



**“Restraint” means any of the following: (i) physical confinement by leash, chain, fence, or building; (ii) under competent voice control when an animal is engaged in an activity or form of training requiring that it not be physically confined; or (iii) under competent voice control when an animal is on the property of its owner.**

**“Vicious animal” means an Animal. Any animal which when unprovoked has bitten or attacked a human being or another animal at any time without provocation shall be deemed vicious.**

Section 4. Homer City Code Chapter 20.08, General Animal Regulations, is repealed and reenacted to read as follows:

Chapter 20.08  
GENERAL ANIMAL REGULATIONS

Sections:

- 20.08.010 Animals at large.
- 20.08.020 Impoundment procedures.
- 20.08.030 Animals on harbor floats.
- 20.08.040 Nuisance animals.
- 20.08.050 Cruelty or injury to animals.
- 20.08.060 Boarding dogs at animal shelter.
- 20.08.070 Female animals in heat – Confinement required.
- 20.08.080 Abandonment of animals.
- 20.08.090 Maintenance and sanitation.
- 20.08.100 Adoption of shelter animals.
- 20.08.110 Disposal of animal at request of owner.

20.08.010 Animals at large.

a. No person may cause or permit an animal to be at large in a public street or alley, or on other public property, or on private property without the property owner’s consent.

b. No person other than the animal control officer or a peace officer performing duties under this title may release an animal from restraint without its owner’s consent, except to preserve the animal’s life. A person who releases an animal from restraint to preserve its life shall promptly report having done so to the animal’s owner or the animal control officer.

c. The animal control officer or a peace officer may capture or destroy by any means an animal at large that presents an immediate threat to public safety.

d. The owner of an animal that is at large may be cited for a violation of this section without the impoundment of the animal.

e. Except as provided in subsection (f) of this section, a violation of subsection (a) or (b) of this section with three or more prior convictions shall be punishable by a fine of not less than \$300.00 nor more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.

f. A violation of subsection (a) of this section where the animal is a large animal with one or more prior convictions shall be punishable by a fine of not less than \$300.00 nor more

**[Bold and underlined added. Deleted language stricken through.]**



than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.

#### 20.08.020 Impoundment procedures.

a. The animal control officer or a peace officer may capture and impound an animal that is at large in violation of HCC 2.08.010(a). The animal control officer or a peace officer may pursue an animal onto private property in the course of effecting its impoundment, and if necessary use a cage trap to capture an animal.

b. Immediately upon impounding an animal whose owner is known to the impounding animal control officer or peace officer, the officer shall make a reasonable effort to inform the owner of the impoundment and the conditions on which the owner may regain custody of the animal.

c. An animal that is impounded under the provisions of this chapter shall be held in the city animal shelter, and there confined in a humane manner for the applicable minimum period under subsection (d) of this section unless sooner claimed by the owner, and if not claimed by the owner thereafter may be, at the discretion of the animal control officer, offered to the public adoption or in the case of a large animal sold at public auction with public notice in the manner provided for the sale at execution of personal property in AS 09.35.140, or destroyed in a humane manner.

d. The minimum period for which an impounded animal shall be held at the animal shelter shall be:

1. For a dog that is impounded while wearing a city license, five days.

2. For any other animal, three days.

e. No impounded animal may be released from the animal shelter into the custody of its owner unless the owner has:

1. Paid all impoundment and boarding fees, and the cost of any veterinary treatment provided to the animal while impounded;

2. For a dog owned by a city resident that was impounded while not wearing a city dog license, either produced evidence satisfactory to the animal control officer that a current city dog license has been issued for the dog, or if the dog is unlicensed paid the fee for a city dog license for the dog; and

3. For a dog, either produced evidence satisfactory to the animal control officer that the dog has a current rabies vaccination, or paid the fee for a 30-day rabies vaccination voucher under HCC 20.16.030.

#### 20.08.030 Animals on harbor floats.

No person may bring, keep, or maintain an animal on the floats of the Homer small boat harbor, unless the animal is kept under physical confinement by leash or chain at all times. The person in control of the animal shall be responsible for cleaning and removing the animal's waste from the harbor floats. The City will charge the person in control of the animal for labor (minimum of one-half hour) required for cleaning and removing any animal waste that the person fails to clean and remove.

#### 20.08.040 Nuisance animals.

**[Bold and underlined added. Deleted language stricken through.]**



a. No person may cause or permit an animal that the person owns or controls to:

1. Annoy another person by interfering with the latter's sleep, work or reasonable right to peace and privacy by making repeated or continued noise;

2. Defecate, dig upon or injure private property owned by another person or a public street or alley, or other public property;

3. Frequently or habitually growl, snap at, jump upon or otherwise menace, injure or frighten another person who is not trespassing or otherwise violating the law; or

4. Chase, harass, or otherwise disturb or injure wildlife.

b. The animal control officer or a peace officer may impound an animal that is engaging in behavior described in subsection (a) of this section. A person may restrain an animal from continuing to engage in behavior described in paragraph (a)(4) of this section, and shall promptly surrender any animal so restrained to the animal control officer for impoundment.

c. A violation of subsection (a) of this section with three or more prior convictions shall be punishable by a fine of not less than \$300.00 nor more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.

#### 20.08.050 Cruelty or injury to animals.

a. No person may intentionally injure, torment, poison, provoke, or otherwise abuse an animal, including without limitation through a violation of HCC 7.15.010, Transporting an animal.

b. No person may intentionally kill an animal by injury, torment, poison, suffocation, decompression or other forms of abuse of the animal.

c. No person may maintain an animal without providing food, water, and shelter adequate to preserve the animal's health, or abandon an animal where it will not be provided proper food, water, shelter, and care.

d. No person may maintain an animal showing symptoms of infectious or contagious disease without keeping the animal confined in a building or secure enclosure and under proper care.

e. No person may cause an animal to fight another animal or human being, whether for amusement or financial gain; or train, or keep for the purpose of training, an animal for exhibition in combat with an animal or human being. No person may permit property that the person owns or controls to be used for any of the purposes described in this subsection.

f. No person may use a trap or snare within the city limits that can kill or injure a domestic animal except under the supervision of a state or federal wildlife agency addressing a specific nuisance wildlife issue, and with prior notice to the animal control officer of the name and contact information of each person who will be working the trap(s), and the type of trap(s) and the location of trap(s) being used.

g. No person may cause or permit an animal that the person owns or controls to molest or harass wild or domesticated animals.

h. The driver of a vehicle involved in an accident resulting in injury to an animal shall stop the vehicle as close to the scene of the accident as safely possible and inform the owner

**[Bold and underlined added. Deleted language stricken through.]**



of the animal of the accident and injury to the animal, if the animal's ownership is readily ascertainable. If the owner of the animal is not readily ascertainable, the driver shall inform the animal control officer or police department as quickly as reasonably possible of the accident and injury to the animal.

i. Notwithstanding any other provision of this section, the animal control officer, a peace officer or a licensed veterinarian may humanely euthanize an animal that in that person's opinion is so seriously ill or injured that medical treatment would needlessly prolong the animal's suffering; provided that if the animal bears identification of ownership, the animal control officer, law enforcement officer or licensed veterinarian first shall make a reasonable effort to inform the owner of the animal's condition and obtain the owner's consent to euthanizing the animal.

j. This section does not apply to: Impounding, destruction, or other disposition of an animal in a humane manner as authorized by law; killing or injuring an animal where necessary to protect a human being or domesticated animal from death or bodily injury; or the humane destruction of an animal by its owner or the owner's authorized agent.

k. A violation of subsections (a) through (h) of this section shall be punishable by a fine of not less than \$300.00 nor more than \$500.00, and the unsuspended portion of the fine shall not be less than \$300.00.

#### 20.08.060 Boarding dogs at animal shelter.

The Homer Animal Shelter may accept a dog for boarding if the following requirements are met:

a. The owner and dog must reside inside the City.

b. The owner pays boarding fees in advance for a maximum of ten days. The owner shall pay double the standard boarding fees for any time from the end of the time for which boarding fees were paid in advance until the owner claims the dog from the animal shelter.

c. The owner provides proof from a veterinarian that the dog has current vaccinations for rabies, parvo, distemper and Bordetella (kennel cough).

d. The owner exhibits proof that the dog has a current City dog license.

e. The owner reserves boarding space 24 hours in advance of the desired boarding time, and at the time of reservation space to board the dog will be available. The animal shelter will not board more than four dogs at a time.

f. The animal shelter may deny boarding to a dog that it determines to be sick, injured, vicious, or in heat.

g. Before the boarding time begins, the owner of the dog executes a boarding agreement including all the requirements in this section and an agreement to hold the Homer Animal Shelter and the City harmless and waive liability claims against the Homer Animal Shelter and the City.

h. All boarding costs shall be paid in full before the dog is released to its owner or designee.

i. The Homer Animal Shelter will not board dogs if any licensed private commercial boarding kennel is operating within the City and that facility has space available for animal boarding.

**[Bold and underlined added. Deleted language stricken through.]**



20.08.070 Female animals in heat – Confinement required.

Every female dog or cat in season shall be kept confined in a building or secure enclosure, or in a veterinary hospital or boarding kennel, in such a manner that such female dog or cat cannot come in contact with another dog or cat except for planned breeding purposes.

20.08.080 Abandonment of animals.

No person may intentionally abandon an animal including without limitation leaving the animal unattended outside of the animal shelter.

20.08.090 Maintenance and sanitation.

A person who owns an animal shall maintain all structures, pens and yards where the animal is kept, and all areas adjacent thereto, in a clean and sanitary condition and free from objectionable odor.

20.08.100 Adoption of shelter animals.

To minimize the destruction of animals, the City shall make unclaimed animals and animals turned in to the animal shelter for disposal available for adoption by any adult person except as restricted herein. The City may collect a fee for the adoption of each animal. The animal control officer may deny adoption of an animal to any person with a documented record of frequent violations of this title or a history of animal abuse, neglect, or housing animals in inhumane or unsanitary conditions. Frequent violation for purposes of this section shall mean three or more convictions in the last 24 months.

20.08.110 Disposal of animal at request of owner.

The animal shelter will accept an animal from its owner for disposal upon the owner's execution of a written consent agreement holding the City harmless from liability for the destruction of the animal. Upon execution of the agreement, the animal becomes property of the City and at the City's option may be disposed of by adoption or destruction in a humane manner. The City reserves the right to refuse to dispose of any animal.

Section 5. Homer City Code 20.12.010, License required – Issuance, is amended to read as follows:

20.12.010 License required – Issuance.

No **person may own, keep or harbor a dog over four months of age in the city that is not licensed** owner or harbored of any dog shall fail or neglect or refuse to obtain a license for such dog, as provided in this chapter. All dogs kept, harbored, or maintained in the City shall be licensed and registered if over four months of age. Dog licenses shall be issued by **The** the animal shelter **shall issue a dog license upon receiving an application stating the owner's** on payment of a license tax for each dog. The owner shall state, at the time application is made for such license, his name and address and the name, breed, color and

**[Bold and underlined added. Deleted language stricken through.]**



sex of ~~the~~ each dog, **a certificate from a licensed veterinarian that the dog has a current rabies vaccination, and payment of the license fee** owned or kept by him. **A dog license** Dog licenses shall be issued for a period of two years **that begins on** and shall run from January 1st of ~~an~~ each even-numbered year **and ends on** to December 31st of ~~the~~ **following odd** each succeeding uneven-numbered year. **The full license fee shall be payable for a dog license that is issued at any time during an even-numbered year** For dogs requiring licensing later in the license year, the license fee shall be the same as for a full two years, **and the fee for a dog license that is issued at any time during an** prior to January 1st of the succeeding odd-numbered year; and thereafter for the remainder of the license period, the license tag shall be one-half of the full license fee.

Section 6. Homer City Code 20.12.020, License tag to be worn and displayed, is amended to read as follows:

20.12.020 License tag to be worn and displayed.

Upon payment of the license fee, therefor, there shall be issued to **the animal shelter shall issue to** the owner of a dog a receipt for payment of the license **fee** and ~~the a~~ **license** tag for ~~the~~ each dog so licensed. The tag shall **bear** have thereon the years for which it was issued and a **number** corresponding **to the** number on the receipt. ~~The Every owner of~~ **a dog subject to licensing under this chapter** shall **cause the** provide each dog **to wear** with a collar or harness to which the license tag shall be affixed **at all times** and shall see that the collar or harness and tag are constantly worn. In case a dog tag is lost or destroyed another will be issued upon payment of a replacement fee. Dog tags are not transferable from one dog to another.

Section 7. Homer City Code 20.12.030, Counterfeit tags prohibited, is repealed.

Section 8. Homer City Code 20.16.010, Rabies vaccination required, is amended to read as follows:

20.16.010 Rabies vaccination required.

Every owner of a dog **over four months old** shall have ~~the~~ such dog vaccinated against rabies. ~~Upon making an application for a license for any dog, the owner shall furnish a certificate from a licensed veterinarian as proof of this vaccination. Notwithstanding the above, if the City Clerk determines that vaccine and veterinary services are not reasonably available, the City Clerk may issue any dog license without the furnishing of such certificate; provided, however, that the owner of each dog so licensed shall furnish proof of the vaccination to the issuing authority, within 60 days from the issuance of the license, or the license shall be deemed void and the owner in violation of this chapter.~~

Section 9. Homer City Code 20.16.020, Quarantine of rabid animals required, is amended to read as follows:

**[Bold and underlined added. Deleted language stricken through.]**



20.16.020 Quarantine of rabid animals required.

a. If a dog or other animal is believed to have rabies or to be vicious, or has been bitten by ~~a~~ dogs or other animals suspected of having rabies, ~~the~~ such dog or other animal shall be confined by a leash or chain in a substantial enclosure on the owner's premises and shall be placed under the observation of a duly licensed physician or veterinarian for 10 days at the expense of the owner. The owner shall notify a peace officer or animal control officer ~~of the fact that~~ **the** this dog has been exposed to rabies, and, ~~at his discretion,~~ the officer **may, at the officer's discretion, place** is empowered to have the dog moved from the owner's premises and placed under observation **in a designated isolation ward** at the animal shelter ~~or in a veterinary hospital~~ for the quarantine period at the expense of the owner. (Note: also see 7 AAC 27.020.)

b. ~~The~~ It is the duty of the Chief of Police **shall** to promptly notify the State Health Department Officer of the location and description of the dog or other animal having rabies or suspected of having rabies, **and**, ~~also to~~ supply the State Health Officer with the names and addresses of the persons who have been bitten, scratched or had any contact with the suspected animal.

c. **A peace officer may** ~~The Chief of Police or his deputies are empowered to enter upon any private property where a dog or other animal~~ **that is alleged to have bitten a person** is kept, ~~which dog or animal is alleged to have bitten any person,~~ to inspect, seize and impound ~~the~~ such dog **as provided** under the provisions stated in this chapter.

Section 10. Homer City Code 20.16.030, Rabies vaccination voucher authorization, is amended to read as follows:

20.16.030 Rabies vaccination voucher authorization.

The animal control officer **may** ~~is authorized to~~ collect **the fee** fees for, and issue to ~~an any dog~~ owner claiming **a dog** his animal at the **animal** shelter who is unable to provide adequate proof of current rabies vaccination **for the dog**, a "rabies vaccination voucher." This voucher shall be valid for 30 days, and within that period shall entitle the bearer to rabies vaccination for the **dog identified** thereon ~~named animal~~, at any licensed veterinarian agreeing to accept same. The City shall set fees for such voucher at the average rates currently being charged by all veterinarians licensed within the City. ~~In the event any person is unable to locate a veterinarian willing to accept the City vaccination voucher, the voucher fee shall be returned to that person after the voucher has expired and after that person provides evidence that he/she has otherwise obtained a rabies vaccination for the affected animal. The City is authorized to redeem all valid vouchers submitted by licensed veterinarians on a monthly basis for the standard fee set thereon.~~

Section 11. Homer City Code 20.20.010, Permitting animals to bite prohibited, is amended to read as follows:

20.20.010 Permitting animals to bite prohibited.

a. **No person may** ~~It is unlawful for any person to permit any animal~~ **that the person**

**[Bold and underlined added. Deleted language stricken through.]**



**owns or controls** to bite ~~a~~ any person **or another animal**, unless the person bitten is engaged in the commission of a criminal act. It is an affirmative defense **to a charge of violating this section** that the victim of the bite provoked the animal into biting, ~~or was that the person bitten while~~ was trespassing on the premises totally enclosed by **chain link** ~~chainlink~~ fencing, or similar density fencing, ~~and the bite occurred on these premises by an animal housed therein.~~ **A violation of this section shall be punishable by a fine of not less than \$300.00 and not more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.** Penalty: Class C infraction.

b. The City shall serve notice on the owner of ~~an~~ any animal which, ~~unprovoked~~, has bitten a person **or another animal without provocation, advising**. Such notice shall advise the owner that the animal is now a vicious animal and is subject to destruction if at large.

Section 12. Homer City Code 20.20.020, Destruction prohibited pending quarantine, is amended to read as follows:

20.20.020 Destruction prohibited pending quarantine.

No person ~~may~~ **shall** kill or maim ~~an~~ any animal which is known to have bitten ~~a~~ any person or animal **without the prior** unless consent ~~of~~ to do so has been granted by the Chief of Police. Nothing in **this section** the provisions of this chapter shall be construed to prohibit the killing of ~~an a dog or other~~ animal where such destruction is necessary for the protection of life and limb, or for the purpose of preventing a further attack. One of the purposes of the enactment of this chapter is to enable the Chief of Police to observe any dogs and other animals which have bitten any person or animal in order to determine whether the same are infected by rabies. **A violation of this section shall be punishable by a fine of not less than \$300.00 and not more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.** Penalty: Class E infraction.

Section 13. Homer City Code 20.20.030, Vicious animal, is amended to read as follows:

20.20.030 Vicious animal.

**No person may** ~~It is unlawful for any person to permit any vicious animal to:~~

a. **Permit a vicious animal to be** ~~Be at large within the limits of the City;~~

b. Knowingly or negligently permit ~~a~~ any vicious animal to bite any person unless the person bitten is in the act of committing a criminal offense;

c. **Permit a vicious animal to be** ~~Be~~ housed or transported in or on any motor vehicle ~~within the City limits~~ unless ~~the said~~ animal is muzzled to prevent the animal from biting any person. (Exception: vicious animals locked in the passenger compartment of a motor vehicle need not be muzzled if the windows are adequately closed to prevent the animal from exiting the vehicle);

d. **Permit a vicious animal to leave** ~~Leave~~ premises owned or controlled by the animal's owner or his agent (except as authorized in subsection (c) of this section) unless the animal is securely muzzled.

Any animal in violation of subsection (a) or (b) of this section shall, upon conviction of the

**[Bold and underlined added. Deleted language stricken through.]**



owner or the agent, for that offense, be immediately seized by the City and held for destruction. **A violation of this section shall be punishable by a fine of not less than \$300.00 nor more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.** Penalty: Class D infraction.

Section 14. Subsection (b) of Homer City Code 20.20.040, Administrative hearing procedures, is amended to read as follows:

b. A notice of administrative hearing shall be served upon the animal's owner or his designee under the procedures set for service of summons in a civil action. The notice shall specify the date, time, and location of the hearing. The hearing may not be less than **three days** ~~72 hours~~ following the service of the hearing notice on the animal owner or his designee.

Section 15. Homer City Code Chapter 20.24, Enforcement Authority--Interference, is amended to read as follows:

Chapter 20.24  
ENFORCEMENT AUTHORITY -- INTERFERENCE

Sections:

20.24.010 Enforcement.

20.24.020 Interference with enforcement officer prohibited.

20.24.030 Unauthorized removal of animals.

20.24.040 Tampering with City live traps prohibited.

20.24.050 Removal of quarantined animals prohibited.

20.24.060 Furnishing false information.

20.24.010 Enforcement.

This title may be enforced by any peace officer. Additionally, a private person may lawfully detain any animal in violation of ~~this title~~ the City ordinances provided **the person promptly notifies** ~~they immediately notify~~ the animal control officer; and surrenders the animal to the City animal control officer in compliance with **HCC 20.08.040(b)** ~~all provisions of HCC 20.08.030(d).~~

20.24.020 Interference with enforcement officer prohibited.

No person shall interfere with, oppose or resist any peace officer **or animal control officer** in the performance of his duties as provided in this title. **A violation of this section shall be punishable by a fine of not less than \$300.00 nor more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.** Penalty: Class D infraction.

20.24.030 Unauthorized removal of animals.

No person ~~may~~ shall remove or release any ~~dog or other~~ animal from the animal

**[Bold and underlined added. Deleted language stricken through.]**



shelter, animal control vehicles, municipal animal traps or from any other official custody without first obtaining permission to do so from the animal control officer or any peace officer of the City. **A violation of this section shall be punishable by a fine of not less than \$300.00 nor more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.** ~~Penalty: Class D infraction.~~

20.24.040 Tampering with City live traps prohibited.

No person may tamper with any City-owned or City-operated animal live trap. "Tampering" means removal or destruction of bait(s), tripping the door closure mechanism, obstructing the entryway so as to prevent animals from entering the trap, or the physical removal of the trap from its position. **A violation of this section shall be punishable by a fine of not less than \$300.00 nor more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.** ~~Penalty: Class D infraction.~~

20.24.050 Removal of quarantined animals prohibited.

No person ~~may~~, either by himself or agent, shall remove from the area animal shelter or any veterinary hospital, or from any other place, any animal which has been quarantined without the consent of the chief of police or animal control officer. **A violation of this section shall be punishable by a fine of not less than \$300.00 nor more than \$500.00, and the unsuspended portion of the fine shall not be less than \$100.00.** ~~Penalty: Class D infraction.~~

20.24.060 Furnishing false information.

~~No~~ It is unlawful for any person ~~may~~ to knowingly provide false information on any license application, adoption or disposal agreement, boarding agreement, citation, or any other official document being executed pursuant to this title. ~~Penalty: Class C infraction.~~

Section 16. Homer City Code Chapter 20.28, Kennels, is amended to read as follows:

Chapter 20.28  
KENNELS

Sections:

20.28.010 Kennels – Generally.

20.28.020 Kennel license – Required.

20.28.030 Kennel license fee.

20.28.010 Kennels – Generally.

a. No kennel shall be maintained or operated in such a manner as to constitute a nuisance to persons owning or occupying land in the vicinity of the land on which the kennel facility is operated or maintained.

b. Any complaint that a kennel is in violation of this chapter shall be referred to the **animal control officer** ~~Animal Control Officer~~. The **animal control officer** ~~Animal Control Officer~~ may inspect the facilities to determine whether such kennel constitutes a health

**[Bold and underlined added. Deleted language stricken through.]**



hazard, nuisance or otherwise violates this chapter. Such inspection shall be completed within seven days of the complaint.

c. If the **animal control officer** ~~Animal Control Officer~~ determines that the kennel complained of is a health hazard, violates this chapter, or is a public nuisance, or that dogs may not be safely kept therein, the owner shall be notified and shall be granted a reasonable length of time within which to remedy any deficiencies found and to comply with requirements of this chapter.

d. If, upon a second inspection after the expiration of the time granted in the notice, the kennel is still in violation, the **animal control officer** ~~Animal Control Officer~~ may then revoke any license previously issued for such kennel.

#### 20.28.020 Kennel license – Required.

a. No person **may** ~~shall~~ own or operate a kennel without first obtaining a **kennel** license. Application for such a **kennel** license shall be made to the **animal control officer** ~~Animal Control Officer~~.

b. Before a **kennel** license **is** ~~shall be~~ issued, the **animal control officer** ~~Animal Control Officer~~ shall inspect the kennel **to confirm that the kennel:**

**1. Has adequate shelter for the dogs from the elements;**

**2. Has adequate provisions for keeping the dogs on the owner's premises;**

**and**

**3. Has adequate provisions for keeping the premises in a sanitary condition.**

Upon finding that the kennel facility is in compliance with this chapter, the **animal control officer** ~~City Clerk~~ shall issue the license.

c. Such inspection of the kennel facility is to determine that the facility:

**1. Has adequate shelter for the animals from the elements;**

**2. Has adequate provisions for keeping the animals on the owner's premises;**

**and**

**3. Has adequate provision for keeping the premises in a sanitary condition.**

#### 20.28.030 Kennel license fee.

**A kennel license shall be issued for a period of two years that begins on January 1st of an even-numbered year and ends on December 31st of the following odd-numbered year.** The **full** license fee for a kennel shall be **payable for a kennel license that is issued at any time from January 1 of a even-numbered year through June 30 of the following odd-numbered year, and** for a two-year period, to become due in the same year as the license fees provided for in HCC 20.12.010; however, the fee for **a kennel license that is issued in an odd-numbered year on or** the remainder of the license year after the first of July **1** of odd-numbered years shall be one-half of the full **license** fee. The kennel **license** fee shall be in lieu of a **dog** license fee for each individual **dog** animal **that is kept at the kennel;** however, **each dog that is kept at the kennel shall be subject to** all other requirements **for the issuance of a dog license** that would normally apply to license an animal shall apply. Each animal kept at the kennel shall be considered licensed under the kennel license so long

**[Bold and underlined added. Deleted language stricken through.]**



as it remains at the kennel. **The owner of a dog that will remain in the city must obtain a dog license for the dog when it ceases to be kept at the kennel.** ~~Penalty: Class B infraction.~~

Section 17. Homer City Code Chapter 20.30, Records, is enacted to read as follows:

Chapter 20.30  
RECORDS

Sections:

20.30.010 Records.

20.30.010 Records.

a. The animal control officer shall maintain complete and detailed records of the following as required by city contract:

1. The issuance and revocation of licenses under this title;
2. All animals brought into the custody of the animal shelter by impoundment or otherwise;
3. The disposition of all animals in the custody of the animal shelter;
4. Rabies immunizations vouchers issued;
5. Reports required by or made pursuant to this title;
6. Investigations of violations of this title;
7. Monies received for fees and charges imposed by this title; and
8. Notices of violation, including the disposition thereof.

b. The animal control officer shall not disclose the identity of a person who surrenders an animal to the animal shelter or claims or adopts an animal from the animal shelter unless the animal control officer determines that protection of the public health, safety or welfare requires such disclosure.

c. At the request of the animal control officer, an animal owner shall authorize the owner's veterinarian to release animal medical records related to a specific animal control investigation.

Section 18. Subsection (c) of Homer City Code 20.32.010, Animal control fee schedule, is amended to read as follows:

c. Animals being adopted shall be **properly licensed and vaccinated** ~~spayed or neutered, properly licensed and vaccinated. Associated fees shall be the responsibility of the adopting party.~~

Section 19. Homer City Code 20.32.020, Penalty provisions, is repealed, and Homer City Code 20.32.020, Fine schedule, is enacted to read as follows:

20.32.020 Fine schedule.

Citations for offenses listed in this section may be disposed of as provided in AS 12.25.195-.230, without a court appearance, upon payment of the fine amounts listed below

**[Bold and underlined added. Deleted language stricken through.]**



plus the state surcharge required by AS 12.55.039 and AS 29.25.074. Fines must be paid to the court. The Rules of Minor Offense Procedure in the Alaska Rules of Court apply to all offenses listed below. Citations charging these offenses must meet the requirements of Minor Offense Rule 3. If a person charged with one of these offenses appears in court and is found guilty, the penalty imposed for the offense may not exceed the scheduled fine amount plus any surcharge required to be imposed by AS 12.55.039 and AS 29.25.074.

Code Section	Code Section Title	Fine per Day
20.08.010(a)	Animal at large	No prior conviction \$50; One prior conviction \$100; Two prior convictions \$200
20.08.010(b)	Unauthorized release of animal from restraint	No prior conviction \$50; One prior conviction \$100; Two prior convictions \$200
20.08.030	Animals on harbor floats	\$25
20.08.040(a)	Nuisance animals	No prior conviction \$50; One prior conviction \$100; Two prior convictions \$200
20.08.070	Female animals in heat	\$100
20.08.080	Abandonment of animals	\$100
20.08.090	Maintenance and sanitation	\$100
20.12.010	License required--Issuance	\$50
20.12.020	License tag to be worn and displayed	\$50
20.20.010	Permitting animals to bite	\$200
20.24.060	Furnishing false information	\$200
20.28.020	Kennel license--Required	\$100

Section 20. This ordinance is of a permanent and general character and shall be included in the City code.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_ day of \_\_\_\_\_ 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

**[Bold and underlined added. Deleted language stricken through.]**



614 ATTEST:

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617 \_\_\_\_\_

618 JO JOHNSON, MMC, CITY CLERK

619 AYES:

620 NOES:

621 ABSTAIN:

622 ABSENT:

623

624

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626 First Reading:

627 Public Reading:

628 Second Reading:

629 Effective Date:

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633 Reviewed and approved as to form:

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636 \_\_\_\_\_

637 Mary K. Koester, City Manager

638

639 Date: \_\_\_\_\_

640 \_\_\_\_\_

\_\_\_\_\_  
Holly C. Wells, City Attorney

Date:





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Clerk

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[clerk@cityofhomer-ak.gov](mailto:clerk@cityofhomer-ak.gov)

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### Memorandum 16-026

TO: MAYOR WYTHE AND THE HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

THROUGH: KATIE KOESTER, CITY MANAGER

DATE: FEBRUARY 1, 2016

SUBJECT: FINAL REPORT AND RECOMMENDATIONS FROM THE SUSTAINABLE ANIMAL CONTROL REVIEW COMMITTEE

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The **Sustainable Animal Control Review Committee (SACRC)** met at least once monthly from October 2015 through January 2016. There was considerable public interest in this committee and members of the public attended the meeting on a regular basis. The purpose of the committee was to look at ways to operate the shelter more economically.

The SACRC recommended **fee changes** for the animal shelter to the Homer City Council, which were included and passed in the December 2015 budget process. The fees for the shelter had not been examined in many years and the committee felt these new fees will make the shelter more sustainable.

**City liability** was another issue the committee examined. The contract the City of Homer has with the contractor needs modification the next time an RFP is issued. The attorney recommends eliminating a specific paragraph in the contract (Page 16 Section V. Item C.) because the city cannot mandate contractor performance. It would be wise to review the content of the whole contract before issuing the RFP next December. Patrick Lawrence contacted AMLJIA and they suggested increasing the value of the insurance policy the contractor holds. The contractor has taken steps to increase the coverage in the new year.

The SACRC understands the city is in the process of changing the city **website**. While this activity is going on, the SACRC recommends that the city include links to the Animal Shelter contractor and Homer Animal Friends. Also the committee felt there would be more compliance with license purchase if an option to purchase the license were available online and all fees were clearly posted online.

**Maintenance** of the shelter was discussed. The city maintains the shelter and the contractor operates the shelter. Proper maintenance will sustain the building. The contractor and the Public Works department have discussed improved maintenance visits and communication. The HVAC system



maintenance was discussed in detail. The committee recommends cleaning the HVAC system once a year and perhaps twice a year.

Another way the committee felt the shelter could operate more economically was to have local **veterinarians** become involved. As a result of the SACRC process, the Homer Veterinary Clinic will be providing on-site support monthly to help the shelter contractor and volunteers meet the ASV (Association of Shelter Veterinarians) Standards of Care in Animal Shelters using ASPCA (American Society for the Prevention of Cruelty to Animals) checklists. This work will be provided pro-bono by staff veterinarians and licensed veterinary technicians.

**Safety issues** were considered. Limiting the city's liability was a topic of discussion. The committee looked at OSHA compliance and recommended an OSHA consultation in the future. The SACRC felt this voluntary visit by OSHA should be postponed for a few months, until the contractor feels they would benefit the most.

There are numerous **grants** available to nonprofit animal shelters that would provide considerable assistance to the operation of the shelter. The committee contemplated how the City of Homer could qualify for these grants, given the shelter is run by a contractor and the city does not operate the shelter. At this time, SACRC did not determine a way to qualify the shelter for these grants but the committee would encourage the new city grant writer to further examine possibilities for grants.

The committee examined other ways to **save funds** such as shelter specific software for financial tracking and records management. Improved tracking of income from the shelter will allow improved oversight of costs in running the shelter.

The SACRC felt that **education of the public** would also improve shelter operation. The committee understands the city intends to add informational brochures with bills in the future. To that end, a community volunteer from Homer Animal Friends has developed an informational brochure about the shelter and its fees to be included in the bills in the future.

**Volunteers** assist in smooth operation of the shelter. This topic was addressed in a myriad of ways. Most importantly, a Volunteer Release Form, per attorney advice, was developed to decrease city liability. The contractor reviewed their volunteer manual for both dog and cat care.

The committee looked at **Chapter 20** in the city code, which has not been updated since 1988. Time did not allow the committee to thoroughly review this chapter but there were several places in the code that members felt needed refining. For instance, there was nothing addressing safety of animals in open vehicles. The committee strongly encourages the City Council to update Chapter 20. City staff who participated on the committee is willing to assist with this and would solicit input from the contractor to provide recommended updates to the code in the future with Council's direction.

The SACRC did feel that the **most efficient operation** of the shelter would come from a city employee operating the shelter instead of a contractor.

Every member of the SACRC committee felt that it would be worthwhile for the city to continue an **Animal Shelter Review committee**. This committee would help the contractor with smooth



operation of the shelter and be a go between for the city and the contractor. The SACRC understands the council does not want to create new committees as a cost saving measure. The contractor has determined they will initiate a committee of their choosing to meet quarterly or as needed for shelter support.

As happens with committees, the scope of work seems to grow as members begin their work. There are numerous items that came up that could not be accomplished but we feel the process allowed us to work together raising awareness, soliciting input and establishing goals. Thank you so much for establishing this committee.









## City of Homer

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## Office of the City Clerk

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### Memorandum 16-111

TO: MAYOR WYTHE AND THE HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

THROUGH: KATIE KOESTER, CITY MANAGER

DATE: JUNE 21, 2016

SUBJECT: FINAL REPORT AND RECOMMENDATIONS FROM THE SUSTAINABLE ANIMAL CONTROL REVIEW COMMITTEE

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In August 2015 City Council established the Sustainable Animal Control Review Committee via Resolution 15-075 in an effort to strengthen the sustainability of the shelter as the City worked on the 2016 budget.

The Committee held their last meeting in January 2016 and in February made their final report and recommendations in Memorandum 16-026. Several of the committee's recommendations have been completed including an update of the animal shelter fee schedule, the contractor increased their liability insurance, and Veterinarians from the Homer Veterinary Clinic have been visiting regularly.

With permission from City Manager Koester, Lt. Will Hutt, former committee member Casey Moss, and I took on another recommendation of the committee and reviewed HCC Title 20. We considered the committee's suggestions and looked at municipal code for the City of Soldotna, City of Kenai, and Municipality of Anchorage. As a result, Ordinance 16-38 was written.

While a good portion of the language didn't change, we simplified and clarified definitions including Animals, Kennel, License Period, Prior Conviction, and Restraint. We also changed the order of some of the sections for a better flow.

Significant changes within the chapter include:

- Added more specific language regarding animals at large;
- Clarified Impound Procedures;
- Added reference to birds under Nuisance animals;



- Added more specific language and added reference to the penalty for cruelty and penalty to animals;
- Added a section specific to records;
- Increased penalty fees.

We also drafted an amendment to Title 7 Animals in Vehicles, specific to tethering animals riding in the back of a vehicle that is not enclosed; and prohibiting animals in the lap of a person operating a vehicle.

Lastly we propose adding impoundment fees for livestock. Livestock impoundment is referenced in Title 20, but currently there are no associated fees in the fee schedule.





Birch Horton Bittner & Cherot  
*a professional corporation*

## MEMORANDUM 16-114

**TO: JO JOHNSON  
CITY CLERK  
CITY OF HOMER**

**FROM: THOMAS F. KLINKNER**

**RE: REVISIONS TO HOMER CITY CODE TITLE 20**

**FILE NO.: 506,742.103**

**DATE: JUNE 16, 2016**

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Accompanying this memorandum is an ordinance revising HCC Title 20 regarding animals. The ordinance is based on a draft that you provided to us on May 31. I also expanded the scope of the revision to address some additional items in the current code. This memorandum explains my additional modifications.

### 20.04.020 Definitions.

- I retained a modified definition of the term “dog” because that term continues to be used in Title 20—for example, in the requirement of dog licenses.
- The revised definition of the term “kennel” confines the term to commercial facilities. Do you intend that kennel regulations apply only to commercial kennels, and not to a kennel that someone might operate as a hobby?
- I omitted the definition of “license period” because the term is not used in Title 20.

### 20.08.010 Animals at large.

- I omitted subsection (c) regarding abandoned animals, because that subject is addressed in HCC 20.08.080.
- I moved subsection (d) regarding pursuing animals on private property to HCC 20.08.020(a) because it related to impoundment procedure.
- HCC 20.08.020(g) regarding large animals has been integrated into HCC 20.08.020, impoundment procedures, and HCC 20.08.010(f) regarding penalties for violations of HCC 20.08.010(a).



- Penalties for violations under HCC Title 20, up to the level of Class C infractions, have been restated in a fine schedule in a new HCC 20.32. 030, as part of the effort to develop a fine schedule for City Code violations.

#### 20.08.020 Impoundment procedures.

- Throughout the revision, I have retained the term “peace officer”, as this is the more inclusive term for officials who may enforce the code. See AS 01.10.060(7):

(7) “peace officer” means (A) an officer of the state troopers; (B) a member of the police force of a municipality; (C) a village public safety officer; (D) a regional public safety officer; (E) a United States marshal or deputy marshal; and (F) an officer whose duty it is to enforce and preserve the public peace.

- This section does not prohibit any conduct, so it is unnecessary to state penalties for violating the section.

#### 20.08.040 Nuisance animals.

- The term “bird” is unnecessary, as it is included in the term “animal”. See HCC 20.04.020, defining “animal” as “all domestic or domesticated members of the animal kingdom.”
- Violations are categorized by number of prior convictions, as in the case of HCC 20.08.010.

#### 20.12.010 License required—Issuance. I have simplified the wording.

#### 20.12.020 License tag to be worn and displayed. I have simplified the wording.

20.16.010 Rabies vaccination required. I moved the requirement for a veterinarian’s certificate to HCC 20.12.010, as a requirement for the issuance of a dog license.

20.20.030 Vicious animal. I revised this section for clarification and grammatical consistency.

20.24.010 Enforcement. HCC 20.08.040(b) is the correct cross-reference in the revised Title 20.

20.28.030 Kennel license fee. I rewrote this section for clarity and simplicity. The section provides that the reduced kennel license fee goes into effect on July 1 of the second year, while under HCC 20.12.010 the reduced dog license fee goes into effect on January 1 of the second year. I assume that this difference is intentional.

20.32.020 Fine schedule. This section collects fines for violations of HCC Title 20 that can be disposed of by bail forfeiture, in the form required by the Alaska Court System.



Let me know if you have questions.

TFK/







**CITY OF HOMER  
HOMER, ALASKA**

Roberts

**RESOLUTION 15-075**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
ESTABLISHING A SUSTAINABLE ANIMAL CONTROL REVIEW  
COMMITTEE TO STRENGTHEN SUSTAINABILITY OF THE  
SHELTER.

WHEREAS, The City has contracted out Animal Control services for over 30 years; and

WHEREAS, In 2005 with tremendous support and effort from the community and  
Homer Animal Friends, the City of Homer built a new Animal Shelter; and

WHEREAS, In these constrained fiscal times, it is prudent to review how the  
sustainability of providing animal control for the City of Homer can be strengthened; and

WHEREAS, It would be beneficial to establish a Sustainable Animal Control Review  
Committee (SACRC) to assist the City with increasing revenue and reducing expenses at the  
shelter.

NOW, THEREFORE, BE IT RESOLVED that the City of Homer hereby establishes the  
Sustainable Animal Control Review Committee (SACRC).

BE IT FURTHER RESOLVED that the Committee membership shall be the Mayor or one  
member of the City Council, the Police Chief or their designee, the Finance Director or their  
designee, a member of Homer Animal Friends, a Veterinarian licensed to practice in the State  
of Alaska, and a representative of the Homer Animal Shelter Contractor.

BE IT FURTHER RESOLVED that the committee should select within its membership a  
chairperson to run meetings and provide the clerk's office with agenda content, a vice chair  
in the chair's absence, and a secretary to take notes at meetings.

BE IT FURTHER RESOLVED that the scope of work shall include:

- Review of animal control fine and fee schedule
- Review of animal boarding policy
- Review of energy use at the shelter
- Review of opportunities for collaboration with Homer Animal Friends

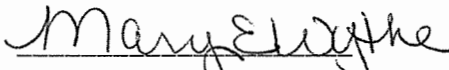


BE IT FURTHER RESOLVED that the Committee shall establish its own work schedule and shall be disbanded when the initial scope of work is complete or December 1, 2015, whichever comes first.

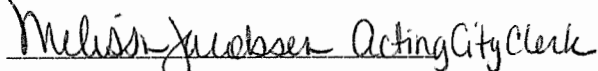
BE IT FURTHER RESOLVED that the City Clerk is authorized to advertise for parties interested in serving as the veterinarian and Homer Animal Friends member.

PASSED AND ADOPTED by the Homer City Council this 24<sup>th</sup> day of August, 2015.

CITY OF HOMER

  
MARY E. WYTHE, MAYOR

ATTEST:

  
JO JOHNSON, MMC, CITY CLERK

Fiscal information: N/A, existing budget





**ORDINANCE REFERENCE SHEET**  
**2016 ORDINANCE**  
**ORDINANCE 16-39**

An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount Of \$5,000 from the Public Safety Building Fund for Public Information Campaign in Support of the Ballot Proposition to Issue General Obligation Bonds not to Exceed \$12 Million Dollars to Finance the Acquisition and Construction of a Police Station and Provide for an Increase in the Rate of City Sales Tax from 4.5% to 5.15% from April 1 through September 30 with the Increase Providing Funds to Pay Debt Service on the General Obligation Bonds and Expiring on September 30 the Year when the City has Received Sufficient Funds from the Increase to Pay all of that Debt Service, Including Information that may Influence the Outcome of the Election on the Proposition.

Sponsor: Mayor/City Manager.

1. Council Regular Meeting July 25, 2016 Introduction
  - a. Memorandum 16-117 from Deputy City Clerk as backup
2. Council Regular Meeting August 8, 2016 Public Hearing and Second Reading
  - a. Memorandum 16-117 from Deputy City Clerk as backup







**CITY OF HOMER  
HOMER, ALASKA**

Mayor/City Manager

**ORDINANCE 16-39**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, APPROPRIATING FUNDS IN THE AMOUNT OF \$5,000 FROM THE PUBLIC SAFETY BUILDING FUND FOR A PUBLIC INFORMATION CAMPAIGN IN SUPPORT OF THE BALLOT PROPOSITION TO ISSUE GENERAL OBLIGATION BONDS NOT TO EXCEED \$12 MILLION DOLLARS TO FINANCE THE ACQUISITION AND CONSTRUCTION OF A POLICE STATION AND PROVIDE FOR AN INCREASE IN THE RATE OF CITY SALES TAX FROM 4.5% TO 5.15% FROM APRIL 1 THROUGH SEPTEMBER 30 WITH THE INCREASE PROVIDING FUNDS TO PAY DEBT SERVICE ON THE GENERAL OBLIGATION BONDS AND EXPIRING ON SEPTEMBER 30 THE YEAR WHEN THE CITY HAS RECEIVED SUFFICIENT FUNDS FROM THE INCREASE TO PAY ALL OF THAT DEBT SERVICE, INCLUDING INFORMATION THAT MAY INFLUENCE THE OUTCOME OF THE ELECTION ON THE PROPOSITION.

WHEREAS, City Council has previously shown through approval of Resolution 13-087(A) and Resolution 14-093 that having a new Public Safety Building was one of the top five Capital Improvements Projects and due to the decline in revenues, particularly from the State of Alaska, the City faces the probability of the project not receiving additional funding; and

WHEREAS, The City Council views the acquisition and construction of a new police station and related capital improvements as necessary and beneficial to the community, and determines that to fund such improvements general obligation bonds of the City should be authorized, issued and sold; and

WHEREAS, It is the Council's duty and desire to ensure all city voters are aware of the impact that issuing General Obligation Bonds and implementing a seasonal .65% sales tax would have on the construction and financing of the new Police Station and facilities; and

WHEREAS, AS 15.13.145(c)(2) permits the City to provide the public with nonpartisan information about a ballot proposition, but AS 15.13.145(b) prohibits the City from using funds to influence the outcome of an election concerning a ballot proposition unless the City specifically appropriates the funds for that purpose by ordinance; and

WHEREAS, The Alaska Public Offices Commission ("APOC"), which enforces AS 15.13.145, has interpreted nonpartisan information permitted under AS 15.13.145(c)(2) very



narrowly, so that the City cannot inform the public fully about the effects of the ballot proposition to issue general obligation bonds in an amount not to exceed \$12 million dollars and increase the sales tax seasonally .65% April 1 through September 30 to pay debt service without including information that APOC likely would categorize as influencing the outcome of the election on the ballot proposition.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The City Council hereby appropriates funds from the Public Safety Building Project Fund Balance to provide public information on the ballot proposition to issue General Obligation Bonds Not To Exceed \$12 Million Dollars to finance the acquisition and construction of a police station and provide for an increase in the rate of city sales tax from 4.5% to 5.15% from April 1 through September 30 with the increase providing funds to pay debt service on the general obligation bonds and expiring on September 30 the year when the city has received sufficient funds from the increase to pay all of that debt service, including information that may influence the outcome of the election on the proposition.

Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
156-0337-5227	Public Information Campaign on Ballot Proposition	\$5,000.00

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

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_day of \_\_\_\_\_, 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK



83 YES:

84 NO:

85 ABSTAIN:

86 ABSENT:

87

88

89

90 First Reading:

91 Public Hearing:

92 Second Reading:

93 Effective Date:

94

95 Reviewed and approved as to form:

96

97 \_\_\_\_\_

98 Mary K. Koester, City Manager

99

\_\_\_\_\_

Holly C. Wells, City Attorney

100 Date: \_\_\_\_\_

Date: \_\_\_\_\_









## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Clerk

491 East Pioneer Avenue  
Homer, Alaska 99603

[clerk@cityofhomer-ak.gov](mailto:clerk@cityofhomer-ak.gov)

(p) 907-235-3130

(f) 907-235-3143

### Memorandum 16-117

TO: MAYOR WYTHE AND CITY COUNCIL

FROM: PUBLIC SAFETY BUILDING REVIEW COMMITTEE

THRU: RENEE KRAUSE, CMC, DEPUTY CITY CLERK I

DATE: JULY 7, 2016

SUBJECT: RECOMMENDATION ON FUNDING A PUBLIC INFORMATION CAMPAIGN THAT MAY INFLUENCE THE OUTCOME OF A BALLOT PROPOSITION TO ISSUE GENERAL OBLIGATION BONDS FOR THE PROPOSED POLICE STATION

---

The Public Safety Building Review Committee at their regular meeting on June 29, 2016 made a recommendation in favor of submitting a recommendation to Council to approve funds for a public information campaign that may influence the vote on the ballot proposition that will ask the voters to approve issuing general obligation bonds not to exceed \$12 million dollars and increase the city sales tax April 1<sup>st</sup> through September 30<sup>th</sup> from 4.5% to 5.15% with those increased funds going to pay down the debt service on the bonds issued.

Following is the excerpt of the minutes from that meeting.

A brief discussion ensued on Council requirement to approve the funding for the educational campaign for a Bond Request in the amount of \$5000.00 to be in compliance with APOC.

WYTHE/HOWARD – MOVED TO REQUEST COUNCIL APPROVE THE FUNDING REQUEST FOR THE EDUCATIONAL CAMPAIGN FOR THE BOND PROPOSITION IN THE AMOUNT OF \$5000

There was a brief discussion on this request already being submitted.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Committee member Howard requested a motion to approve the proposed program.

WYHTE/ROBL – MOVED TO APPROVE THE EDUCATIONAL CAMPAIGN AS PRESENTED.

There was no discussion.



VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

**RECOMMENDATIONS:**

Approve the Public Safety Building Review Committee request for \$5000 for the Public Information Campaign.



**ORDINANCE REFERENCE SHEET**  
**2016 ORDINANCE**  
**ORDINANCE 16-40**

An Ordinance of the City Council of Homer, Alaska, Transferring Recreational Powers to the Kenai Peninsula Borough for the Leasing of Borough Property as a Site for an Indoor Athletic Field.

Sponsor: City Manager

1. Council Regular Meeting July 25, 2016 Introduction
  - a. KPB Memorandum Re: KPB Ordinance 16-20
2. Council Regular Meeting August 8, 2016
  - a. KPB Memorandum Re: KPB Ordinance 16-20







**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**ORDINANCE 16-40**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,  
TRANSFERRING RECREATIONAL POWERS TO THE KENAI  
PENINSULA BOROUGH FOR THE LEASING OF BOROUGH  
PROPERTY AS A SITE FOR AN INDOOR ATHLETIC FIELD.

WHEREAS, SAH Soccer, Inc. dba Soccer Association of Homer has developed a plan to establish an indoor athletic field known as the South Peninsula Athletic and Recreation Center (SPARC) within the City; and

WHEREAS, The City's comprehensive plan Goal 5, Objective B, Implementation Item 3, supports establishment of a community recreation center; and

WHEREAS, The City commissioned the 2015 Parks, Art, Recreation and Culture (PARC) Needs Assessment which identified as the most significant priority space needs for year-round indoor recreational activities, including those within the scope of the SPARC indoor athletic field; and

WHEREAS, Soccer Association of Homer has proposed to locate the SPARC indoor athletic field adjacent to the Homer Middle School, repurposing a softball field area; and

WHEREAS, Soccer Association of Homer has applied to the Kenai Peninsula Borough for a negotiated lease of the approximately 3.5 acre site described above; and

WHEREAS, The Kenai Peninsula Borough may enter into a the proposed lease with Soccer Association of Homer only in the exercise of a power that the Borough has lawfully assumed; and

WHEREAS, The City of Homer has recreational powers and the Kenai Peninsula Borough does not have recreational powers within the City of Homer; and

WHEREAS, Under AS 29.25.010(7) and AS 29.35.310, the City may transfer a power to the Kenai Peninsula Borough by ordinance; and

WHEREAS, It is in the best interest of the City and its residents that the City transfer to the Kenai Peninsula Borough so much of its recreational powers as is required to authorize the Kenai Peninsula Borough to enter into the proposed lease with Soccer Association of Homer.



NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Pursuant to AS 29.25.010(7) and AS 29.35.310, the City transfers to the Kenai Peninsula Borough limited recreational powers for the sole purpose of authorizing the Borough to enter into a lease of an approximately 3.5 acre site adjacent to the Homer Middle School for the management, development, and maintenance of an indoor recreational facility. The Borough may exercise all powers and functions necessary or fairly implied in or incident to the lease of the subject land for the management, development, and maintenance of an indoor recreational facility. Nothing in this transfer otherwise limits or reduces the current recreational powers of the City.

Section 2. This ordinance shall be effective upon adoption, provided that the transfer of recreational powers in Section 1 is effective upon its acceptance by the Kenai Peninsula Borough.

Section 3. This Ordinance is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this \_\_\_\_ day of \_\_\_\_\_ 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK

AYES:

NOES:

ABSTAIN:

ABSENT:

First Reading:

Public Reading:

Second Reading:

Effective Date:



88 Reviewed and approved as to form:

89

90

91

92 \_\_\_\_\_  
Mary K. Koester, City Manager

93

94 Date: \_\_\_\_\_

\_\_\_\_\_  
Holly C. Wells, City Attorney

Date: \_\_\_\_\_









## KENAI PENINSULA BOROUGH

144 North Binkley Street • Soldotna, Alaska 99669-7520

Toll-free within the Borough: 1-800-478-4441

PHONE: (907) 262-4441 • FAX: (907) 262-1892

www.kpb.us

MIKE NAVARRE  
BOROUGH MAYOR

### MEMORANDUM

**TO:** Blaine Gilman, Assembly President  
Members, Kenai Peninsula Borough Assembly

**THRU:** Mike Navarre, Mayor *mn*  
Colette Thompson, Borough Attorney

**FROM:** *HT* Holly Montague, Deputy Borough Attorney

**DATE:** June 21, 2016

**SUBJECT:** Amendment to Ordinance 2016-20 authorizing a negotiated lease at less than fair market value

As reflected in an amendment memo in the assembly packet the proposed ordinance would lease a public asset for \$1.00/year to a private organization for recreational purposes. This raised issues of conveying a public asset for a private purpose as well as the borough not having recreational powers within the city of Homer. Therefore, it was proposed that the Kenai Peninsula Borough lease the land to the City of Homer which has recreational powers and the city in turn could sublet the property to SAH Soccer, Inc. (SAH). However, it would be more efficient and straightforward for the Kenai Peninsula Borough to assume a limited portion of the city's recreation powers for the purpose of leasing the borough land to SAH for an indoor soccer facility. This would avoid dual approval processes and another layer of government in administering the lease over the next 20–30 years. The lease will contain provisions that the facility be open and available to the general public and the Kenai Peninsula Borough School District will be allowed a certain amount of usage to further ensure the borough's land is being used for public purposes. The transfer of a power from a city to a second class borough is authorized by AS 29.25.010(7) and AS 29.35.310.

The administration respectfully requests the assembly approve the following amendments to this ordinance rather than the amendment memo submitted in the packet authorizing a lease to the City of Homer.

- Amend the title by deleting the language in ~~bold and stricken through~~ and adding the language in **bold and underline** below:

AN ORDINANCE **ACCEPTING A TRANSFER OF LIMITED RECREATIONAL POWERS FROM THE CITY OF HOMER AND** AUTHORIZING A NEGOTIATED LEASE AT LESS THAN FAIR MARKET VALUE WITH SAH SOCCER, INC. dba SOCCER



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ASSOCIATION OF HOMER OF APPROXIMATELY 3.5 ACRES OF BOROUGH LAND  
ADJACENT TO THE HOMER MIDDLE SCHOOL FOR THE DEVELOPMENT,  
MANAGEMENT AND MAINTENANCE OF A YEAR-ROUND INDOOR FIELD AKA  
“SOUTH PENINSULA ATHLETIC AND RECREATION CENTER”

- Amend the second whereas clause by adding the language in **bold and underline** below:

**WHEREAS**, the City of Homer commissioned the 2015 Parks, Art, Recreation and Culture (PARC) Needs Assessment which identified **as the most significant priority** space needs for year-round indoor **recreational** activities, including those within the scope of the SPARC indoor field; and

- Add the following four new whereas clauses before the last three whereas clauses as follows:

**WHEREAS, the Kenai Peninsula Borough comprehensive plan Goal 4.10 Objective 1 is to encourage coordination between the borough and cities which provide recreational facilities; and**

**WHEREAS, the City of Homer has recreational powers and the Kenai Peninsula Borough does not have recreational powers within the City of Homer; and**

**WHEREAS, AS 29.25.010(7) and AS 29.35.310 provides that a city may transfer a power to a second class borough by ordinance; and**

**WHEREAS, the indoor recreational facility would be located within the South Kenai Peninsula Hospital Service Area which has wellness program powers; and**

- Amend the second to last whereas clause by adding the language in **bold and underline** below:

**WHEREAS**, the Kenai Peninsula Borough Board of Education at its regularly scheduled meeting of June 6, 2016 recommended **the lease to SAH Soccer, Inc. for the development of an indoor soccer facility;** and

- Amend the Section 1 by adding the following finding in **bold and underline** below:

**The City of Homer has recreational powers and a vision for indoor recreational facilities while the borough does not have recreational powers within the city limits of Homer but has a land management division that routinely manages leases for a variety of functions.**



- Amend Section 3 by adding the language in **bold and underline** below:

SECTION 3. That the Assembly makes an exception to KPB 17.10.090 requiring classification prior to disposal. This exception is based on the following findings of facts pursuant to KPB 17.10.230:

1. Special circumstances or conditions exist.
  - A. KPB 17.10.080(A) states classification of property is for review, plan implementation and management purposes. The classification system designates the most appropriate uses for land and thereby guides borough management of such lands and implementation actions to provide for the identified uses. Classification immediately prior to disposal of borough land that has been specified for a certain use does not accomplish these purposes.
  - B. The land use will be restricted by the terms of the lease.
  - C. The proposed lease will facilitate a land use consistent with the prior field uses.
  - D. The property is zoned by the City of Homer such that uses must conform to that zoning and applicable conditional use permitting processes.
2. That the exception is necessary for the preservation and enjoyment of a substantial property right and is the most practical manner of complying with the intent of this chapter.
  - A. This ordinance authorizes subject land to be leased to the Soccer Association of Homer on a non-competitive basis, at other than market value, pursuant to KPB 17.10.100(I) and 17.10.120(D). Classification will be redundant and not serve a useful purpose based on the findings of No. 1 above.
3. That the granting of the exception will not be detrimental to the public welfare or injurious to other property in the area.
  - A. The use of the subject land for indoor field purposes will benefit the public **health and welfare by providing indoor recreational facilities** and is consistent with prior field uses.
  - B. The land is suitable for the proposed use and is compatible with adjacent land uses, subject also to city of Homer Zoning Codes.



- Add a new Section 8 by adding the language in **bold and underline** below:

**SECTION 8. That the Assembly hereby accepts from the City of Homer a transfer of limited recreational powers for the sole purpose of entering the lease which is the subject of this ordinance for the management, development, and maintenance of an indoor recreational facility. The borough shall exercise all powers and functions necessarily or fairly implied in or incident to the lease of the subject land for the management, development, and maintenance of an indoor recreational facility.**

- Amend the last section by deleting the language in ~~bold and stricken through~~ and adding the language in **bold and underline** below:

**SECTION 89. That this ordinance shall take effect immediately upon its enactment. the adoption of an ordinance by the City of Homer transferring the power specified in Section 8 of this ordinance using significantly the same language to transfer the power as set forth in Section 8.**



**ORDINANCE REFERENCE SHEET**  
**2016 ORDINANCE**  
**ORDINANCE 16-41**

An Ordinance of the City Council of Homer, Alaska, Amending the FY 2016 Operating Budget to Provide for Necessary Mid-Year Adjustments by Appropriating and Transferring Funds from the General, Water and Sewer and Port and Harbor Funds.

Sponsor: City Manager/Finance Director

1. Council Regular Meeting July 25, 2016 Introduction
  - a. Memorandum 16-118 from City Manager
2. Council Regular Meeting August 8, 2016 Public Hearing and Second Reading
  - a. Memorandum 16-118 from City Manager
  - b. Memorandum 16-132 from City Planner
  - c. Memorandum 16-134 from Finance Director
  - d. Insurance Distribution 2016
  - e. Department Budget Requests







**CITY OF HOMER  
HOMER, ALASKA**

City Manager/  
Finance Director

**ORDINANCE 16-41**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA,  
AMENDING THE FY 2016 OPERATING BUDGET TO PROVIDE FOR  
NECESSARY MID-YEAR ADJUSTMENTS BY APPROPRIATING AND  
TRANSFERRING FUNDS FROM THE GENERAL, WATER AND  
SEWER AND PORT AND HARBOR FUNDS.

WHEREAS, Due to budget shortfalls, the 2016 adopted budget was reduced significantly from the FY 2015 adopted budget including reducing line items to provide little cushion for unexpected expenses; and

WHEREAS, The City was able to save \$94,394 in FY 2016 that was not reflected in the 2016 adopted budget by competitively bidding insurance services; and

WHEREAS, It is necessary and appropriate to adopt a mid-year budget amendment in order to fully fund City operations, fund necessary expenditures from reserves and reflect insurance saving.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The City Council hereby allocates \$94,394 in reduced insurance expenditures between all City departments:

Transfer From:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
5221, 5222, 5223	General auto, property and Workers' compensation insurance	\$94,394

Transfer To:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
156-0384	City Hall Reserves	\$47,241
156-0375	General Fund Reserves	\$14,000
256-0378	Water Reserves	\$9,153
256-0379	Sewer Reserves	\$6,942
456-0380	Harbor Reserves	\$17,058



Section 2. The City Council hereby appropriates and transfers \$2,500 from the General Fund Reserve to the Library Tools and Equipment budget for the purchase of an Automated External Defibrillator and credit card processing machine and associated fees:

Transfer From:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
156-0375	General Fund Reserve	\$2,500

Transfer To:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
100-5231	Library Tools and Equipment	\$2,500

Section 3. The City Council hereby appropriates and transfers \$11,500 from the General Fund Reserve to the Finance budget for sending 2 staff to the 2016 Caselle conference and upgrading Caselle Financial Accounting software:

Transfer From:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
156-0375	General Fund Reserve	\$11,500

Transfer To:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
100-0120-5603	Employee Training	\$3,700
100-0120-5210	Prof & Special Services	\$7,800

Section 4. The City Council hereby appropriates and transfers \$15,000 from the Sewer Fund Reserve to fund unexpected sewer repairs:

Transfer From:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
256-0379	Sewer Reserves	\$15,000

Transfer To:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
200-0504-5210	Professional & Special Services	\$15,000



Section 5. The City Council hereby appropriates and authorizes the expenditure of \$8,000 from the Planning Reserve to fund an update to coastal erosion mapping for the City of Homer:

Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
156-0387	Coastal Erosion Mapping	\$8,000

Section 6. The City Council hereby appropriates \$10,500 from the Port and Harbor Depreciation Reserves for completing funding for security cameras at the Fish Dock originally authorized in 2013:

Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
456-380	Cameras at Fish Dock	\$10,500

Section 7. The City Council hereby appropriates \$40,000 from the Port and Harbor Fleet Reserves for the purchase of an F-450 vehicle for the Port and Harbor maintenance division:

Expenditure:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
452-374	F-450 Vehicle	\$40,000

Section 8. This is a budget amendment ordinance only, is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK



124 AYES:  
125 NOES:  
126 ABSTAIN:  
127 ABSENT:  
128  
129  
130 First Reading:  
131 Public Reading:  
132 Second Reading:  
133 Effective Date:  
134  
135  
136 Reviewed and approved as to form:  
137  
138  
139 \_\_\_\_\_  
140 Mary K. Koester, City Manager  
141  
142 Date: \_\_\_\_\_

\_\_\_\_\_  
Holly C. Wells, City Attorney

Date: \_\_\_\_\_





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

[citymanager@cityofhomer-ak.gov](mailto:citymanager@cityofhomer-ak.gov)

(p) 907-235-8121 x2222

(f) 907-235-3148

### Memorandum 16-118

TO: Mayor Wythe and Homer City Council  
FROM: Katie Koester, City Manager  
DATE: July 20, 2016  
SUBJECT: Midyear Budget Amendments 2016

---

Ordinance 16-41 makes necessary midyear budget adjustments. Budget amendment request forms from departments that give more project detail and justification can be found attached to the memo.

During the 2016 budget cycle, staff anticipated some midyear budget amendments would be necessary to help cover unanticipated expenses in 2016 as every line item was scrutinized heavily and any cushion for covering unexpected expenses removed. Nevertheless, I am pleased to request only \$14,000 in general fund expenditure adjustments for 2016. Furthermore, by renegotiating our contract with Alaska Municipal League Joint Insurance Association, the City was able to save \$94,000 in FY2016. My proposal is to divide those savings between a few modest requests from departments and City Hall reserves. As you recall, during the 2016 budget cycle the amount of money put aside in City Hall Reserves with the justification of eventual roof replacement at City Hall was diverted to help fund the Hickerson Cemetery expansion project.

The one budget request that I did not recommend funding was replacement of half of the public computers at the Homer Public Library. I am concerned about the budget uncertainty at this time. However, there is no question that new computers are needed; they are beyond their life cycle and get heavy use. This is something the City will have to address in the near future.

Enc:

2016 midyear budget requests from departments  
City of Homer 2016 Insurance Distribution









## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Planning

491 East Pioneer Avenue  
Homer, Alaska 99603

[Planning@ci.homer.ak.us](mailto:Planning@ci.homer.ak.us)

(p) 907-235-3106

(f) 907-235-3118

### Memorandum 16-132

TO: Mayor Wythe and Homer City Council  
THROUGH: Katie Koester, City Manager  
FROM: Rick Abboud, City Planner  
DATE: August 3, 2016  
SUBJECT: Ordinance 16-41 Mid-year Budget Amendments: Erosion Mapping

---

In response to questions about the proposed mid-year budget amendment requesting \$8,000.00 to be transferred from planning reserves for use to produce an updated GIS layer mapping Homer's coastal erosion:

This project proposes that the Research Reserve, working through UAA, create an update to previous work produced in 2003. The process of updating our mapping includes georeferencing data produced from other sources, photos from NOAA and Borough projects. Once the images are corrected for distortion using a coordinate reference system, they can be used to analyze the changes in time. Here we would be combining our past information with new information to give an updated estimate of erosion rates along our coastline.

This information is a valuable planning tool for the city and developers alike. We can evaluate the threat of coastal erosion to both existing and proposed private and public properties and infrastructure. The Planning Office is in the process of applying for mitigation funds from the state to purchase at-risk properties to then be dedicated for open space. Updated mapping will help in identifying the most at-risk properties which would qualify for funding.

Currently, the Borough has no plans to update the erosion mapping. We have timely data, which is unlikely to be updated any time soon. We have local expertise with this particular project. Planning reserve funds are adequate. I believe now is a good time to produce this valuable tool that will serve the community for many years.









# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Finance Department

491 East Pioneer Avenue  
Homer, Alaska 99603

[finance@cityofhomer-ak.gov](mailto:finance@cityofhomer-ak.gov)

(p) 907-235-8121

(f) 907-235-3140

## Memorandum 16-134

TO: Mayor Wythe and Homer City Council  
THROUGH: Katie Koester, City Manager  
FROM: John Li, Finance Director  
DATE: August 3, 2016  
SUBJECT: Ordinance 16-41 Mid-year Budget Amendments: Staff Training

---

1. Why we **Need** training:
  - a. Accounting Software is ever-evolving and becoming increasingly complicated each day. We simply cannot fulfill our responsibilities for accounting, auditing, and financial reporting purposes, and will fail to meet the regulatory compliances, if we are not proficient with the Accounting System. Individuals that are expected to perform such responsibilities need to be comfortable with the system. Training is necessary to allow individuals to gain such proficiency.
  - b. The Finance Department was significantly impacted by last year's budget cuts. The department is down by one FTE (from 7 to 6). The current 6-person staff has a combined 40 plus years of services ranging from 1 year to 17 years with the city. However, the current staff members had no formal in-class training for using the software. The company offers in-class and topic specific training annually. All current accounting and finance staff members in our neighboring city Soldotna, which uses same system as we do, have had off-site in-class training.
  - c. The 2015 middle year budget cut, the lack of cross-training in the past, and the three retirements in 2015 necessitated the much needed reorganization of the functionalities within the department. Four out of the five staff members who are responsible for the key functions - General Ledger, AP, Payroll, Utility billing, and Grant Accounting and Reporting have less than one year of experience to their respective positions.
2. We have the room in 2016 **Budget**:
  - a. **Cost Reduction**: The process of complete review of all fixed assets and the city's all insurance policies with AMLJIA brought about an \$189,000 savings in annual insurance premium. It will reduce the 2016 General Fund budgeted insurance premium cost by about \$61,000.
3. The **Value** we will get from various types of training:



- a. On-the-job training may seem to be the most economical way to gain knowledge and proficiency. It is certainly the most convenient way to implement a routine, and is an ongoing type of training. However, by itself, it is much less efficient in gaining a solid foundation, and much more costly from a long-term perspective. It is good for improvement when the foundation is already there.
- b. On-site (inviting software provider coming in) training is great as part of initial system implementation (no additional cost). It is also the best way to get more people trained at one time. However, it is almost cost prohibitive after the system implementation. We are partnering with Soldotna and Kenai to coordinate an on-site training in the near future.
- c. In-class training is relatively expensive. This is the reason we haven't budgeted for such training for the past four years. As I explained in the needs-justification section, it has become necessary.



**City of Homer**  
**Insurance Distribution - 2016**

<u>2016 Budget</u>	<u>General Fund</u>	<u>Water</u>	<u>Sewer</u>	<u>Harbor</u>	<u>Total</u>
CommercialGen Liab	51,248	8,599	6,840	21,164	87,851
WorkersCompensation	171,388	20,467	16,474	39,462	247,790
Auto Liability & Others	47,118	13,087	13,087	8,996	82,288
Property	20,194	16,748	8,273	40,153	85,368
Police	104,171				104,171
<b><u>Total</u></b>	<b><u>394,118</u></b>	<b><u>58,901</u></b>	<b><u>44,674</u></b>	<b><u>109,775</u></b>	<b><u>607,468</u></b>
	64.9%	9.7%	7.4%	18.1%	100.0%

<u>JIA FY 17 Quotes</u>	<u>Ext. Price</u>	<u>Discounts</u>		<u>Total</u>
CommercialGen Liab	74,555	4,228		70,327
WorkersCompensation	217,943	12,360		205,583
Auto Liability & Others	53,912	3,057		50,855
Property	85,206	4,832		80,374
Police	12,236	694		11,542
<b><u>Total</u></b>	<b><u>443,852</u></b>	<b><u>25,172</u></b>	<b><u>-</u></b>	<b><u>418,680</u></b>
<b><u>Yearly Savings</u></b>				<b><u>188,788</u></b>

<u>Savings Distribution</u>	<u>General Fund</u>	<u>Water</u>	<u>Sewer</u>	<u>Harbor</u>	<u>Total</u>
<u>6 month for FY 2016</u>	<u>61,242</u>	<u>9,153</u>	<u>6,942</u>	<u>17,058</u>	<u>94,394</u>







**CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016**

Requesting Department Library Date 6/27/2016

Level of Need: Urgent ☐ Essential ☒ Necessary ☐ Desirable ☐

**Request for Additional Personnel:**

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐

Part-time ☐ Hours Per Year \_\_\_\_\_

**Request Other Than Personnel:**

Description Credit Card Processing

Fund Name: General - 100

**(FINANCE DEPT WILL COMPLETE)**

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

**Total Personnel Cost**

Account Name: Library - 0145

Account # Equipment -- 5231

Estimated Cost: \$1,000

**Justification:**

First Data FD130 Terminal and monthly software support requested to enable acceptance of credit cards for payment of miscellaneous fees over \$10.

1) Credit card processing will improve our ability to collect fines and fees. Staff report patrons are often ready to pay their fees until they find out they can't use a credit card. If they don't have enough cash, they do not always come back to pay. We anticipate that improved collection of fines and fees will more than compensate for \$203/year in monthly fees to the card management company.

2) We hope to reduce the number of items sent to collection agency, which has not proven to be very effective. In the past year \$4,623 in unpaid bills over \$50 (for lost/damaged materials, administrative processing fees, and overdue fines) have gone to collections. However, only \$121 has been collected.

3) This will be more convenient for patrons, who frequently request credit card payment over cash. It will make it easier for patrons to pay for larger print jobs and non-residents to purchase temporary cards.

4) John U, Finance Director, recommends this action.

Requestor's Name: Ann Dixon

Department Head Approval: \_\_\_\_\_

City Manager Recommendation:

Approved

Denied

Comments

Kate Koester

Date 7.19.16



CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016

Requesting Department Library Date 6/27/2016

Level of Need: Urgent ☐ Essential ☒ Necessary ☐ Desirable ☐

**Request for Additional Personnel:**

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐ \_\_\_\_\_

Part-time ☐ Hours Per Year \_\_\_\_\_

**Request Other Than Personnel:**

Description AED Replacement  
(Automated External Defibrillator)

Fund Name: General -- 100

Account Name: Library -- 145

Account # Tools & Equipment -- 5231

Estimated Cost: \$1,500

**(FINANCE DEPT WILL COMPLETE)**

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

**Total Personnel Cost** \_\_\_\_\_

**Justification:**

The provider of our AED has discontinued service and parts. While it will continue to function, spare batteries and parts will not be available much longer. The new units are warranted for 8 years and the replacement pads are the least expensive in the industry (and have a 2 year shelf life). This information was not available until February of 2016 and so could not be budgeted for earlier.

Requestor's Name: Ann Dixon

Department Head Approval: \_\_\_\_\_

City Manager Recommendation:

Approved

Denied

Comments

Date 7.19.16

Kate Koehler



**CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016**

Requesting Department Finance Date 7/19/2016

Level of Need: Urgent ☐ Essential ☒ Necessary ☐ Desirable ☐

Request for Additional Personnel:

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐

Part-time ☐ Hours Per Year \_\_\_\_\_

Request Other Than Personnel:

Description Caselle Training

Fund Name: General Fund

**(FINANCE DEPT. WILL COMPLETE)**

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

**Total Personnel Cost** \_\_\_\_\_

Account Name: Finance

Account # 100-0120-5210

Estimated Cost: \$7,800

**Justification:**

Caselle Connect Upgrade & Excel Addin Functionalities

New Software Assurance Contract will cost additional \$1300 per month for 10 concurrent licenses (current cost is about \$1400 per month).

The request is for 6 month of FY 2016 = \$7800

Requestor's Name: John LI

Department Head Approval: \_\_\_\_\_

City Manager Recommendation:

Approved

Denied

Comments

Kate Koester

Date 7-19-16



CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016

Requesting Department Finance Date 7/19/2016

Level of Need: Urgent ☐ Essential ☒ Necessary ☐ Desirable ☐

Request for Additional Personnel:

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐

Part-time ☐ Hours Per Year \_\_\_\_\_

Request Other Than Personnel:

Description Caselle Training

Fund Name: General Fund

(FINANCE DEPT. WILL COMPLETE)

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

Total Personnel Cost \_\_\_\_\_

Account Name: Finance

Account # 100-0120-5603

Estimated Cost: \$3,646 3,700

Justification:

Caselle 2016 Annual Conference, October 12 – 13, 2016

Registration  $425 \times 2 = \$850$

Air tickets Homer to ANC  $250 \times 2 = \$500$

Air tickets ANC to Las Vegas  $360 \times 2 = \$720$

Hotel \$210 (tax included)  $\times 2 \times 3 = 1260$

Per diem (est.)  $158 \times 2 = \$316$

Transportation:  $17 \times 2 = \$34$

Total Costs = \$3,680

Class Schedule attached

Requestor's Name: John Li

Department Head Approval: \_\_\_\_\_

City Manager Recommendation:

Approved

Denied

Comments

Kate Koester

Date 7-19-16



CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016

Requesting Department

PUBLIC WORKS

Date

7/19/16

Level of Need:

Urgent

☐

Essential

☒

Necessary

☐

Desirable

☐

Request for Additional Personnel:

Position Title

Salary Range & Step

Full-time

☐

Part-time

☐

Hours Per Year

Request Other Than Personnel:

Description

ADDITIONAL FUNDS TO HELP  
PAY FOR DEEP SEWER REPAIR

Fund Name:

SEWER COLLECTION SYSTEM

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees

5102 Fringe Benefits

5103 P/T Employees

5104 Fringe Benefits P/T

5105 Overtime

Total Personnel Cost

Account Name:

200-0504-5210

Account #

PROF & SPECIAL SERVICES

Estimated Cost:

\$15,000

Justification:

SEWER SERVICE FAILED ON OCEAN DRIVE  
SERVICE TOO DEEP TO REPAIR WITH CITY EQUIPMENT  
CONTRACTOR HIRED WITH PROPER EQUIPMENT (COST ± \$30,000)  
CURRENT O & M BUDGET WAS \$30,000  
REQUEST BUDGET ADJUSTMENT OF \$15,000 SO WE HAVE  
ADEQUATE FUNDS AVAILABLE FOR REST OF YEAR.

Requestor's Name:

Department Head Approval:

City Manager Recommendation:

Approved

Denied

Comments

Date



**CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016**

Requesting Department Planning Date 6/20/2016

Level of Need: Urgent ☐ Essential ☐ Necessary ☐ Desirable ☒

**Request for Additional Personnel:**

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐ \_\_\_\_\_

Part-time ☐ Hours Per Year \_\_\_\_\_

**Request Other Than Personnel:**

Description Coastal Erosion mapping update

Fund Name: General Fund

**(FINANCE DEPT WILL COMPLETE)**

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

**Total Personnel Cost** \_\_\_\_\_

Account Name: Planning Reserves

Account # 156-0387

Estimated Cost: \$8,000

**Justification:**

Our coastal erosion mapping provides estimated annual erosion rates along the coast line and was last created using imagery produced in 2003. We now have new LIDAR from 2008, coastal photography from 2008, and KPB imagery from 2013. This new imagery will show the changes in the last 5 and 10 years. This mapping is used as a tool for land owners and developers to make informed decisions about purchases and development. The erosion rate derived from the mapping is also used to identify projects that may qualify for hazard mitigation funds.

Homer was the first community to have this coastal erosion mapping work done. Since then, most of the western Kenai Peninsula has been mapped and the process refined. We have found a reasonable cost estimate for specialized work and believe this is a good time to take advantage of the newer data.

Requestor's Name: Pick Abboud

Department Head Approval: \_\_\_\_\_

City Manager Recommendation: Katie Kester

Approved

Denied

Comments

Date 7.19.16



**CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016**

Requesting Department Port and Harbor Date 7-15,2016

Level of Need: Urgent ☐ Essential ☒ Necessary ☐ Desirable ☐

**Request for Additional Personnel:**

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐

Part-time ☐ Hours Per Year \_\_\_\_\_

**Request Other Than Personnel:**

Description Additional funding for the Fish Dock camera project

Fund Name: \_\_\_\_\_

**(FINANCE DEPT WILL COMPLETE)**

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

**Total Personnel Cost** \_\_\_\_\_

Account Name: Port and Harbor reserves

Account # 456-380

Estimated Cost: \$10,500

**Justification:**

The fish dock maintenance/safety camera task was approved for funding as a reserves project in 2013. Staff has been working on this as in house spare time assignment and we fully intend to complete this project before year end.

Now that Product and installation costs have been fully researched it has become apparent that we underestimated the total costs to install this new system and that additional funding is necessary to complete the project.

Requestor's Name: Bryan Hawkins

Department Head Approval: \_\_\_\_\_

City Manager Recommendation: Kate Koester

Date 7-19-16

Approved \_\_\_\_\_

Denied \_\_\_\_\_

Comments \_\_\_\_\_



*Back-up only*

CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2014

Requesting Department Port and Harbor Date 8-21, 2013

Level of Need: Urgent ☐ Essential ☐ Necessary ☒ Desirable ☐

Request for Additional Personnel:

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐ \_\_\_\_\_

Part-time ☐ Hours Per Year \_\_\_\_\_

Request Other Than Personnel:

Description Maintenance cameras for the Fish Dock

Fund Name: Port and Harbor reserves

(FINANCE DEPT WILL COMPLETE)

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

Total Personnel Cost \_\_\_\_\_

Account Name: \_\_\_\_\_

Account # 456-380

Estimated Cost: \$15,000

Justification:

This project will assist staff in managing what is a 24/7 operation on the fish dock. during hours when staff aren't present to observe and direct activities on city property. Or as in the case of damage , cameras will aid staff in assigning repair costs to the responsible parties.

Requestor's Name Bryan Hawkins

Department Head Approval: \_\_\_\_\_

City Manager Recommendation:

Approved

Denied

Comments

Katie Kester

Date 7-19-16



**CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016**

Requesting Department Port and Harbor Date 7/15/2016

Level of Need: Urgent ☐ Essential ☒ Necessary ☐ Desirable ☐

**Request for Additional Personnel:**

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐ \_\_\_\_\_

Part-time ☐ Hours Per Year \_\_\_\_\_

**Request Other Than Personnel:**

Description Replace 1992 plow/sanding truck

Fund Name: Fleet Reserves

Account Name: 452-374

Account # \_\_\_\_\_

Estimated Cost: \$40,000

**(FINANCE DEPT WILL COMPLETE)**

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

Total Personnel Cost \_\_\_\_\_

**Justification:**

Necessary fleet upgrade to a F-450 for the Port/Harbor maintenance department. We are asking for this in a mid term instead of in our regular budget because we would like to be able to make the purchase before January when our new 2017 approved budget would come into affect.

Requestor's Name: Bryan Hawkins

Department Head Approval: \_\_\_\_\_

City Manager Recommendation: Kate Koster

Date 7-19-16

Approved

Denied

Comments \_\_\_\_\_



CITY OF HOMER  
DEPARTMENT BUDGET REQUEST  
YEAR 2016

Requesting Department Library Date 7/11/2016

Level of Need: Urgent ☒ Essential ☐ Necessary ☐ Desirable ☐

**Request for Additional Personnel:**

Position Title \_\_\_\_\_

Salary Range & Step \_\_\_\_\_

Full-time ☐ \_\_\_\_\_

Part-time ☐ Hours Per Year \_\_\_\_\_

**Request Other Than Personnel:**

Description Replace 15 public-use computers

Fund Name: General -100

Account Name: Library - 145

Account # Computer Related Items - 5233

Estimated Cost: \$12,000

**(FINANCE DEPT WILL COMPLETE)**

5101 Permanent Employees \_\_\_\_\_

5102 Fringe Benefits \_\_\_\_\_

5103 P/T Employees \_\_\_\_\_

5104 Fringe Benefits P/T \_\_\_\_\_

5105 Overtime \_\_\_\_\_

**Total Personnel Cost**

**Justification:**

Half of the Library's 25 computers for public use are at the end of their life cycle and out of warranty in 2016. They were placed into service in 2012 and are very heavily used: 49,406 Internet sessions (on all computers) in 2015. Because they are all the same age, they are likely to fail around the same time. Depreciation funds were requested the past three years but not funded; thus we have no budget to replace these computers, heavily relied upon by many members of the public to job search, email, do taxes, apply for jobs and PFDs, create resumes, conduct business and research. Inability to replace these machines when they fail will result in long waits for access to remaining computers, which are themselves only one year newer. To purchase in bulk, we must buy in lots of 5 (15 this year, 10 next year.) Cost: 15 CPUs with Windows license + 15 monitor stands @ \$800 each = \$12,000.

Please note that patrons pay to print from these computers. Proceeds to the General Fund from printing (after expenses for ink and paper) in the past year were approximately \$3,340.

Note: Each computer has been rebooted on average 5,162 times over its lifetime, the equivalent of turning on and using a computer each work day for almost 20 years.

Requestor's Name: Ann Dixon

Department Head Approval: \_\_\_\_\_

City Manager Recommendation:

Date 7.19.16

Approved \_\_\_\_\_

Denied \_\_\_\_\_

Comments

Kate Koester  
insufficient funding available  
at this time - too much  
uncertainty



**ORDINANCE REFERENCE SHEET**  
**2016 ORDINANCE**  
**ORDINANCE 16-42**

An Ordinance of the City Council of Homer, Alaska Enacting Homer City Code 10.04.115, Appeal from Port and Harbor Citation Issued Pursuant to Homer City Code Title 7 and Homer City Code Title 10.

Sponsor: City Manager

1. Council Regular Meeting July 25, 2016 Introduction
2. Council Regular Meeting August 8, 2016 Public Hearing and Second Reading







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

3 City Manager

4 **ORDINANCE 16-42**

5  
6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
7 ENACTING HOMER CITY CODE 10.04.115, APPEAL FROM PORT  
8 AND HARBOR CITATION ISSUED PURSUANT TO HOMER CITY  
9 CODE TITLE 7 AND HOMER CITY CODE TITLE 10.

10  
11 WHEREAS, The Port and Harbor has revised the Port and Harbor Uniform Citation  
12 making it specific to offences that can be cited by the Harbor Enforcement Officer; and

13  
14 WHEREAS, The Port and Harbor Uniform Citation includes a 30 day appeal period and  
15 an appeal process is absent from city code.

16  
17 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

18  
19 Section 1. Homer City Code 10.04.115, Appeal from Port and Harbor Citation issued  
20 pursuant to Homer City Code Title 7 and Homer City Code Title 10, is enacted to read as  
21 follows:

22  
23 (a) A person who has been issued a citation for a violation of Homer City Code Title 7  
24 or Homer City Code Title 10 by the City of Homer Harbor Master, or their designee, may  
25 appeal that action to the hearing officer designated by the City Manager by completing an  
26 Administrative Hearing Request Form and delivering the form to the Homer City Clerk's office  
27 no later than 30 days after the issuance of the citation.

28  
29 (b) The hearing officer shall schedule an appeal hearing for the next available hearing  
30 date after the date of delivery of the Administrative Request Hearing Form to the City Clerk's  
31 office.

32  
33 (c) The appeal hearing shall be conducted informally and may be governed by such  
34 rules and procedures as the hearing officer may establish, except that:

35  
36 (1) Each party has the right to be represented by counsel.

37  
38 (2) Each party may present witnesses and evidence.

39  
40 (3) Each party and witnesses may appear in person or by telephone.

41  
42 (4) Each party may confront and question witnesses.



(5) The individual receiving the citation may testify in their own defense.

(6) Each party may subpoena witnesses.

(7) The hearing shall be open to the public.

(8) An electronic recording shall be made of the hearing.

(d) The hearing officer may exercise independent judgment as to the weight of evidence supporting or refuting the notice of violation or impoundment, and may exercise independent judgment on legal issues raised by the parties.

(e) No later than 30 days following the hearing the hearing officer shall issue a written decision including findings of fact and conclusions of law. Such findings must be reasonably specific so as to provide interested persons and, where appropriate, reviewing authorities, a clear and precise understanding of the reasons for the decision entered. The decision, findings of fact, and conclusions of law shall be forwarded to all parties to the appeal. A final appealable decision must indicate that it is a final order and that a party disputing the decision has 30 days to appeal.

(f) A final decision issued under subsection (e) of this section may be appealed to the superior court within 30 days after the date the decision was issued. For the purposes of this section the date of issuance is the date upon which the decision was mailed or delivered to the parties.

Section 2. This Ordinance is of a permanent and general character and shall be included in the City Code.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK



85 YES:

86 NO:

87 ABSTAIN:

88 ABSENT:

89

90 First Reading:

91 Public Hearing:

92 Second Reading:

93 Effective Date:

94

95 Reviewed and approved as to form.

96

97 \_\_\_\_\_  
98 Mary K. Koester, City Manager

\_\_\_\_\_  
Holly C. Wells, City Attorney

99

100 Date: \_\_\_\_\_

Date: \_\_\_\_\_

101

102

103 Fiscal Note: NA

104







## ORDINANCE(S)







# CITY MANAGER'S REPORT









## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Manager

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## Memorandum

TO: Mayor Wythe and Homer City Council  
FROM: Katie Koester, City Manager  
DATE: August 3, 2016  
SUBJECT: City Manager's Report - August 8, 2016

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### **Roger's Loop Trailhead**

The City has signed an agreement to purchase two pieces of property off of Roger's Loop that serves the Homer Demonstration Forest, provides year round access to the Baycrest trail system, and is key to providing future access to the City owned Diamond Creek property. \$65,000 for acquisition of this property was budgeted for in the 2015 budget out of HART trails and authorized in Resolution 14-118. The Parks and Recreation Advisory Commission has been advocating for acquisition of this piece for some time and will be pleased to see progress. Long term plans for this property are to pursue grants and volunteer labor to develop the vacant lots into a trailhead with amenities such as parking and a visitor kiosk.

### **Alaska North to the Future Volume V**

I am pleased to report that the books the City purchased an 8-page spread in, Alaska North to the Future Volume V have been published and delivered. I have a number of copies for the City to use as gifts when we have official visits. We were able to put this to good use on Tuesday, July 26<sup>th</sup> when the Teshio Sister City delegation met with City officials. This book will be used by communities across the state and state officials to promote Alaska. In addition, we will be given a link to the book to post the electronic copy on our website.

### **\$145,000 in Savings for Enterprise Fund**

The Enterprise experienced \$145,000 in unanticipated savings with the close out of the \$6 million dollar Cruise Ship Passenger Vessel Tax (CPV) grant we received in the 2011 State Capital Budget. The improvements of the \$6 million dollar project can be seen everywhere you turn on the Homer Spit and Downtown: restrooms on the Spit and Downtown, staging improvements for passengers, new fenders on the Deep Water Dock, new boardwalks and trails, and a new load and launch ramp. (See the attached project summary and benefits for more details). Part of the \$6 million dollar project was to provide a match to the Federal Dingel Johnson grant for replacement of the load and launch ramp (an over \$3 million dollar project). The City was required to come up with a local match of \$800,000. The City budgeted for \$600,000 to come out of the Enterprise reserves and the remaining \$200,000 by the CPV grant in Ordinance 14-27. Because a number of the CPV projects came in under budget, we were able to apply an additional \$144,000 of CPV grant money to the load and launch ramp match and recoup Enterprise expenses.



### **Termination of Lease Negotiations for Communications Tower on Homer Spit**

Resolution 15-049 (6/29/2015) authorized the City Manager to enter into lease negotiations with SpitwSpots to construct a communications tower on Lot 11 of the Homer Spit that they would own, operate and manage. The City values the improved communications that a tower on the Spit could provide for mobile, internet, and public safety. However, the City has not been able to reach an agreement with the company on specifics of the lease. After a year of negotiations, multiple meetings, letters, emails, and back and forth with draft lease versions, there are a number of technical and safety points where we have not been able to come to an agreement that is mutually satisfactory to both parties. Part VII of the Tower RFP states that "the City of Homer reserves the right to terminate negotiations with any proposer should it be in the City of Homer's best interest." Lease Committee members will deliberate how to best move forward and will advise whether or not they recommend reissuing an RFP.

### **Most Beautiful Library**

The Homer Public Library has put the City on the map again. In a July 29, 2016 online publication, Tech Insider, nominated the Homer Public Library as the most beautiful library in Alaska. The list highlights a library in each of the 50 states.

### **Soundview Project Receives TAP Grant Award**

I am pleased to announce that the City of Homer received a \$500,000 grant from ADOT&PF Transportation Alternative Program (TAP) for pedestrian safety improvements on Soundview Avenue. This, combined with a City of Homer match (\$200,000) will make the area much safer for children walking to school. As you recall, Council approved sidewalk and pedestrian safety improvements in the 2016 budget process. The City became aware of this grant opportunity as a way to leverage HART funds, save some money, and expand the project to bring the sidewalk all the way to the school. It was a very competitive grant with 42 applicants and only 8 awards. Credit goes to the community for bringing this needed improvement to Council's attention, Council for having the foresight to budget for it which allowed us to do preliminary engineering and be eligible for the grant, Jenny Carroll for pulling together a well written grant in a short time frame and Carey Meyer for providing all the technical information and project scope required. Because federal dollars are being used, there are additional environmental and permitting processes to go through that will push the construction start date to 2017. Once we receive a grant agreement, I will bring an ordinance before Council accepting the grant. We have been told this could take a few months due to DOT's internal processes. See attached press release for more information.

### **Investment Policy**

I regret that I had to cancel the investment policy worksession scheduled for today. Staff is overwhelmed and has not been able to put the time and attention into developing a 50-minute worksession that makes the best use of Council time. As you know, reviewing the investment policy to ensure that the City is receiving the highest rate of return while protecting the public's money has been on my radar since I was hired. Nevertheless, the City has a very robust investment policy on the books that is well within government standards and prioritizes safety (see attached HCC 3.10). When the Council has the time to dive into the



details, I anticipate you will need to give staff direction and make minor tweaks in lieu of a wholesale re-write. Thanks for your patience as staff and Council juggles the many time consuming issues we are dealing with.

### **Statewide Transportation Improvement Plan (STIP)**

Amendment Number 1 to the STIP was released by AKDOT&PF mid-July that delays/changes projects that are critical to Homer's downtown core: The amendment was released just days after DOT had an open house for the two projects which were summarized in the June 27<sup>th</sup> City Manager's Report. Full funding of Lake Street Rehabilitation has been delayed from 2018 to indefinitely (after 2019 is listed in the amendment). Rehabilitation of Pioneer Avenue has been eliminated entirely. DOT staff has informed us this project has been downgraded to a pavement preservation project which is funded as part of statewide appropriation, however we do not know at what funding level. City Planner Abboud has prepared comments on the STIP Amendment 1 (attached) that will be submitted after this Council meeting. Comments and/or additions from Council are welcome.

### **Alaska Municipal League Position Statements**

The July 25<sup>th</sup> City Manager's report included a copy of the AML Position Statement that was adopted at the 2015 AML Annual Conference. AML asked municipalities to review the Position Statement and submit a resolution if any amendments are recommended. No comments were received; therefore the City of Homer will not be forwarding recommendations on the Alaska Municipal League Position Statements (due by resolution August 12). The AML Legislative Committee will present final recommendations to be voted on by the membership at the 2016 AML Annual Conference in November.

Enc:

Cruise Ship Passenger Vessel Grant Project Summary  
Tech Insider: Homer Public Library  
Press Release: Soundview Project Receives TAP Grant Award  
HCC 3.10 Investment Policy  
City of Homer Comments on STIP 2016-2019 Amendment 1  
Letter of Support for Update to the Kenai Peninsula Borough Community Wildfire  
Protection Plans  
Legislative Update from Anderson Group  
Letter from Governor Walker RE: State Sales Tax  
Sprout Thank You Letter









## City of Homer

### Cruise Ship Dock & Passenger Facility Improvements Project Summary and Benefits

Homer's Port and Harbor is an Emerging Port for cruise ship based tourism. CPV funds for improvements to the deep water dock and upland amenities, making the port facilities safer, more efficient and attractive to cruise-ship passengers, has greatly lifted Homer's stature as a cruise destination port-of-call.

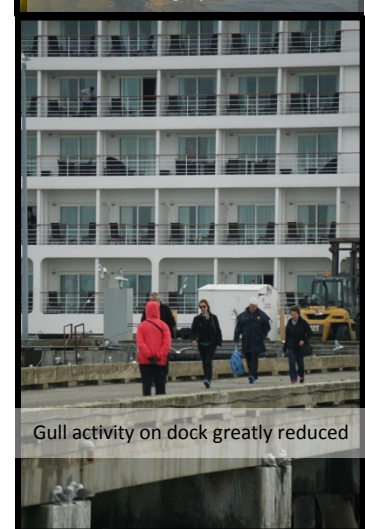
Port upgrades and their benefits include:

**Cruise Ship Dock Improvements:** A new heavy duty steel-framed plastic fendering system and floating camels were installed on the face of the Deep Water Dock, replacing its original, substandard timber fendering system. Tie-up bollards were also replaced. The new system facilitates docking maneuvers, protects large-class vessels pulling up to the dock and significantly reduces maintenance that was required to keep the old timber fenders in useful condition.

Modifications were also made to the dock's open I-beam support structure to deter hundreds of kittiwake seagulls from nesting in the ideal man-made environment, mitigating sanitary problems and offensive odors created by guano at the dock.

Because many cruise passengers may be older or disabled, ease of access is important. Many older tourists or those who are less mobile can find disembarking difficult, and may remain on the ship to avoid the trouble. The City of Homer utilized funding to improve accessibility and convenience for those embarking and disembarking. A broom attachment for the Port forklift (enabling dock cleaning prior to cruise ship arrival), a steel transition plate (to bridge a gap between the dock and the dock trestle) and Safetyflex sealant for concrete joints reduced slipping and tripping hazards, especially for less agile passengers, as they make their way to the staging area.

**Staging Area Improvements:** Before CPV funding, Homer's staging area, where passengers connect with ground transportation or embark on their own discover of the Homer Spit, consisted entirely of a dirt road riddled with rain-filled potholes and one outhouse to accommodate all. Now there is a facility at the approach to the Cruise Ship Dock providing basic visitor needs: a restroom, a guard house for security personnel and a covered area with seating for people waiting for buses. An access/circulation road for passenger pickup and drop off has been paved, providing access for those with limited mobility, and marked with crosswalks and pedestrian lanes, providing safe separation of pedestrians and traffic. Wayfinding signage orients and directs visitors new to Homer, welcoming them to a unique Alaskan port more interesting than a day at sea.





**Greater access to and accommodation for a variety of shore-side experiences:** Variety of experience is an important element to the cruise ship experience. Passengers seek a range of different activities and have different activity levels and capabilities. Many tourists choose to walk around the harbor and Spit staying close to port. Spit trail improvements, accomplished with both CPV and ADOT funds as part of this project, aid visitors trying to access recreational activities. ADOT funds replaced worn and broken boardwalk sections, and extended the trail around the harbor to Coal Pint Park just south of the cruise ship staging area (with commanding views across Kachemak Bay to the Kenai Mountains). CPV funds also provided for installation of a public restroom and bench accommodations at End of the Road Park and Spit Trail riprap at the Coal Point Park. Through, the new walkways include small bump outs for view finding, benches, banners displaying international maritime signal flags and interpretive signage to provide valuable access, wayfinding and open space for public enjoyment and recreation. (See improvement overview map, attached.)

Other passengers opt for trips into the center of town to experience Homer's downtown market areas and cultural institutions located primarily on and near Pioneer Avenue. Private companies provide scheduled shuttle service to and from the staging area, stopping at various locations in town. Prior to this project, Homer's town center had no public restroom facilities. Two public restrooms (one on the west and another on the east end of Pioneer Avenue) provide convenient facilities to accommodate visitor needs.

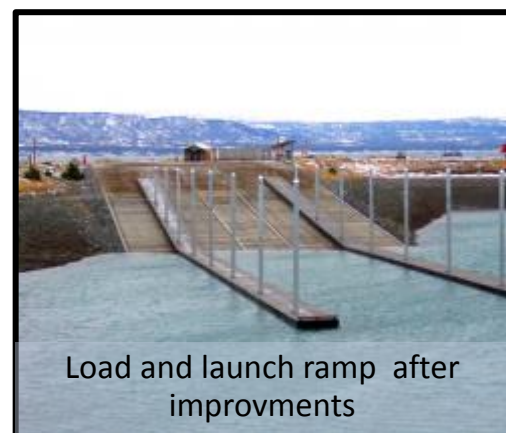


One of five new public restrooms



05/08/2014 15:30  
New Spit Trail boardwalk & banners

**Emergency Response Infrastructure Improvements:** Medical needs aboard a cruise ship are not uncommon, and when passengers' medical conditions or an emergency exceeds the ship's medical staff capabilities, Homer's emergency medical technicians are called to assist in transporting patients to land-based medical services. Homer Harbor's Load and Launch Ramp is an important evacuation/transport resource in these situations. CPV funds assisted with important repairs to the Load/Launch ramp, replacing the pitted, worn out concrete ramp with rebar showing through and upgrading the fingers. These improvements insure more gentle and safer patient transfers and preserves harbor infrastructure necessary for responding to emergency medical incidents occurring when a cruise ship is in port.



Load and launch ramp after improvements

Together, the improvements help stimulate the local economy by meeting existing cruise ship needs and providing safe, improved port-of-call opportunities to accommodate cruise ship passengers who contribute to retail sales and the City's economic base.











# TECH INSIDER

## The most beautiful library in each US state



CHRIS WELLER

JUL. 29, 2016, 4:01 PM

Alaska: The Homer Public Library won the 2007 Honor Award, AIA 2/50 Alaska Chapter, for its modern design and use of local materials.



*Homer Library*



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Published on *City of Homer Alaska Official Website* (<http://www.cityofhomer-ak.gov>)

## Soundview Avenue Project Receives TAP Grant Award



[1]

The City of Homer is pleased to announce the receipt of an FY2016 Transportation Alternatives Program (TAP) grant award from Alaska's Department of Transportation and Public Facilities (ADOT&PF) to improve pedestrian access and safety on Soundview Avenue.

The goal of the federally-funded TAP Program is to provide choices for non-motorized users that are safe, reliable, and convenient. TAP funds will supplement City of Homer funds to complete safety improvements on Soundview Avenue, providing a safe route to West Homer Elementary School.

In the 2016 budget, Homer City Council allocated funds for part of the project, filling in missing Soundview Avenue sidewalk sections between Mullikin Street and Cabana Court. TAP funds will allow the City of Homer to complete the project, providing a continuous Soundview Avenue sidewalk from Mullikin Street all the way to West Homer Elementary School and installing pedestrian safety and traffic calming features.

Soundview Avenue safety improvements have long been a top community priority. Only about ten years ago, children were not allowed to walk to West Homer Elementary School or Homer Middle School. The schools are located on the Sterling Highway, which, because it had no sidewalk qualified as a dangerous route making it illegal to send a child to school on foot on the roadway. That changed when DOT&PF extended sidewalks and installed a Sterling Highway waring signal at the Soundview Avenue intersection and the City of Homer extended the Sterling Highway sidewalk up Soundview Avenue to the school's entrance.

Over time, various subdivisions developed along Soundview Avenue, quickly transforming Soundview into a main neighborhood route to West Homer Elementary and Homer Middle School and a back-road short-cut through town to the Sterling Highway. Additionally, the various subdivisions developed with varying standards, creating a patchwork of disconnected sidewalk. Lack of sidewalks amidst increased traffic flow and traffic speed created a hazardous situation for children walking to school. Improving this final section of Soundview Avenue for pedestrian safety and accessible trail connectivity was first prioritized in Homer's 2004 Non-motorized Transportation and Trail Plan and persisted through Homer's 2005 Area Transportation Plan and current Comprehensive Plan.

Homer is pleased, with TAP grant support from AK DOT&PF, to bring this project to completion to insure our kids get to school safely and under their own power, and to improve accessible pedestrian trail connectivity in Homer's central core.



The grant agreement is expected to be finalized sometime this fall or winter after an environmental review, with construction projected for spring 2017.

**Source URL:** <http://www.cityofhomer-ak.gov/citymanager/soundview-avenue-project-receives-tap-grant-award>

**Links:**

[1] [http://www.cityofhomer-ak.gov/sites/default/files/styles/gallery500/public/imageattachments/citymanager/page/10141/family\\_at\\_guardrail\\_cropped.jpg?itok=Z-kyML39](http://www.cityofhomer-ak.gov/sites/default/files/styles/gallery500/public/imageattachments/citymanager/page/10141/family_at_guardrail_cropped.jpg?itok=Z-kyML39)



## **Chapter 3.10**

# **INVESTMENT AND COLLATERALIZATION OF PUBLIC FUNDS**

Sections:

- 3.10.010 Scope.
- 3.10.015 Objectives.
- 3.10.020 Delegation of authority.
- 3.10.030 Prudence.
- 3.10.040 Authorized investments.
- 3.10.050 Placement of City investments.
- 3.10.060 Diversification.
- 3.10.070 Collateralization.
- 3.10.080 Safekeeping.
- 3.10.090 Agreements.
- 3.10.100 Internal controls.
- 3.10.110 Reporting.
- 3.10.120 Definitions.
- 3.10.130 Governance of Homer permanent fund assets.

### **3.10.010 Scope.**

This chapter applies to the investment of all City monies, unless otherwise provided expressly by ordinance. [Ord. 93-14 § 3, 1993].

### **3.10.015 Objectives.**

The City investment portfolio shall be managed so that the portfolio, as a whole, meets the objectives set forth below. All persons selecting investments for City monies shall adhere to these objectives, which are listed in order of relative importance.

- a. Safety of principal;
- b. Maintain sufficient liquidity to meet the City's cash flow requirements; and
- c. Achieving a reasonable market rate or return.

Notwithstanding the above objectives, no person shall invest City monies in a manner which violates any provision of this chapter or the administrative procedures established hereunder. [Ord. 93-14 § 3, 1993].



### **3.10.020 Delegation of authority.**

Management responsibility for the investment program is hereby delegated to the Finance Director/Treasurer who shall establish written procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director/Treasurer. The Finance Director/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates. [Ord. 93-14 § 3, 1993].

### **3.10.030 Prudence.**

All persons having responsibility for making decisions regarding the investment of City monies shall utilize the same judgment and care, under the circumstances then prevailing, that an institutional investor would use in the conduct of an enterprise of a like character and with like aims, not for speculation but for investment, considering the probable safety of capital as well as the probable income to be derived in accordance with the stated objectives. [Ord. 93-14 § 3, 1993].

### **3.10.040 Authorized investments.**

a. City monies shall be invested only in the following instruments. All securities purchased by the City, and all other City investments, must mature not later than the time indicated below, measured from the date of the City's investment transaction:

1. U.S. Treasury securities – three years;
2. Other obligations by the U.S. Government, its agencies and instrumentalities – three years;
3. Repurchase agreements of acceptable securities listed in subsections (a)(1) and (2) of this section which meet a margin requirement of 102 percent; provided, however, the maturity limitations specified in those subsections do not apply if the securities in the repurchase agreement are marked to market daily;
4. Units of the Alaska Municipal League Investment Pool in accordance with an executed common investment agreement and in conformance with AS 37.23.010 through 37.23.900;
5. Certificates of deposit and other deposits at banks and savings and loan associations collateralized as provided in HCC 3.10.070 – three years;
6. Uncollateralized deposits at banks and savings and loan associations, to the extent that the deposits are insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation – three years;



7. Taxable bonds or notes which are issued by any state or political subdivision thereof, and which are graded AA or higher by Moody's Investor's Service, Inc., or Standard and Poor's Corporation – three years;

8. Commercial paper graded A1 or higher by Moody's Investor's Service, Inc., or P1 or higher by Standard and Poor's Corporation – 270 days;

9. Bankers' acceptances offered by banks rated at least "AA" by Moody's or Standard and Poor's;

10. Money market mutual funds whose portfolios consist entirely of instruments specified in subsections (a)(1), (2) and (3) of this section – with net asset value of \$1.00.

b. No person shall invest any City monies in any instrument which is not listed in subsection (a) of this section. This prohibition includes, but is not limited to, investment of City monies in any mutual fund (except as otherwise provided in subsection (a)(10) of this section), common or preferred stock, precious metals, zero coupon bonds, corporate bonds, option contract or futures contract.

c. This chapter represents the maximum amount of authority and discretion which the Finance Director/Treasurer may utilize in investing City monies. Nothing in this chapter shall be construed, however, to prohibit the Finance Director/Treasurer from adopting standards, rules, policies and procedures which are more restrictive than those contained in this chapter. The enumeration in this chapter of instruments which are authorized for City investments shall not be construed as requiring the Finance Director/Treasurer to invest in all or any particular instrument contained in said list at any given time. The Finance Director/Treasurer may invest in some or all of said instruments as deemed appropriate. Similarly, the enumeration of instruments which are acceptable as collateral for City investments shall not be construed as requiring the Finance Director/Treasurer to accept all or any particular instrument contained in said list at any given time. The Finance Director/Treasurer may accept some of said instruments, and reject others. [Ord. 93-14 § 3, 1993].

### **3.10.050 Placement of City investments.**

a. Because of rapid fluctuations of interest rates and the brief period of availability of some securities, bids may be solicited, received, and accepted, either orally or in writing. Solicitation, receipt, and acceptance of bids by telephone is authorized. In order for a bid to be responsive, it must meet all the specifications and requirements of the bid solicitation. The Finance Director/Treasurer shall not consider nonresponsive bids.

b. The Finance Director/Treasurer shall award a bid to the financial institution whose bid best fulfills the investment objectives contained in HCC 3.10.015, considering the City investment portfolio as a whole.

c. All securities transferred to or from the City, except securities transferred as collateral, shall be transferred using the delivery versus payment method. Securities transferred as collateral shall be



actually received by the custodial bank designated by the Finance Director/Treasurer who may require financial institutions to deliver collateral to a custodial bank prior to bidding on City investments. [Ord. 93-14 § 3, 1993].

### **3.10.060 Diversification.**

City investments shall be diversified to minimize the risk of loss resulting from overconcentration of investments in a specific maturity, a specific issuer, a specific class of security or a specific financial institution. Investments will be diversified to maintain a degree of liquidity. The Finance Director/Treasurer shall adopt administrative procedures to implement this section. [Ord. 93-14 § 3, 1993].

### **3.10.070 Collateralization.**

a. If City monies are invested in certificates of deposit or other deposits, the entire amount of principal and interest which will be payable to the City upon maturity of the investment must be collateralized by a combination of the following securities, at the following margin requirements and maturities:

<b>COLLATERAL TYPE</b>	<b>MARGIN REQUIREMENT</b>
1. U.S. Treasury securities with a maturity date 5 years or less from the date of the City's investment transaction.	102%
2. Actively traded U.S. Government agency or instrumentality securities, except mortgage pass-through securities with a:	
a. Maturity date 1 year or less from the date of the City's investment transaction.	103%
b. Maturity date between 1 and 5 years from the date of the City's investment transaction.	107%
3. Government National Mortgage Association mortgage pass-through securities.	120%
4. Obligations of the State of Alaska and its political subdivisions secured by the full faith, credit and taxing power thereof:	
a. Maturity date 1 year or less from the date of the City's investment transaction.	102%
b. Maturity date between 1 and 5 years from the date of the City's investment transaction.	107%
5. FDIC and FSLIC insurance.	100%
6. Securities underlying units in the Alaska Municipal Investment Pool.	

b. A financial institution shall not release, assign, sell, mortgage, lease, transfer, pledge or grant a security interest in, encumber, substitute or otherwise dispose of or abandon all or any part of pledged collateral without prior written authorization of the City. [Ord. 93-14 § 3, 1993].



### **3.10.080 Safekeeping.**

Procedures and criteria for selection of a custodial or safekeeping institution shall be established under HCC 3.10.020. Selection of an institution shall be in accordance with those procedures and the City purchasing code. The Finance Director/Treasurer shall enter into agreements with one or more financial institutions to provide custodial and safekeeping services for City investments. All investments purchased by the City and all securities used as collateral for certificates of deposit, or other deposits, shall be either held directly by the City, or held by a third party custodial bank as agent for the City. Collateral for overnight repurchase agreements shall be pledged to the City but may be held by the financial institution. [Ord. 93-14 § 3, 1993].

### **3.10.090 Agreements.**

Security agreements instituting this policy will be entered into prior to the purchase of a certificate of deposit or repurchase agreements. [Ord. 93-14 § 3, 1993].

### **3.10.100 Internal controls.**

The Finance Director/Treasurer shall establish a system in internal controls, which shall be documented in writing. The City's external auditor shall review and evaluate, at least annually, the system of internal controls to ensure that they are adequate for the purposes stated in this section. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees or officers. [Ord. 93-14 § 3, 1993].

### **3.10.110 Reporting.**

The Finance Director/Treasurer shall submit quarterly to the City Manager an investment report that summarizes the portfolio in terms of investment securities, maturities, risk categories, returns and other features. The City Manager shall present this report to the City Council in its entirety. [Ord. 93-14 § 3, 1993].

### **3.10.120 Definitions.**

As used in this chapter, the following definitions apply:

“Actively traded” means a security which is frequently bought or sold on a nationally recognized market.

“Bankers’ acceptances” means an order to pay a certain amount of money on a certain date and bearing an unconditional promise of a bank to pay the draft at maturity. Bankers’ acceptances are secured by the creditworthiness of the bank and a U.S. corporation as well as goods underlying the transaction.

“Commercial paper” means an unsecured promissory note of a corporation backed by a line of credit with a bank, issued for a specific amount and maturing on a specific day.



“Delivery versus payment” means that a security will be delivered to safekeeping before cash is paid for the security.

“Financial institution” means a bank, savings and loan association, or securities dealer.

“Margin requirement” means the amount by which the market value of the securities collateralizing a transaction exceeds the amount lent.

“Marked to market” means to value a security at its current sales price.

“Money market mutual funds” means a mutual fund which maintains a constant share price regardless of market fluctuations and which has an average maturity for its entire portfolio of one year or less.

“Net asset value” means the invested fund’s value remains the same. Any value above that is treated as income, i.e., invest \$1.00 today and withdraw \$1.00 tomorrow plus interest earned.

“Pledged” means specific securities set aside as collateral which are identified to a specific account.

“Repurchase agreements” means short-term transactions consisting of the purchase of a security with the promise to return it at a later date.

“U.S. Government agency or instrumentality securities” means obligations of the U.S. Government issued on behalf of U.S. Government departments through the Federal Financing Bank and securities issued by U.S. Government-sponsored enterprises or quasi-public corporations.

“U.S. Treasury securities” means a security that is backed by the full faith and credit of the U.S. Government. [Ord. 93-14 § 3, 1993].

### **3.10.130 Governance of Homer permanent fund assets.**

a. In investing and managing the monies of the permanent fund established pursuant to Chapter 3.12 HCC, the persons having responsibility for making decisions shall exercise the judgment and care under the circumstances then prevailing which an institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it, not in regard to speculation, but in regard to the long-term investment of funds considering the probable safety of capital as well as probable income, in accordance with the stated objectives of the permanent fund.

b. In order to ensure sound investment strategy, the City Council will take action in the following manner:

1. The City Council shall establish written investment policies by resolution which shall be adhered to without exception;



2. The City Council shall review the investment policies of the permanent fund at least once each year during the first quarter and shall, by resolution, re-adopt or modify said policies;
3. The City Council shall establish, by resolution, a plan for the allocation of investment assets each year that provides for the following:
  - a. That earnings available for annual appropriation and distribution shall be confined to the interest, dividends or coupon discounts derived from the investments of the fund. Realized or unrealized gains to the portfolio value are not considered earnings.
  - b. The portfolio of the growth sub-fund will be invested primarily in equities, and is exempt from HCC 3.10.040.
  - c. The portfolio of the income sub-fund will be invested primarily in bonds and the other fixed rate securities authorized by HCC 3.10.040.
  - d. The income sub-fund may be used as a revolving loan fund for various City capital projects as provided in Chapter 3.12 HCC.
  - e. That states portfolio duration, performance benchmarks, and the estimated percentage or amount of that year's earnings that would be necessary to retain to inflation-proof the fund principal;
4. The City administration shall maintain on file within the offices of the Finance Department monthly reports which indicate transactions affecting the investment account, to include, at a minimum, transfers of cash into and out of the account, and interest or dividends received by the account;
5. The City administration shall order an objective performance evaluation of the investment program every year;
6. The City administration shall retain one or more bank custodians to hold all investment cash and fixed income securities of the permanent fund and require that the custodians shall render monthly reports to the administration regarding assets held at both book and market values, and individual transactions which have taken place, that the banks shall have adequate fidelity insurance, and that written contracts be entered into between the City and the custodian banks. [Ord. 15-43(S) § 1, 2016; Ord. 13-25 § 1, 2013; Ord. 05-14(S) § 2, 2006].









## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Planning

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[Planning@ci.homer.ak.us](mailto:Planning@ci.homer.ak.us)

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July 29, 2016

State of Alaska Department of Transportation & Public Facilities  
Division of Program Development, ATTN: STIP  
PO BOX 112500  
Juneau, AK 99811-2500

RE: STIP 2016-2019 Amendment 1

The City of Homer would like to express its support for several projects in the 2016-2019 Draft.

### **Need ID: 23176, Pioneer Avenue Rehabilitation**

This project is in the heart of downtown Homer. Pioneer Avenue supports commercial development in the Central Business District and serves as a gateway to Homer's residential districts while providing access to East End Road. Several sections of the road are in need of constant repair and at times represent hazards and traffic needs to be directed out of the travel lane. Structural improvements are necessary to avoid the increasing failure of the pavement. The City of Homer is disappointed that this project has been reclassified as a "1R" project, but does encourage timely attention as part of the newly classified Pavement Preservation project, Need ID 18924, as we have been informed of its inclusion.

### **Need ID 23197, Lake Street Rehabilitation**

Lake Street is an essential connection and preferred truck route between the Sterling Highway and East End Road. It represents one of the three major surface transportation routes through Homer. Lake Street has not undergone a major rehabilitation project since 1997. The pavement routinely experiences major failures. The thin asphalt overlays applied to sections of the street in 2011 and 2013 are not expected to offer any structural correction of the deficiencies that will inevitably lead to reoccurrence of the annual failures. We would like the state to reject the proposal to delay the project till after 2019. Several public meetings have been held and a design has been produced that has been found to have the support of the city and residents. We urge the state to keep the project on the previous schedule and not introduce an indefinite delay.

### **Need ID: 2670, MP 157-169 Rehabilitation – Anchor Point to Baycrest Hill**

The Sterling Highway is the only land connection Homer has to the Alaska Highway System. This road is imperative to the livelihood of the City of Homer. The consistent serious and fatal crashes along the highway necessitate improvements. The proposed improvements should not only improve safety but will allow for some relief of congestion that is only predicted to worsen in years to come. The completion of this project demonstrates assurance that route will remain viable well into the future. While we are pleased with the phases that have been completed, we are disappointed that the improvements previously scheduled for 2018 have been delayed until after 2019. We believe that safety enhancements should not be indefinitely delayed and should proceed in a definitive time period.



**Need ID: Pavement and Bridge Rehabilitation**

The City of Homer wishes to express support for this program as the State of Alaska finds itself unable to proceed and continues to cut back on the more extensive restoration projects. It is of utmost importance to keep our surface transportation infrastructure from deteriorating to conditions that endanger the welfare and even the lives of those that depend upon them. We specifically encourage the expedient completion of Pioneer Avenue in Homer as part of this project.

Sincerely,

Rick Abboud, AICP  
Homer Alaska City Planner  
[rabboud@ci.homer.ak.us](mailto:rabboud@ci.homer.ak.us)





# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

491 East Pioneer Avenue  
Homer, Alaska 99603

(p) 907-235-8121

(f) 907-235-3140

August 9, 2016

Arlene Weber-Sword  
Western Wildland Urban Interface Grant Committee  
State of Alaska - Division of Forestry  
550 W. 7<sup>th</sup> St., Ste. 1450  
Anchorage, AK 99501

Subject: 2017 WWUI Application

Dear Review Committee:

We are pleased to support the efforts to update the Kenai Peninsula Borough Community Wildfire Protection Plans (CWPP). This project will establish multi-year guiding documents for the purpose of implementing present and future fire hazard mitigation measures as well as provide diverse land owners with the support documentation necessary to complete collaborative prevention and mitigation projects within the wildland/urban interface.

The City of Homer will participate in the process as a core partner. Homer Fire Chief Bob Painter, will attend meetings, provide council and historical documentation for the CWPP update to ensure that fuel reduction projects, reduction of structure ignitability, and homeowner educational programs are identified and prioritized.

As demonstrated in the Borough's 2017 WWUI application, our city has greatly benefited from many mitigation projects completed in the past, including removal of hazardous trees from the Bridge Creek Watershed, Homer's only fresh water source, and other hazardous trees surrounding areas of refuge identified in the planning process.

In closing, the City expects to contribute approximately \$1,300 in staff time and resources toward the completion of the CWPP update. I encourage the review committee to award the Borough's funding request for this much-needed project.

Sincerely,

Katie Koester, City Manager

cc: Mike Navarre, Mayor  
Brenda Ahlberg, KPB Community & Fiscal Projects Manager









## City of Homer

### Legislative Update

The 29th Alaska Legislature adjourned its fifth special session July 18 after eight days of continued disagreement over how best to address Alaska's fiscal situation. Actually, the focus ended up being more about whether or not to override the [Governor's budget vetoes](#). In the end, the necessary 45 votes for override weren't there and the various grievances over the Governor's revenue proposals drove House and Senate members to suspend the debate.

Generally, there are two narratives driving politics around the state's fiscal woes. One contends Alaska's state budget must first be "right-sized" before agreement can be reached on tapping the Permanent Fund Earnings Reserve and/or implementing new taxes for general state government use; the other insists certain industries must first contribute a greater share to the state treasury. Regardless, with unrestricted general fund revenue projected to cover less than 30% of expenditures through next year and reserve balances decreasing rapidly, the current stalemate will eventually lead to checkmate. It appears policy makers, for now, have resolved to let the fall elections provide a catalyst, tipping the scales one way or the other.

We will continue to monitor developments to determine potential impacts on the City, and will evaluate and advise on options for response, as necessary.







STATE CAPITOL  
P.O. Box 110001  
Juneau, AK 99811-0001  
907-465-3500  
fax: 907-465-3532



Governor Bill Walker  
STATE OF ALASKA

550 West Seventh Avenue, Suite 1700  
Anchorage, AK 99501  
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[www.Gov.Alaska.Gov](http://www.Gov.Alaska.Gov)  
[Governor@Alaska.Gov](mailto:Governor@Alaska.Gov)

July 25, 2016

Ms. Katie Koester  
City Manager  
491 East Pioneer Avenue  
Homer, AK 99603

Dear Ms. Koester:

I appreciate your letter regarding our proposed Sales Tax legislation and its potential impact on the City of Homer and other Alaskan municipalities. I want to clarify that our proposed bill, introduced for the 5<sup>th</sup> Special Session (HB/SB 5004), would not reduce the ability for a community to collect its existing taxes.

Last fall my Administration realized balancing the budget was not going to be possible with only cuts and restructuring of the Permanent Fund. Other tax revenues, to include a broad-based component, were going to be required. Our internal analysis resulted in the introduction of an individual income tax over the other broad-based options. The reasons for this were described in committee by the Department of Revenue as the following:

- 1) Sales taxes have traditionally been an important revenue source for Alaskan municipalities. We expected that there would be significant concern (as expressed in your letter) with the State also using this tax;
- 2) The cornerstone of any fiscal plan will likely reduce Permanent Fund Dividends. The reduction has a regressive impact, because lower income Alaskans lose a larger share of their income than higher income Alaskans. In contrast, an income tax is inherently more progressive, taking a larger share from the highest income households. Taken together, these two measures had the most balanced impact across all income levels.
- 3) Retail prices vary widely across Alaska, thus a fixed percentage sales tax would disproportionately impact shoppers in rural, higher-cost areas of the state.

Unfortunately, our income tax proposals did not receive serious consideration during the 2016 legislative sessions. Some legislators indicated they wanted to compare our income tax proposals side-by-side with a sales tax option. So, for the fifth special session, we provided them one.

The bill we introduced was structured in large part on HB 293 from the 23<sup>rd</sup> Legislature in 2003. This bill made it through two House committees before stalling, and it incorporated input from the



Ms. Katie Koester  
Sales Tax Proposal  
July 25, 2016  
Page 2

Alaska Municipal League at that time. However, there are a number of differences between HB 293 and HB 5004, largely related to what purchases are exempted.

Both HB 293 and HB 5004 propose a 5 percent State tax. However, HB 293 set a "maximum" combined tax rate of 8 percent between the State and municipal rates. If the municipal rate was above 5 percent, the State would initially collect less, but this would phase out over time, and eventually the municipality would have to reduce its rate to 5 percent. That feature is not in the current bill; we did not wish to reduce any municipal sales tax rates should this bill pass.

The other major feature of both HB 293 and HB 5004 is that the State would take over statewide collection and distribution of the general sales tax. Over several years, all governments would work towards a consistent set of definitions and exemptions so that items taxable in one jurisdiction would not be non-taxable in another. This would simplify and reduce the costs of local management. The bill, as written, proposed municipalities continuing the administration of any special sales taxes – for example alcoholic beverages or lodging.

Both an income tax and a sales tax would require a substantial investment of State resources to build and staff the new programs. Both bills had similar fiscal notes, with about \$15 million in up-front cost and staffing needs between 60 and 74 new employees. Because of this, it would be inefficient to add both new taxes. My Administration's preference is that we adopt an income tax to meet our needs for the broad-based tax component of any comprehensive fiscal solution. I intend to continue advocating for this as our preferred option. However, we will be open-minded to whatever gains acceptance by a majority of the Legislature. Therefore we must be prepared to implement a sales tax that is fair to municipalities, as well as to all Alaskans, should legislators ultimately choose that direction.

Thank you again for contacting me. I have heard from many municipalities about this important issue, and ask that you remain aggressively engaged in the legislative process to promote your desired outcome regarding a broad-based tax, as well as insisting that a fair and balanced overall fiscal plan is adopted as soon as possible. Please let us know if you require any additional information.


Sincerely,



Bill Walker  
Governor

cc: The Honorable Bob Harcharek, President, Alaska Municipal League



 Where families develop and grow.

# SPROUT

July 21, 2016

RE: City of Homer Grants Program

Dear Homer City Councilmembers,

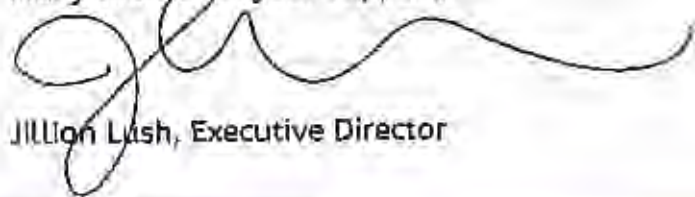
It is with deepest appreciation that I write you to thank you for supporting the non-profit sector. Sprout was a recipient of the 2016 City of Homer Grants Program through the Homer Foundation. We were able to use the money for so many things that impact our ability to serve our clients; the cities youngest citizens.

Sprout Family Services operates with mission to promote the healthy development of children and families. We do that through coaching and educating parents, coordinating community services for families, and providing therapeutic services to help children develop. Raising children can be really hard work so we join with families to help them flourish and grow. ALL young children (0-5) and their parents can benefit from the menu of comprehensive child development services Sprout offers our community. Currently, Sprout has 400 children enrolled in one or more programs.

The funds contributed to Sprout by the City allowed Sprout to improve outreach to families with children 0-5 years, by increasing our advertising and our publications. We created "Welcome Baby" gifts, including a video on the importance of early literacy, for little ones born at South Peninsula Hospital. We also used the grant to bolster our internal operations by adding an annual HIPAA training for staff and a new electronic database for client records.

The gifts from the City come at a critical time for non-profits in Homer. As the state begins to decline in its ability to fund social programs, it is crucial that our City continue to support these important supports to our community members. The years between birth and kindergarten are a vital time to lay the foundation for later success in school, work and relationships. Sprout Family Services is here to support families with children 0-5years, by offering information, activities, caring and qualified staff, and access to books, toys and other supplies. Thanks to the City of Homer, we can give more families the opportunity to grow up with Sprout.

Many thanks for your support,



Jillian Lash, Executive Director

3042 Bert Wilbur Lane, #10, Homer, Alaska 99615

(tel) 235.6044 | (toll-free) 1-877-235-BABY | [sproutalaska.org](http://sproutalaska.org) | (fax) 235.2602









# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Clerk

491 East Pioneer Avenue  
Homer, Alaska 99603

[clerk@cityofhomer-ak.gov](mailto:clerk@cityofhomer-ak.gov)

(p) 907-235-3130

(f) 907-235-3143

## Memorandum

TO: MAYOR WYTHE AND CITY COUNCIL  
FROM: RENEE KRAUSE, CMC, DEPUTY CITY CLERK  
DATE: AUGUST 2, 2016  
SUBJECT: BID REPORT

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### INVITATION TO BID FOR CITY-OWNED 2016 DREDGE MATERIALS

Sealed bids for the **City-owned 2016 Dredge Materials** will be received at the Office of the City Clerk, 491 E. Pioneer Avenue, Homer, Alaska 99603 **until 2:00 p.m. Thursday, August 18, 2016** at which time they will be publicly opened and read. The time of receipt will be determined by the City Clerk's time stamp. Bids received after the time fixed for receipt of the bid shall not be considered. All bidders must submit a City of Homer Plan Holders Registration form to be on the Plan Holders List and to be considered responsive.

### INVITATION TO BID FOR THE 2016 PAVING PROJECT

Sealed bids for the City of Homer 2016 Paving Project will be received at the Office of the City Clerk, 491 East Pioneer Avenue, Homer Alaska, **until 2:00 PM, Thursday, August 11<sup>th</sup> 2016**, at which time they will be publicly opened and read. The time of receipt will be determined by the City Clerk's time stamp. Bids received after the time fixed for the receipt of the bids shall not be considered. All bidders must submit a City of Homer Plan Holders Registration form to be on the Plan Holders List and to be considered responsive. Plan holder registration forms and Plans and Specifications are available online at <http://www.cityofhomer-ak.gov/rfps>

### INVITATION TO BID KACHEMAK DRIVE (PHASE III) WATER AND SEWER IMPROVEMENTS

Sealed bids for the construction of the Kachemak Drive (Phase III) Water and Sewer Improvements will be received at the Office of the City Clerk, City Hall, City of Homer, 491 East Pioneer Avenue, Homer, Alaska, **until 2:00 p.m. Thursday, September 1, 2016**, at which time they will be publicly opened and read. The time of receipt will be determined by the City Clerk's time stamp. Bids received after the time fixed for the receipt of the bids shall not be considered. All bidders must submit a City of Homer Plan Holders Registration form to be on the Plan Holders List and to be considered responsive. Plan holder registration forms and Plans and Specifications are available online at <http://www.cityofhomer-ak.gov/rfps>



## **REQUEST FOR PROPOSALS FOR OPERATION AND MANAGEMENT OF THE HOMER ANIMAL SHELTER**

Sealed proposals for Operation and Management of the Homer Animal Shelter will be received **until 4:00 p.m., September 16, 2016** at the office of the City Clerk, City Hall, City of Homer, 491 E. Pioneer Avenue, Homer, Alaska, 99603. The time of receipt will be determined by the City Clerk's time stamp. All proposers must submit a City of Homer Plan Holders Registration Form to be on the Plan Holder's List.



# CITY ATTORNEY REPORT







## COMMITTEE REPORTS







PENDING BUSINESS







**ORDINANCE REFERENCE SHEET**  
**2014 ORDINANCE**  
**ORDINANCE 14-18**

An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.03.04, Definitions Used in Zoning Code, the Title of Homer City Code 21.58 and Homer City Code 21.58.010, Purpose and Application; and Enacting Homer City Code 21.58.040, Communications Tower Requirements; to Define and Establish Standards for Communications Towers.

Sponsor: Zak

1. City Council Regular Meeting April 28, 2014 Introduction and Referred to Planning Commission
2. City Council Regular Meeting March 29, 2016 Returned from Planning Commission
  - a. Substitute Ordinance 14-18(A)(S) from Planning Commission
  - b. Memorandum 16-054 from City Planner as backup
3. City Council Regular Meeting August 8, 2016 Returned from Planning Commission
  - a. Substitute Ordinance 14-18(A)(S) as adopted by Council on March 29, 2016
  - b. Substitute Ordinance 14-18(A)(S-2) from Planning Commission
  - c. Memorandum 16-127 from City Planner as backup
  - d. Staff reports and minutes







**CITY OF HOMER  
HOMER, ALASKA**

Planning Commission

**ORDINANCE 14-18(A)(S)**

AN ORDINANCE OF THE HOMER CITY COUNCIL AMENDING HOMER CITY CODE 21.03.040, DEFINITIONS USED IN ZONING CODE, HOMER CITY CODE 21.05.030, MEASURING HEIGHTS, AND HOMER CITY CODE 21.70.010, ZONING PERMIT REQUIRED; REPEALING HOMER CITY CODE CHAPTER 21.58, SMALL WIND ENERGY SYSTEMS; AND ENACTING HOMER CITY CODE CHAPTER 21.58, TOWERS AND RELATED STRUCTURES.

THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code Chapter 21.03.040, Definitions used in zoning code, is amended by adding the following definitions:

“Collocation” means the placement or installation of wireless communications equipment on an existing wireless communications support structure or in an existing equipment compound.

“Equipment compound” means the area occupied by a wireless communications support structure and within which wireless communications equipment is located.

“Tower, amateur radio” means a fixed vertical structure used exclusively to support an antenna used by an amateur radio operator licensed by the Federal Communications Commission, plus its accompanying base plates, anchors, guy cables and hardware.

“Tower, communications” means a fixed vertical structure built for the primary purpose of supporting wireless communications equipment, plus its accompanying base plates, anchors, guy cables and hardware.

“Wireless communications equipment” means the set of equipment and network components used in the provision of wireless communications services, including without limitation antennas, transmitters, receivers, base stations, equipment shelters, cabinets, emergency generators, power supply cables, and coaxial and fiber optic cables, but excluding any wireless communications support structure.

“Wireless communications services” means transmitting and receiving information by electromagnetic radiation, by an operator (other than an amateur radio operator) licensed by the Federal Communications Commission.

**Added language** Deleted language stricken through.]



“Wireless communications support structure” means a structure that is designed to support, or is capable of supporting, wireless communications equipment, including a communications tower, utility pole, or building.

Section 2. Subsection (b) of HCC 21.05.030 is amended to read as follows:

b. When measuring height of a building, the following are excluded from the measurement:

**1. Steeples** ~~steeple~~s, spires, belfries, cupolas and domes if not used for human occupancy, chimneys, ventilators, weather vanes, skylights, water tanks, bulkheads, monuments, flagpoles, wind energy systems, television and radio antennas, other similar features, and necessary mechanical appurtenances usually carried above roof level.

**2. Wireless communications equipment that does not extend more than 10 feet above the height of the building.**

Section 3. Subsection (d) of Homer City Code 21.05.030 is amended to read as follows:

d. When determining the height of a nonbuilding structure, such as a sign, ~~or fence,~~ **amateur radio tower, communications tower or wireless communications support structure**, the height shall be calculated as the distance from the base of the structure at normal grade to the top of the highest part of the structure, **excluding lightning rods**. For this calculation, normal grade shall be construed to be the lower of (1) existing grade prior to construction or (2) the newly established grade after construction, exclusive of any fill, berm, mound, or excavation made for the purpose of locating or supporting the structure. In cases in which the normal grade cannot reasonably be determined, structure height shall be calculated on the assumption that the elevation of the normal grade at the base of the structure is equal to the elevation of the nearest point of the crown of a public street or the grade of the land at the principal entrance to the main building on the lot, whichever is lower.

Section 4. Homer City Code Chapter 21.58, Small Wind Energy Systems, is repealed.

Section 5. Homer City Code Chapter 21.58, Towers and Related Structures, is enacted to read as follows:

## CHAPTER 21.58

### TOWERS AND RELATED STRUCTURES

#### Article I. Communications Towers and Wireless Communications Equipment

##### 21.58.010 Purpose.

**[Bold and underlined added.]** ~~Deleted language stricken through.~~



The purpose of this article is to provide standards and procedures for communications towers and for wireless communications equipment.

21.58.020 Exemption from regulation.

a. Each of the following communications towers is a permitted principal or accessory use or structure in each zoning district and is exempt from the provisions of this article:

1. A communications tower that is placed temporarily to support wireless communications equipment that is provided in response to a state of emergency declared by a federal, state, or local government authority and is removed within 12 months after the termination of the state of emergency.

2. A communications tower that is placed temporarily to support wireless communications equipment that is provided for media coverage of a special event, and that is placed no more than 30 days before the special event and removed no more than 15 days after the end of the special event.

3. A communications tower with a height not exceeding 35 feet.

4. An amateur radio tower, to the extent that it is exempt from regulation under AS 29.35.141.

b. The collocation, removal, replacement or installation of wireless communications equipment is a permitted principal or accessory use or structure in each zoning district and is not subject to approval under this title if it meets all of the following requirements:

1. The collocation, removal or replacement is in an existing wireless communications support structure or existing equipment compound that is in compliance with the requirements of this title in effect at the time of its construction and with the terms and conditions of any previous final approval under this title.

2. The collocation, removal or replacement will not do any of the following:

A. Increase the overall height of the wireless communications support structure by more than 20 feet or 10% of its original height, whichever is greater.

B. Increase the width of the wireless communications support structure by more than the minimum necessary to permit the collocation, removal or replacement.

3. The collocation, removal or replacement complies with the terms and conditions of any previous final approval of the wireless communications support structure or equipment compound under this title.

4. The installation is on an existing building that is in compliance with the requirements of this title and with the terms and conditions of any previous final approval under this title, and the wireless communications equipment does not extend more than 10 feet above the height of the building.

21.58.030 Permission for communications towers.

a. Except as provided in subsection (b) of this section, a communications tower is permitted as a principal or accessory use or structure in each zoning district.

**[Bold and underlined added.] Deleted language stricken through.**



b. A communications tower that exceeds the following maximum height for the zoning district in which the communications tower is located is permitted only when authorized by conditional use permit issued in accordance with Chapter 21.71.

<u>District</u>	<u>Maximum Height (feet)</u>
CBD	60
TC	60
GBD	60
GC1	120
RO	85
UR	60
RR	85
CONS	60
GC2	120
EEMU	120
MI	120
MC	120
OSR	60
BCWPD	120

21.58.040 Application requirements. An application for a zoning permit or conditional use permit for a communications tower that is subject to regulation under this article shall include the following information, in addition to information required by other provisions of this title:

a. A level two site plan that shows the location of the communications tower.

b. A written narrative explaining why placing wireless communications equipment at the proposed location is necessary to the applicant's wireless communications services coverage, including confirmation that there is no available site for collocation of the wireless communications equipment within a radius of 1,000 feet from the proposed location in consideration of the proposed technology, why an existing structure may not be used, an evaluation of alternate communications tower locations that the applicant considered, and an explanation why the proposed location is the best alternative.

c. A demonstration that the height of the communications tower is the minimum required for the effective operation of the wireless communications equipment plus the present and future collocations that it supports.

d. A map showing the locations of the applicant's existing communications towers that serve customers in the city and of all current and currently proposed communications towers that the applicant intends to construct to serve customers in the city.

e. A detailed list of major components of the wireless communications equipment that the communications tower will support, and accessory structures such as equipment cabinets and generators.



f. An analysis of the potential visual impacts of the communications tower at distances of 500 feet and 1,500 feet from the proposed location, through the use of photo simulations of the communications tower and the wireless communications equipment that it will support. The analysis shall include, to the extent practicable, the visual impact along two lines extending from the shore of Kachemak Bay through the communications tower site that are separated by an angle of at least 90 degrees, and show the relationship of the communications tower to structures, trees, topography, and other intervening visual barriers. The analysis will include recommendations to mitigate adverse visual impacts of the communications tower on other properties.

g. A certificate from an engineer licensed in Alaska that the communications tower, and all antennas and other wireless communications equipment located on it, meet industry standards for their construction, including ANSI 222 G or most recent version.

h. Evidence that all wireless communications equipment supported by the communications tower meets applicable Federal Communications Commission requirements.

i. A determination of no hazard to air navigation for the communications tower issued by the Federal Aviation Administration.

j. For a conditional use permit, minutes of each public meeting held under Section 21.58.060(a), and copies of all public comments received under Section 21.58.060(b)(5).

21.58.050 Communications tower standards.

a. The distance from a communications tower to the closest property line of a lot that contains a dwelling unit, dormitory, hotel, motel, bar, restaurant, school, day care facility, church, retail establishment or place of public assembly may not be less than 1.1 times its total height.

b. The height of the communications tower shall not be greater than the minimum height required for the effective operation of the wireless communications equipment and collocations that it will support upon its initial construction.

c. The communications tower and any related equipment compound are painted or coated in a color that blends with the surrounding environment, except to the extent that obstruction marking is required by the Federal Aviation Administration, and the fence or wall that surrounds the equipment compound at the base of the communications tower, combined with any landscaping adjacent to its exterior, shall obscure the equipment compound to view from its exterior.

d. All guy wires, cables and other accessory support structures for a communications tower shall be on the same lot as the tower, but may be located within required setback areas, and shall be properly jacketed to ensure visibility in accordance with applicable safety standards.

e. The equipment compound for a communications tower shall conform to the minimum setback requirements of the zoning district in which it is located.

f. Not less than two off-street parking spaces conforming to the requirements of this title shall be provided on the lot where a communications tower is located for use in the



operation and maintenance of the communications tower and the wireless communications equipment that it supports.

g. The equipment compound at the base of a communications tower shall be surrounded by a fence or wall not less than six feet in height with a secured gate. The lowest part of a climbing apparatus that provides access to equipment on a communications tower shall be at least 12 feet above the ground, and the tower shall have no handholds or footholds below the climbing apparatus.

h. Except for switch type lighting, no artificial lighting shall be mounted on a communications tower, and a communications tower shall not be illuminated with artificial lighting, except when required by the Federal Aviation Administration.

i. Signs. No sign, flag or pennant may be attached to a communications tower except that the following shall be posted in a location that is visible from the ground outside the equipment compound:

1. A sign identifying the party responsible for the operation and maintenance of the communications tower, with a 24-hour emergency contact telephone number.

2. Any antenna structure registration number required by the Federal Communications Commission.

3. Warnings of dangers associated with the communications tower or equipment that is located on the communications tower.

**21.58.060 Public notification of communications tower application.**

a. The applicant for a conditional use permit for a communications tower shall hold at least one meeting informing the public of the application that conforms to the following requirements.

1. The meeting shall be held at city hall, or at a public facility that is nearer to the location of the proposed communications tower and capable of seating a minimum of 20 people.

2. The meeting shall be held on a day that is not a city holiday at least 15 days before the applicant submits its application to the city.

3. The meeting shall be scheduled to last a minimum of two hours and shall not start before 5:00 p.m. or after 7:00 p.m.

b. The applicant shall notify each record owner of property within 1200 feet of the parcel that is the site of the proposed communications tower by first class mail at least 15 days before the meeting of the following:

1. The legal description, street address and a map of the vicinity, of the parcel that is the site of the proposed communications tower;

2. A description of the proposed communications tower, including its height, design, and lighting, the proposed access to the site and the services proposed to be provided by the tower;

3. The date, time, and location of the meeting;

4. A contact name, telephone number, and address of the applicant; and



251 5. A form on which to submit written comments, with a comment submittal  
252 deadline and instructions.

253  
254 21.58.070 Action on communications tower application.

255 a. The reviewing authority shall approve a communications tower only if the applicant  
256 demonstrates that it meets the following criteria:

257 1. The communications tower conforms to the requirements in Section  
258 21.58.050, and the other applicable standards in this title.

259 2. The coverage for the applicant's wireless communications services  
260 customers that the communications tower will provide cannot be provided by  
261 collocation on an existing wireless communications support structure.

262 3. Of the available alternate sites, the selected site provides necessary  
263 coverage for the applicant's wireless communications services customers with the  
264 least visual impact on other properties.

265 b. No action may be taken on a communications tower application on the basis of the  
266 environmental effects of radio frequency emissions to the extent that the wireless  
267 communications equipment that will be located on the tower complies with Federal  
268 Communications Commission regulations concerning such emissions.

269 c. The reviewing authority shall act on a communications tower application within a  
270 reasonable period of time after the application has been filed with the city taking into  
271 account the nature and scope of the application, but within no more than 150 days after the  
272 application is filed. The 150-day period excludes (i) any time that begins when the reviewing  
273 authority gives written notice to the applicant within 30 days of receipt of the application that  
274 the application is incomplete, clearly and specifically delineating all missing documents or  
275 information, until the applicant makes a supplemental submission in response to the notice  
276 of incompleteness; and (ii) any time that begins when the reviewing authority has given  
277 written notice to the applicant within 10 days of receipt of such a supplemental submission  
278 that the supplemental submission did not provide the information identified in the original  
279 notice delineating missing information until the applicant makes another supplemental  
280 submission.

281 d. An action denying a communications tower application shall be in writing and  
282 supported by substantial evidence contained in a written record.

283  
284 21.58.080 Communications tower removal requirements.

285 The owner and the lessee of the property that is the site of a communications tower  
286 are jointly and severally responsible for its removal:

287 a. If corrective action is not taken within six months after notice that the City Engineer  
288 has found the communications tower, or equipment on the communications tower, to be  
289 unsafe or not in compliance with applicable law.

290 b. Within 90 days after all wireless communications equipment on a communications  
291 tower has not been operational for a period of at least 12 consecutive months.



## Article II. Small Wind Energy Systems

21.58.110 Purpose and application. The purpose of this article is to establish minimum health and safety standards for small wind energy systems. It applies to small wind energy systems in all districts where they are allowed as permitted or conditional uses.

21.58.120 Installation requirements.

a. The wind turbine of a small wind energy system may be mounted on a building or a wind energy system tower.

b. The surfaces of all small wind energy system components that are visible when the small wind energy system is in operation shall be painted a nonreflective, neutral color.

c. A zoning permit application for a small wind energy system shall include the following information:

1. A level one site plan that shows the location of the small wind energy system.

2. Specifications for the small wind energy system including manufacturer make and model, an illustration or picture of the turbine unit, maximum rated power output, blade diameter, total height, tower color and, if proposed, the location of ladders and/or climbing pegs.

3. Tower foundation blueprints or drawings.

4. Noise decibel data prepared by the wind turbine manufacturer or qualified engineer indicating noise decibel level at the property line nearest to the location of the small wind energy system.

5. Evidence of compliance with, or exemption from, Federal Aviation Administration requirements.

6. Evidence that the small wind energy system complies with current Underwriters Laboratories standards for local utility connections.

d. Dimensional Requirements.

1. The distance from a small wind energy system to the closest property line may not be less than 1.1 times its total height.

2. All guy wires, cables and other accessory support structures for a small wind energy system must be on the same lot as the small wind energy system, but may be located within required setback areas, and shall be properly jacketed to ensure visible safety standards.

21.58.130 Operation standards.

a. Electrical Standards.

1. A small wind energy system shall comply with the National Electric Code.

2. All electric transmission wires connected to a small wind energy system must be underground, or within the building on which the small wind energy system is mounted.

3. A small wind energy system shall not interfere with television, microwave, navigational or radio reception.

**[Bold and underlined added.] Deleted language stricken through.**



b. Noise and vibration from a small wind energy system shall not exceed the levels permitted in HCC 21.59.010(b) and (c), except during short-term events such as utility outages and severe wind storms.

c. Tower Safety.

1. The lowest part of a climbing apparatus that provides access to a wind turbine shall be at least 12 feet above the ground, and the wind energy system tower or building on which the wind turbine is mounted shall have no handholds or footholds below the climbing apparatus.

2. The lowest point through which a wind turbine blade rotates must be at least 20 feet above the ground.

d. Lighting. Except for switch type lighting, no artificial lighting shall be mounted on a small wind energy system, and a small wind energy system shall not be illuminated with artificial lighting, except when required by the Federal Aviation Administration and approved by conditional use permit.

e. Signs. No sign, flag or pennant may be attached to a small wind energy system except for the following:

1. A sign identifying the manufacturer or installer of the small wind energy system.

2. Signs warning of dangers associated with the small wind energy system.

f. Removal. The owner and the lessee of the property that is the site of a small wind energy system are jointly and severally responsible for its removal:

1. If corrective action is not taken within six months after notice that the City Engineer has found the small wind energy system to be unsafe or not in compliance with applicable law.

2. Within 90 days after the small wind energy system has not been operational for a period of at least 12 consecutive months.

Section 6. Subsection (c) of Homer City Code 21.70.010 is amended to read as follows:

c. The following are exempt from the requirement to obtain a zoning permit, but not from compliance with applicable requirements of the Homer Zoning Code, such as, but not limited to, the development activity plan or stormwater protection plan:

1. Any change to an existing building that does not increase the height, or exterior dimension of any floor, of the building, and any change to an existing structure that does not increase the height, or footprint area, of the structure.

2. Erection or construction of a one-story detached accessory building used as a tool and storage shed, playhouse, or other accessory use, provided the building area does not exceed 200 square feet; and further provided, that there is already a main building on the same lot.

**3. Erection or construction of a communications tower with a height not exceeding 35 feet, or an amateur radio tower.**



376                   **43.** Fences or walls used as fences, unless otherwise regulated by the Homer  
377                   City Code.

378                   **54.** Removal of any building or structure.

379                   **65.** Termination of any type of use.

380  
381                   Section 7. This Ordinance is of a permanent and general character and shall be  
382                   included in the City Code.

383  
384                   ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_ day of  
385                   \_\_\_\_\_, 2016 .

386                   CITY OF HOMER

387  
388  
389                   \_\_\_\_\_  
390                   MARY E. WYTHE, MAYOR

391                   ATTEST:

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394                   \_\_\_\_\_  
395                   JO JOHNSON, MMC, CITY CLERK

396  
397  
398  
399                   AYES:

400                   NOES:

401                   ABSTAIN:

402                   ABSENT:

403  
404  
405                   First Reading:

406                   Public Hearing:

407                   Second Reading:

408                   Effective Date:

409  
410                   Reviewed and approved as to form:

411  
412  
413                   \_\_\_\_\_  
414                   Mary K. Koester, City Manager

\_\_\_\_\_  
Thomas F. Klinkner, City Attorney

415  
416                   Date: \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

**[Bold and underlined added. Deleted language stricken through.]**



**CITY OF HOMER  
HOMER, ALASKA**

Planning Commission

**ORDINANCE 14-18(A)(S-2)**

AN ORDINANCE OF THE HOMER CITY COUNCIL AMENDING  
HOMER CITY CODE 21.03.040, DEFINITIONS USED IN ZONING  
CODE, HOMER CITY CODE 21.05.030, MEASURING HEIGHTS, AND  
HOMER CITY CODE 21.70.010, ZONING PERMIT REQUIRED;  
REPEALING HOMER CITY CODE CHAPTER 21.58, SMALL WIND  
ENERGY SYSTEMS; AND ENACTING HOMER CITY CODE CHAPTER  
21.58, TOWERS AND RELATED STRUCTURES.

THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code Chapter 21.03.040, Definitions used in zoning code, is amended by adding the following definitions:

“Collocation” means the placement or installation of wireless communications equipment on an existing wireless communications support structure or in an existing equipment compound.

“Equipment compound” means the area occupied by a wireless communications support structure and within which wireless communications equipment is located.

“Tower, amateur radio” means a fixed vertical structure used exclusively to support an antenna used by an amateur radio operator licensed by the Federal Communications Commission, plus its accompanying base plates, anchors, guy cables and hardware.

“Tower, communications” means a fixed vertical structure built for the primary purpose of supporting wireless communications equipment, plus its accompanying base plates, anchors, guy cables and hardware.

“Wireless communications equipment” means the set of equipment and network components used in the provision of wireless communications services, including without limitation antennas, transmitters, receivers, base stations, equipment shelters, cabinets, emergency generators, power supply cables, and coaxial and fiber optic cables, but excluding any wireless communications support structure.

“Wireless communications services” means transmitting and receiving information by electromagnetic radiation, by an operator (other than an amateur radio operator) licensed by the Federal Communications Commission.



“Wireless communications support structure” means a structure that is designed to support, or is capable of supporting, wireless communications equipment, including a communications tower, utility pole, or building.

Section 2. Subsection (b) of HCC 21.05.030, Measuring heights, is amended to read as follows:

b. When measuring height of a building, the following are excluded from the measurement:

**1. Steeples** ~~steeple~~s, spires, belfries, cupolas and domes if not used for human occupancy, chimneys, ventilators, weather vanes, skylights, water tanks, bulkheads, monuments, flagpoles, wind energy systems, television and radio antennas, other similar features, and necessary mechanical appurtenances usually carried above roof level.

**2. Wireless communications equipment that does not extend more than 10 feet above the height of the building.**

Section 3. Subsection (d) of Homer City Code 21.05.030, Measuring heights, is amended to read as follows:

d. When determining the height of a nonbuilding structure, such as a sign, ~~or fence,~~ **amateur radio tower, communications tower or wireless communications support structure**, the height shall be calculated as the distance from the base of the structure at normal grade to the top of the highest part of the structure, **excluding lightning rods**. For this calculation, normal grade shall be construed to be the lower of (1) existing grade prior to construction or (2) the newly established grade after construction, exclusive of any fill, berm, mound, or excavation made for the purpose of locating or supporting the structure. In cases in which the normal grade cannot reasonably be determined, structure height shall be calculated on the assumption that the elevation of the normal grade at the base of the structure is equal to the elevation of the nearest point of the crown of a public street or the grade of the land at the principal entrance to the main building on the lot, whichever is lower.

Section 4. Homer City Code Chapter 21.58, Small Wind Energy Systems, is repealed.

Section 5. Homer City Code Chapter 21.58, Towers and Related Structures, is enacted to read as follows:

## CHAPTER 21.58

### TOWERS AND RELATED STRUCTURES

#### Article I. Communications Towers and Wireless Communications Equipment



21.58.010 Purpose.

The purpose of this article is to provide standards and procedures for communications towers and for wireless communications equipment.

21.58.020 Exemption from regulation.

a. Each of the following communications towers is a permitted principal or accessory use or structure in each zoning district and is exempt from the provisions of this article:

1. A communications tower that is placed temporarily to support wireless communications equipment that is provided in response to a state of emergency declared by a federal, state, or local government authority and is removed within 12 months after the termination of the state of emergency.

2. A communications tower that is placed temporarily to support wireless communications equipment that is provided for media coverage of a special event, and that is placed no more than 30 days before the special event and removed no more than 15 days after the end of the special event.

3. A communications tower with a height not exceeding 35 feet.

4. An amateur radio tower, to the extent that it is exempt from regulation under AS 29.35.141.

b. The collocation, removal, replacement or installation of wireless communications equipment is a permitted principal or accessory use or structure in each zoning district and is not subject to approval under this title if it meets all of the following requirements:

1. The collocation, removal or replacement is in an existing wireless communications support structure or existing equipment compound that is in compliance with the requirements of this title in effect at the time of its construction and with the terms and conditions of any previous final approval under this title.

2. The collocation, removal or replacement will not do any of the following:

A. Increase the overall height of the wireless communications support structure by more than 20 feet or 10% of its original height, whichever is greater.

B. Increase the width of the wireless communications support structure by more than the minimum necessary to permit the collocation, removal or replacement.

3. The collocation, removal or replacement complies with the terms and conditions of any previous final approval of the wireless communications support structure or equipment compound under this title.

4. The installation is on an existing building that is in compliance with the requirements of this title and with the terms and conditions of any previous final approval under this title, and the wireless communications equipment does not extend more than 10 feet above the height of the building.



21.58.030 Permission for communications towers.

a. Except as provided in subsection (b) of this section, a communications tower is permitted as a principal or accessory use or structure in each zoning district.

b. A communications tower that exceeds the following maximum height for the zoning district in which the communications tower is located is permitted only when authorized by conditional use permit issued in accordance with Chapter 21.71.

<u>District</u>	<u>Maximum Height (feet)</u>
-----------------	------------------------------

CBD	60
TC	60
GBD	60
GC1	120
RO	85
UR	60
RR	85
CONS	60
GC2	120
EEMU	120
MI	120
MC	120
OSR	60
BCWPD	120

21.58.040 Application requirements.

a. An application for a zoning permit or conditional use permit for a communications tower that is subject to regulation under this article shall include the following information, in addition to information required by other provisions of this title:

1. A level two site plan that shows the location of the communications tower.

2. A written narrative explaining why placing wireless communications equipment at the proposed location is necessary to the applicant's wireless communications services coverage, including confirmation that there is no available site for collocation of the wireless communications equipment within a radius of 1,000 feet from the proposed location in consideration of the proposed technology, why an existing structure may not be used, an evaluation of alternate communications tower locations that the applicant considered, and an explanation why the proposed location is the best alternative.

3. A demonstration that the height of the communications tower is the minimum required for the effective operation of the wireless communications equipment plus the present and future collocations that it supports.

4. A map showing the locations of the applicant's existing communications towers that serve customers in the city and of all current and currently proposed communications towers that the applicant intends to construct to serve customers in the city.



169 5. A detailed list of major components of the wireless communications  
170 equipment that the communications tower will support, and accessory structures  
171 such as equipment cabinets and generators.

172 6. An analysis of the potential visual impacts of the communications tower at  
173 distances of 500 feet and 1,500 feet from the proposed location, through the use of  
174 photo simulations of the communications tower and the wireless communications  
175 equipment that it will support. The analysis shall include, to the extent practicable,  
176 the visual impact along two lines extending from the shore of Kachemak Bay through  
177 the communications tower site that are separated by an angle of at least 90 degrees,  
178 and show the relationship of the communications tower to structures, trees,  
179 topography, and other intervening visual barriers. The analysis will include  
180 recommendations to mitigate adverse visual impacts of the communications tower on  
181 other properties.

182 7. A certificate from an engineer licensed in Alaska that the communications  
183 tower, and all antennas and other wireless communications equipment located on it,  
184 meet industry standards for their construction, including ANSI 222 G or most recent  
185 version.

186 8. Evidence that all wireless communications equipment supported by the  
187 communications tower meets applicable Federal Communications Commission  
188 requirements.

189 9. A determination of no hazard to air navigation for the communications tower  
190 issued by the Federal Aviation Administration.

191 10. For a conditional use permit, minutes of each public meeting held under  
192 Section 21.58.060(a), and copies of all public comments received under Section  
193 21.58.060(b)(5).

194 b. The applicant shall pay the cost of an independent technical review of the  
195 communications tower application by a consultant retained by the city. The applicant shall  
196 submit with the application a deposit according to the fee schedule established by resolution of  
197 the City Council toward the cost of the technical review. If at any time the city finds that the  
198 actual cost of the technical review will exceed the amount of the deposit, the city may require  
199 the applicant to increase the amount of the deposit to equal the city's current estimate of the  
200 cost of the technical review. Continued review of the application shall be conditioned upon the  
201 city's receipt of the increased deposit amount. After final city action on the application, the city  
202 shall determine the actual cost of the technical review. If the actual cost exceeds the total  
203 deposit received, the applicant shall pay the balance to the city prior to permit issuance; if the  
204 total deposit received exceeds the actual cost, the city shall refund the excess to the applicant.  
205 Deposits received under this subsection shall be disbursed only as authorized by this subsection  
206 and shall not bear interest.

207  
208 21.58.050 Communications tower standards.

209 a. The distance from a communications tower to the closest property line of a lot that  
210 contains a dwelling unit, dormitory, hotel, motel, bar, restaurant, school, day care facility,



church, retail establishment or place of public assembly may not be less than 1.1 times its total height.

b. The height of the communications tower shall not be greater than the minimum height required for the effective operation of the wireless communications equipment and collocations that it will support upon its initial construction.

c. The communications tower and any related equipment compound are painted or coated in a color that blends with the surrounding environment, except to the extent that obstruction marking is required by the Federal Aviation Administration, and the fence or wall that surrounds the equipment compound at the base of the communications tower, combined with any landscaping adjacent to its exterior, shall obscure the equipment compound to view from its exterior.

d. All guy wires, cables and other accessory support structures for a communications tower shall be on the same lot as the tower, but may be located within required setback areas, and shall be properly jacketed to ensure visibility in accordance with applicable safety standards.

e. The equipment compound for a communications tower shall conform to the minimum setback requirements of the zoning district in which it is located.

f. Not less than two off-street parking spaces conforming to the requirements of this title shall be provided on the lot where a communications tower is located for use in the operation and maintenance of the communications tower and the wireless communications equipment that it supports.

h. The equipment compound at the base of a communications tower shall be surrounded by a fence or wall not less than six feet in height with a secured gate. The lowest part of a climbing apparatus that provides access to equipment on a communications tower shall be at least 12 feet above the ground, and the tower shall have no handholds or footholds below the climbing apparatus.

h. Except for switch type lighting, no artificial lighting shall be mounted on a communications tower, and a communications tower shall not be illuminated with artificial lighting, except when required by the Federal Aviation Administration.

i. Signs. No sign, flag or pennant may be attached to a communications tower except that the following shall be posted in a location that is visible from the ground outside the equipment compound:

1. A sign identifying the party responsible for the operation and maintenance of the communications tower, with a 24-hour emergency contact telephone number.

2. Any antenna structure registration number required by the Federal Communications Commission.

3. Warnings of dangers associated with the communications tower or equipment that is located on the communications tower.



21.58.060 Public notification of communications tower application.

a. The applicant for a conditional use permit for a communications tower shall hold at least one meeting informing the public of the application that conforms to the following requirements.

1. The meeting shall be held at city hall, or at a public facility that is nearer to the location of the proposed communications tower and capable of seating a minimum of 20 people.

2. The meeting shall be held on a day that is not a city holiday at least 15 days before the applicant submits its application to the city.

3. The meeting shall be scheduled to last a minimum of two hours and shall not start before 5:00 p.m. or after 7:00 p.m.

b. The applicant shall notify each record owner of property within 1200 feet of the parcel that is the site of the proposed communications tower by first class mail at least 15 days before the meeting of the following:

1. The legal description, street address and a map of the vicinity, of the parcel that is the site of the proposed communications tower;

2. A description of the proposed communications tower, including its height, design, and lighting, the proposed access to the site and the services proposed to be provided by the tower;

3. The date, time, and location of the meeting;

4. A contact name, telephone number, and address of the applicant; and

5. A form on which to submit written comments, with a comment submittal deadline and instructions.

21.58.070 Action on communications tower application.

a. The reviewing authority shall approve a communications tower only if the applicant demonstrates that it meets the following criteria:

1. The communications tower conforms to the requirements in Section 21.58.050, and the other applicable standards in this title.

2. The coverage for the applicant's wireless communications services customers that the communications tower will provide cannot be provided by collocation on an existing wireless communications support structure.

3. Of the available alternate sites, the selected site provides necessary coverage for the applicant's wireless communications services customers with the least visual impact on other properties.

b. No action may be taken on a communications tower application on the basis of the environmental effects of radio frequency emissions to the extent that the wireless communications equipment that will be located on the tower complies with Federal Communications Commission regulations concerning such emissions.

c. The reviewing authority shall act on a communications tower application within a reasonable period of time after the application has been filed with the city taking into account the nature and scope of the application, but within no more than 150 days after the



application is filed. The 150-day period excludes (i) any time that begins when the reviewing authority gives written notice to the applicant within 30 days of receipt of the application that the application is incomplete, clearly and specifically delineating all missing documents or information, until the applicant makes a supplemental submission in response to the notice of incompleteness; and (ii) any time that begins when the reviewing authority has given written notice to the applicant within 10 days of receipt of such a supplemental submission that the supplemental submission did not provide the information identified in the original notice delineating missing information until the applicant makes another supplemental submission.

d. An action denying a communications tower application shall be in writing and supported by substantial evidence contained in a written record.

21.58.080 Communications tower insurance requirements.

The issuance and continuation of a zoning permit or conditional use permit for a communications tower that is subject to regulation under this article shall be conditioned upon the permittee securing and at all times maintaining insurance meeting the requirements of this section.

a. The insurance policy shall provide commercial general liability coverage for personal injuries, death and property damage with limits not less than \$1,000,000 per occurrence and \$3,000,000 aggregate.

b. The insurance policy shall be issued by an agent or representative of an insurance company licensed to do business in the State of Alaska and with an AM Best's rating of at least A.

c. The insurance policy shall contain an endorsement obligating the insurance company to furnish the city with at least thirty (30) days prior written notice in advance of the cancellation of the insurance.

d. The permittee shall provide the city with an insurance policy or certificate of insurance demonstrating compliance with the requirements of this section before the permit is issued, and a renewal or replacement policy or certificate at least fifteen (15) days before the expiration of the insurance that is to be renewed or replaced.

21.58.090 Communications tower removal requirements.

a. The owner and the lessee of the property that is the site of a communications tower are jointly and severally responsible for its removal:

1. If corrective action is not taken within six months after notice that the City Engineer has found the communications tower, or equipment on the communications tower, to be unsafe or not in compliance with applicable law.

2. Within 90 days after all wireless communications equipment on a communications tower has not been operational for a period of at least 12 consecutive months

b. The issuance and continuation of a zoning permit or conditional use permit for a communications tower that is subject to regulation under this article shall be conditioned upon the permittee providing the city with a performance bond in an amount of at least \$150,000



*issued by corporation licensed to act as a surety in Alaska and securing the obligations of the owner and the lessee of the property that is the site of the communications tower under subsection (a) of this section.*

## Article II. Small Wind Energy Systems

**21.58.110 Purpose and application.** The purpose of this article is to establish minimum health and safety standards for small wind energy systems. It applies to small wind energy systems in all districts where they are allowed as permitted or conditional uses.

**21.58.120 Installation requirements.**

a. The wind turbine of a small wind energy system may be mounted on a building or a wind energy system tower.

b. The surfaces of all small wind energy system components that are visible when the small wind energy system is in operation shall be painted a nonreflective, neutral color.

c. A zoning permit application for a small wind energy system shall include the following information:

1. A level one site plan that shows the location of the small wind energy system.

2. Specifications for the small wind energy system including manufacturer make and model, an illustration or picture of the turbine unit, maximum rated power output, blade diameter, total height, tower color and, if proposed, the location of ladders and/or climbing pegs.

3. Tower foundation blueprints or drawings.

4. Noise decibel data prepared by the wind turbine manufacturer or qualified engineer indicating noise decibel level at the property line nearest to the location of the small wind energy system.

5. Evidence of compliance with, or exemption from, Federal Aviation Administration requirements.

6. Evidence that the small wind energy system complies with current Underwriters Laboratories standards for local utility connections.

d. Dimensional Requirements.

1. The distance from a small wind energy system to the closest property line may not be less than 1.1 times its total height.

2. All guy wires, cables and other accessory support structures for a small wind energy system must be on the same lot as the small wind energy system, but may be located within required setback areas, and shall be properly jacketed to ensure visible safety standards.

**21.58.130 Operation standards.**

a. Electrical Standards.

1. A small wind energy system shall comply with the National Electric Code.



2. All electric transmission wires connected to a small wind energy system must be underground, or within the building on which the small wind energy system is mounted.

3. A small wind energy system shall not interfere with television, microwave, navigational or radio reception.

b. Noise and vibration from a small wind energy system shall not exceed the levels permitted in HCC 21.59.010(b) and (c), except during short-term events such as utility outages and severe wind storms.

c. Tower Safety.

1. The lowest part of a climbing apparatus that provides access to a wind turbine shall be at least 12 feet above the ground, and the wind energy system tower or building on which the wind turbine is mounted shall have no handholds or footholds below the climbing apparatus.

2. The lowest point through which a wind turbine blade rotates must be at least 20 feet above the ground.

d. Lighting. Except for switch type lighting, no artificial lighting shall be mounted on a small wind energy system, and a small wind energy system shall not be illuminated with artificial lighting, except when required by the Federal Aviation Administration and approved by conditional use permit.

e. Signs. No sign, flag or pennant may be attached to a small wind energy system except for the following:

1. A sign identifying the manufacturer or installer of the small wind energy system.

2. Signs warning of dangers associated with the small wind energy system.

f. Removal. The owner and the lessee of the property that is the site of a small wind energy system are jointly and severally responsible for its removal:

1. If corrective action is not taken within six months after notice that the City Engineer has found the small wind energy system to be unsafe or not in compliance with applicable law.

2. Within 90 days after the small wind energy system has not been operational for a period of at least 12 consecutive months.

Section 6. Subsection (c) of Homer City Code 21.70.010, Zoning permit required, is amended to read as follows:

c. The following are exempt from the requirement to obtain a zoning permit, but not from compliance with applicable requirements of the Homer Zoning Code, such as, but not limited to, the development activity plan or stormwater protection plan:

1. Any change to an existing building that does not increase the height, or exterior dimension of any floor, of the building, and any change to an existing structure that does not increase the height, or footprint area, of the structure.



2. Erection or construction of a one-story detached accessory building used as a tool and storage shed, playhouse, or other accessory use, provided the building area does not exceed 200 square feet; and further provided, that there is already a main building on the same lot.

**3. Erection or construction of a communications tower with a height not exceeding 35 feet, or an amateur radio tower.**

**43.** Fences or walls used as fences, unless otherwise regulated by the Homer City Code.

**54.** Removal of any building or structure.

**65.** Termination of any type of use.

Section 7. This Ordinance is of a permanent and general character and shall be included in the City Code.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_ day of \_\_\_\_\_ 2016 .

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK

AYES:

NOES:

ABSTAIN:

ABSENT:

First Reading:

Public Hearing:

Second Reading:

Effective Date:



461 Reviewed and approved as to form:

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465 \_\_\_\_\_  
Mary K. Koester, City Manager

466

467 Date: \_\_\_\_\_

\_\_\_\_\_  
Holly C. Wells, City Attorney

Date: \_\_\_\_\_





# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Planning

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Homer, Alaska 99603

[Planning@ci.homer.ak.us](mailto:Planning@ci.homer.ak.us)

(p) 907-235-3106

(f) 907-235-3118

## Memorandum 16-127

TO: MAYOR WYTHER AND HOMER CITY COUNCIL

THROUGH: KATIE KOESTER, CITY MANAGER

FROM: RICK ABBODD, CITY PLANNER

DATE: JULY 28, 2016

SUBJECT: DRAFT ORDINANCE AMENDING HOMER CITY CODE 21.03.040, DEFINITIONS USED IN ZONING CODE, HOMER CITY CODE 21.05.030, MEASURING HEIGHTS, AND HOMER CITY CODE 21.70.010, ZONING PERMIT REQUIRED; REPEALING HOMER CITY CODE CHAPTER 21.58, SMALL WIND ENERGY SYSTEMS; AND ENACTING HOMER CITY CODE CHAPTER 21.58, TOWERS AND RELATED STRUCTURES.

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### Introduction

After a requested second look, the Planning Commission is recommending an amended ordinance.

### Changes

In response to the concerns of the City Council, the Planning Commission has reviewed the ordinance and recommended three changes to the ordinance. These changes are presented in underlined italics for introduction. They constitute a change from the last ordinance the Council received, but the whole chapter, 21.58 is new to Homer City Code.

1. 21.58.040(b): This provides that the applicant shall pay the cost of an independent technical review.
- The Planning Office routinely reviews site plans and addresses code regarding site design and requires evidence that the project complies with local, state, and federal regulations. In order to control the proliferation of towers, we ask the applicant to make the case that they are unable to collocate on an existing structure, the height is the minimum necessary, and the site selected is necessary for their service with the least visual impact on other properties when compared with alternative sites. These standards require a technical review for which there is no one qualified within the city to perform. The added costs of the review are proposed to be placed upon the applicant. Generally, the better that the applicant prepares the application, the less it will cost to review. Additional costs can accrue when an application is incomplete or the evidence is inconclusive and additional information must be gained.



2. 21.58.080 Communication tower insurance requirements.
  - This provides the city evidence that the structure is insured with appropriate liability coverage. We would expect that all such structures have insurance. It is required that the city be notified in the event that the coverage lapses.
3. 21.58.090(b): Performance Bonding.
  - This provides a bond amount to ensure that the structure is properly decommissioned. We did address the circumstances when a tower would be required to be removed in 21.58.090, but did not have any process other than a nuisance procedure in which to facilitate removal of the structure. The nuisance procedure would require the city to remove the structure and then we would have to go about recovering our costs.

### **Analysis of other concerns**

Concerns were expressed regarding view shed protection and limiting the amount of structures. The ordinance, as a whole, is meant to address these concerns. The view shed is addressed in the application procedure where the applicant is expected to consider alternative sites where the provision of coverage is proven necessary. We are hoping that the ordinance will limit the number of structures in requiring an examination of colocation opportunities. Placing an absolute limit on the number of structures can be problematic if it was to deny provision of services which are proven necessary and supported by federal policies. These ordinances usually encourage fewer taller structures or more shorter ones. I would say our ordinance generally encourages fewer tall structures.

The Commission did not address changing code regarding turbines/wind energy. This will require a more extensive process than addressing a few concerns about communication towers. So far, we have had no resent inquiries from those wishing to set up residential wind energy systems. This will be placed on the Commission work list.

This is quite a complex ordinance, taking us into places we have not really gone into before. If you see things you question or changes you would like to suggest please contact Administration, so that we might research any proposed amendments.

### **Recommendation:**

The Homer Advisory Planning Commission recommends that the Homer City Council adopt this Ordinance 14-18(A)(S-2).

### **Attachments**

Ordinance 14-18(A)(S-2) and backup material from Planning Commission.



Motion carried.

B. Staff Report PL 16-38 Towers and Tall Structures Ordinance

City Planner Abboud reviewed the staff report.

Chair Stead opened the public hearing. There were no comments and the hearing was closed.

There were no questions from the Commission.

STROOZAS/VENUTI MOVED THAT THE PLANNING COMMISSION FORWARDS THE DRAFT ORDINANCE 16-XX REGARDING TOWERS AND TALL STRUCTURES TO THE CITY COUNCIL FOR PUBLIC HEARING AND ADOPTION.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**Plat Consideration**

A. Staff Report PL 16-40, Commerce Park 2016 Preliminary Plat

City Planner Abboud reviewed the staff report.

There was no applicant presentation and no public comment.

Chair Stead asked if the flag had been modified on one of the drawings. City Planner Abboud explained the drawing on page 52 is the current configuration. On page 50 is the notice that went out showing the panhandle to the southwest and it was moved to the east.

BRADLEY/BOS MOVED TO APPROVE STAFF REPORT PL 16-40 AND THE COMMERCE PARK 2016 PRELIMINARY PLAT REPLAT WITH STAFF COMMENTS AND RECOMMENDATIONS.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**Pending Business**

A. Staff Report PL 16-31, Comprehensive Plan Update Chapter 6 Parks & Recreation

City Planner reviewed the staff report.









# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Planning

491 East Pioneer Avenue  
Homer, Alaska 99603

[Planning@ci.homer.ak.us](mailto:Planning@ci.homer.ak.us)

(p) 907-235-3106

(f) 907-235-3118

### Staff Report PL 16-38

TO: Homer Advisory Planning Commission  
FROM: Rick Abboud, City Planner  
DATE: July 20, 2016  
SUBJECT: Towers and Tall Structures – Public Hearing

---

#### Introduction

The Planning Commission has reviewed and made a recommendation in consideration of the concerns raised by the City Council.

#### Analysis

An analysis of the changes to the ordinance is provided in staff report 16-34, which are repeated below for the public.

The City Attorney has addressed the above subjects and introduced another in the process. Although not specifically requested by the City Council, I found the Attorney's suggestion worthy of further considerations. The Attorney suggested number 2 below.

1. Lines 194-206. Costs of third party review.

This provides the requirement that the applicant provides a deposit for the actual cost of the review. I will be looking into what exactly the appropriate amount may be. This may come with a RFP for a firm which is qualified to make the review. The fee schedule may be amended without Planning Commission approval and would be passed along to the City Council. My guess is that we could be looking at an amount between \$5-8k and some sort of administrative fee for the city.

2. Lines 303-320. Insurance requirements.

This seems to be a concern of most. We would expect that businesses would have liability insurance. This provides an appropriate amount (what we would expect from a tenant of the city) and a mechanism for the city to be notified if the policy lapses. I believe this is a worthy amendment and provides those onsite and nearby with some additional measure of security regarding financial liability.

3. Lines 331-336. Bonding.

This amendment provides a vehicle to provide funds for decommission and removal of a tower if the tower is found unsafe and the owner is unwilling to repair or the tower is no longer operational.



### **Staff Recommendation**

Hold a public hearing and make recommendation to City Council. If any substantial changes are made, the ordinance may need to be scheduled for an additional public hearing.

### **Attachments**

1. Tower Ordinance Attorney edit 6.3.16



HIGHLAND/BOS - MOVED TO AMEND THE MOTION TO INCLUDE CORRECTION TO THE ANALYSIS TO CHANGE RESIDENTIAL OFFICE DISTRICT TO RURAL RESIDENTIAL AND THIS PLAT DIVIDES ONE LOT INTO TWO.

There was a brief discussion on including clarification on why they are dividing the lot into two.

VOTE. (Amendment) YES. NON-OBJECTION. UNANIMOUS CONSENT

Motion carried.

VOTE. (Main) YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

**PENDING BUSINESS**

**A. Staff Report PL 16-34 Towers**

Chair Stead read the title into the record. City Planner Abboud explained that the City Council remanded this back to the Commission to address specific policies regarding including a mechanism to recover the cost of third party review and a bonding requirement for site remediation after a tower is no longer in use or presents a danger.

Commissioner Bos requested information on how or who would determine the insurance requirement. City Planner Abboud responded that he found the typical amounts are \$1 Million to \$3 million which Chair Stead noted was included in the ordinance, section 21.58.080 (a) lines 308-310. City Planner Abboud also commented on the bonding requirement in the amount of \$150,000, Section 21.58.090 (b), lines 333-334.

Commissioner Highland requested clarification on Section 21.58.040, 2., line 158, that a tower could be allowed outside of areas that other towers are placed, noting that this is a problem that Anchorage is currently dealing with; City planner Abboud responded that this is the instance where they would have to provide a report from a third party explaining why a tower could not be placed and why the proposed area is better or more appropriate.

Commissioner Highland expressed concern on having control over the number of towers that are built. City Planner Abboud responded that every application will be unique and there is no way to determine or predict the number of tower applications that they will have, they do their best to figure in the population, services, etc.

Commissioner Highland then questioned line regarding Bond Rating, line 312-313.

Commissioner Bos questioned the requirement outlined in Section 21.58.060 (a) 1 & 2, lines 250-258. City planner Abboud clarified that this is for when you exceeds these heights and will become part of the record and if anything comes up they can be addressed prior to coming before the commission.

HIGHLAND/BRADLEY - MOVED TO APPROVE STAFF REPORT PL 16-34, TOWERS AND MOVE IT TO PUBLIC HEARING.

There was no further discussion.

VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.





# City of Homer

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## Planning

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(p) 907-235-3106

(f) 907-235-3118

### Staff Report PL 16-34

TO: Homer Advisory Planning Commission  
FROM: Rick Abboud, City Planner  
DATE: June 15, 2016  
SUBJECT: Towers

---

**Introduction:** This subject was sent back to the Planning Commission by the City Council in order to address a few specific policies. Those policies include a mechanism for recovering the cost of a third party review and bonding requirement to ensure site remediation after a tower is no longer in use or presents a danger.

**Analysis:** The City Attorney has addressed the above subjects and introduced another in the process. Although not specifically requested by the City Council, I found the Attorney's suggestion worthy of further considerations.

1. Lines 194-206. Costs of third party review.

This provides the requirement that the applicant provides a deposit for the actual cost of the review. I will be looking into what exactly the appropriate amount may be. This may come with a RFP for a firm which is qualified to make the review. The fee schedule may be amended without Planning Commission approval and would be passed along to the City Council. My guess is that we could be looking at an amount between \$5-8k and some sort of administrative fee for the city.

2. Lines 303-320. Insurance requirements.

This seems to be a concern of most. We would expect that businesses would have liability insurance. This provides an appropriate amount (what we would expect from a tenant of the city) and a mechanism for the city to be notified if the policy lapses. I believe this is a worthy amendment and provides those onsite and nearby with some additional measure of security regarding financial liability.

3. Lines 331-336. Bonding.

This amendment provides a vehicle to provide funds for decommission and removal of a tower if the tower is found unsafe and the owner is unwilling to repair or the tower is no longer operational.

**Staff Recommendation:** Please review, make amendments if appropriate, and schedule for public hearing.

**Attachments:** Draft Ordinance (Attorney edit 6.3.16)



## NEW BUSINESS







# RESOLUTIONS







**CITY OF HOMER  
HOMER, ALASKA**

Lewis

**RESOLUTION 16-080**

A RESOLUTION OF THE HOMER CITY COUNCIL RECONFIRMING  
THE SISTER CITY RELATIONSHIP WITH TESHIO, HOKKAIDO,  
JAPAN.

WHEREAS, On August 13, 1980 the Homer City Council endorsed the idea of  
establishing a Sister City relationship between Homer and Teshio in Japan; and

WHEREAS, Teshio was selected because it has similar economics, climate, topography  
and community environment; and

WHEREAS, On March 28, 1983 the Homer City Council adopted Resolution 83-13,  
acknowledging Teshio, Hokkaido, Japan as Homer's Sister City; and

WHEREAS, On April 17, 1984 an Oath to Establish a Sistership Affiliation between  
Homer and Teshio was signed by the Mayor of Teshio and by the Mayor of Homer; and

WHEREAS, In 1985 Teshio, Hokkaido and Homer, Alaska bonded as Sister Cities and  
Teshio sent a delegation to visit Homer; and

WHEREAS, Teshio and Homer have enjoyed a profound camaraderie, sharing of  
families, student exchanges, ideals and memorabilia for thirty years.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council reconfirms the Sister  
City Relationship with Teshio, Hokkaido, Japan.

PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of August, 2016.

CITY OF HOMER

\_\_\_\_\_  
MARY E. WYTHE, MAYOR

ATTEST:

\_\_\_\_\_  
JO JOHNSON, MMC, CITY CLERK

Fiscal Impact: None







**CITY OF HOMER  
HOMER, ALASKA**

Lewis

**RESOLUTION 16-081**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
OPPOSING SITING AND TIMING OF U.S. NAVY TRAINING  
EXERCISES THAT POSE RISKS TO FISH AND FISHERIES IN THE  
GULF OF ALASKA.

WHEREAS, The City of Homer is the governing body with the full power and authority as recognized by the citizens of Homer, to act for its members, and has responsibility to provide government for the good health and welfare of its citizens; and

WHEREAS, The U.S. Navy plans to conduct training activities utilizing explosives, live ordnance, and sonar in the Gulf of Alaska in 2017 that will have impacts on marine life and habitat vital to the interests of the City of Homer and its citizens; and

WHEREAS, These trainings will impact the waters of the Gulf of Alaska by annually releasing up to approximately 352,000 pounds of expended materials including up to 10,500 pounds of hazardous materials including cyanide, chromium, lead, tungsten, nickel, cadmium, barium chromate, chlorides, phosphorus, titanium compounds, lead oxide, potassium perchlorate, lead chromate, ammonium perchlorate, fulminate of mercury, and lead azide into waters designated by NOAA as Essential Fish Habitat for a multitude of species that support the economic development in Alaskan coastal communities and harvest of wild Alaskan salmon and other fish for global markets; and

WHEREAS, The training area and vicinity is a highly productive region for many marine fish and shellfish populations and supports some of the most productive fisheries in the United States, and an important spawning area for many fishes, and the training is scheduled to take place during the summer season when many fish populations are migrating and spawning (at least 383 species belonging to 84 families of marine and anadromous fishes have been reported from the predominant ecosystems found in the training area); and

WHEREAS, The port of Homer is reliant on the fish and wildlife resources in the Gulf of Alaska for their subsistence harvest and the livelihoods supported by commercial fishing; and

WHEREAS, The City of Homer supports all cultural, traditional and subsistence activities historically and continually practiced by Native and non-Native peoples in the Gulf of Alaska; and



WHEREAS, The City of Homer finds no scientific information or traditional knowledge demonstrating that the U.S. Navy's training activities can take place without negatively affecting salmon, marine mammal, bird and other marine habitats.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, does hereby request that the U.S. Navy refrain from using live ordnance or sonar in any Marine Protected Area, including NOAA Fisheries Marine Protected Areas, State Marine Protected Areas and Habitat Areas of Particular Concern.

BE IT FURTHER RESOLVED that the City Council of the Homer, Alaska, hereby requests that the U.S. Navy relocate its training area to the far southeast corner of the current designated training area, off the Continental Shelf areas of the Gulf of Alaska, and away from seamounts.

BE IT FURTHER RESOLVED that the City Council of Homer, Alaska, requests the U.S. Navy to conduct its training exercises after the middle of September and before the spring, so as not to impact migrating salmon and other species.

PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of August, 2016.

CITY OF HOMER

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MARY E. WYTHE, MAYOR

ATTEST:

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JO JOHNSON, MMC, CITY CLERK

Fiscal Note: N/A





PRESERVING WILD  
SALMON HABITAT &  
INDIGENOUS CULTURE

#### Board of Directors

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Timothy Metz

Mariah Parker

Pamela Smith

Alan Trist

## City Council Memorandum

DATE: July 6, 2016

TO: Honorable Mayor and City Council

FROM: Emily Stolarcyk, Program Manager - Eyak Preservation Council

SUBJECT: Supplemental Information/ Overview of Resolution addressing the US Navy's 2017 trainings in the Gulf of Alaska

---

Thank you for the opportunity to provide context and information to support the Resolution addressing the US Navy's 2017 training plans in the Gulf of Alaska. This is an updated version of Resolution 15-043 passed by Homer's City Council in June 2015.

On March 31<sup>st</sup>, 2016, US Navy representatives speaking at ComFish in Kodiak, AK stated that the Navy had pre-selected training dates for 2017 in the Gulf of Alaska. Their dates are May 1 – 12, 2017. These dates are problematic and pose risks to our commercial and subsistence fisheries. As a community, we need to engage the Navy and support an alternative time of their 'Northern Edge' training exercises.

The Eyak Preservation Council supports a well-trained Navy and is not asking for the exercises to be discontinued. We are asking that the Navy work with local communities to find the best time and location for training that poses the least amount of risk to the valuable habitat within the Gulf of Alaska.

Some additional points for consideration:

- The Navy does not currently have a Letter of Authorization (LOA) or a permit from the National Marine Fisheries Service (NMFS) for the 2017 trainings. Selecting dates before securing a LOA is a serious breach of protocol and legality by the US Navy.
- In the 43 years that the Navy has conducted trainings in the GOA, never once has a training occurred in May. Trainings from 1973 – 2002 happened in the winter months, 2004 – 2015 happened in June. May is one of the prime months for species migration into the GOA. The Navy has not conducted any additional research to prove that training in May will not harm or have negative effects on migrating fish and marine mammals.
- The Navy and NMFS recently lost a federal lawsuit about Naval exercises and permit processes regarding the Navy's activities in their Hawaii/Southern California ranges. As a result, the Navy is now restricted from training in Biologically Important Areas (BIA's) during certain times of the year because of the species present. The resolution asks that the same protections awarded to Hawaii/Southern California be extended to the Gulf of Alaska.
- The Navy has previously identified that both September and October are acceptable months in which 'Northern Edge' can be conducted.





PRESERVING WILD  
SALMON HABITAT &  
INDIGENOUS CULTURE

- Our environment is changing. Warm water species are being observed in our waters for the first time. The Navy has not conducted any research nor presented any information about the safety and/or long term impacts their trainings pose to our marine environments including Essential Fish Habitat. In these changing times, it is our responsibility to take every measure to safeguard the future of our fisheries. Allowing the Navy to train in May could have a number of unintended consequences and unfavorable impacts to our fisheries including:
  - Immediate decline in catch due to direct physical injury and mortality from weapons and sonar;
  - Delays in fish runs as a result of scattering effects from sonar (observed after 2015 trainings in Bristol Bay and other fisheries);
  - Exposure and contamination of fish from Navy-sourced expended materials such as cyanide, mercury and lead;
  - Failure to (or an increase in the time needed to) reach the next developmental stage of juvenile fish populations.

In summary, allowing the Navy to conduct their training exercise 'Northern Edge' in May puts our fishing industries and subsistence resources at undue risk. The Navy is already changing their activities in other Pacific ranges. The Navy needs to hear from communities now, well in advance of their trainings, in order to make the necessary changes to their schedule.

Please contact me with additional questions and/ or concerns.

Thank you,

Emily Stolarczyk  
Program Manager  
907-424-5890  
emily@redzone.org



**From:** [Shelley Gill](#)  
**To:** [Department Clerk](#)  
**Cc:** [Olga von Ziegesar](#); [Maya](#)  
**Subject:** Navy war games updated resolution  
**Date:** Sunday, July 31, 2016 2:02:22 PM

---

To the Honorable members of the Homer City Council.

The Navy has scheduled NE exercises for mid May 2017 though they have not yet received a NOAA permit. These live-fire war games could have a devastating effect on both marine mammals and our fisheries. Homer receives about 43% of its income from commercial fisheries. The Alaska fishery is already suffering from the results of rapid climate warming. The first six months of 2016 were the hottest on record. To further imperil our way of life by allowing the Navy to bomb the hell out of protected fish habitat at this critical time of year is lunacy. Please pass this updated resolution and please attend the Sonic Sea film screening this week August 4 at Islands and Oceans at 7 pm. This is going to be a long fight to save our salmon.

Thank you  
Shelley Gill  
30 year Homer resident

Sent from my iPhone



**From:** [Katie Koester](#)  
**To:** [Jo Johnson](#)  
**Subject:** FW: US Navy excercizes  
**Date:** Wednesday, August 03, 2016 1:19:46 PM  
**Attachments:** [image009.png](#)  
[image010.png](#)  
[image011.png](#)  
[image012.png](#)

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**From:** Blackwell, Michelle (Murkowski) [[mailto:Michelle\\_Blackwell@murkowski.senate.gov](mailto:Michelle_Blackwell@murkowski.senate.gov)]  
**Sent:** Wednesday, August 03, 2016 8:35 AM  
**To:** Katie Koester  
**Subject:** RE: US Navy excercizes

Good morning Katie,  
Senator Murkowski's Legislative Director in DC, Nathan Bergerbest, wondered if the City Council might be willing to postpone consideration of the resolution opposing the US Navy training exercises until September. He is coming to the state in a couple weeks and plans to meet with the Navy regarding this issue. He is hopeful his meeting with them will help ease the concern and perhaps eliminate the need for a resolution.

Let me know your thoughts, Katie. Many thanks!  
Best,  
Michelle

---

Michelle Blackwell  
Office of Senator Lisa Murkowski  
805 Frontage Road, Suite 105  
Kenai, AK 99611  
(907)283-5808 / Fax: (907)283-4363

Sign-up to receive the Senator's newsletter by clicking on the link below:  
<http://murkowski.senate.gov/public/index.cfm?p=NewsletterSignup>



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**From:** Katie Koester [<mailto:kkoester@ci.homer.ak.us>]  
**Sent:** Tuesday, August 02, 2016 10:31 AM  
**To:** Blackwell, Michelle (Murkowski)  
**Subject:** RE: US Navy excercizes

Thank you Michelle.

Emily Stolarcyk, Program Manager for Eyak Preservation Council is scheduled to present to Council next Monday the 8<sup>th</sup> on an Overview of U.S. Navy Training Activities in the Gulf of Alaska. At that



time the Council will also be considering "A Resolution of the City Council of Homer, Alaska, Opposing Siting and Timing of U.S. Navy Training Exercises That Pose Risks to Fish and Fisheries in the Gulf of Alaska. Lewis."

I will pass this information along to Council member Lewis who inquired.

Best,

Katie

---

**From:** Blackwell, Michelle (Murkowski) [<mailto:Michelle.Blackwell@murkowski.senate.gov>]  
**Sent:** Tuesday, August 02, 2016 10:23 AM  
**To:** Katie Koester  
**Subject:** RE: US Navy excercizes

Katie,

I just talked to the Senator's State Director, Kevin Sweeney, and he and the Senator's Aide in DC, Ephraim Froelich, have reached out to the US Navy to again encourage them to visit coastal communities about the upcoming Naval exercises. As you recall, they did visit Homer about these same concerns last year. Our staff will encourage them to visit well in advance of the proposed exercises proposed for 2017 to hopefully put folks minds at ease about the environmental impact of the exercises.

If you would please keep me in the loop on this issue, I would greatly appreciate it, Katie. I will also let you know if anything further develops on our end.

Best,

Michelle

---

Michelle Blackwell  
Office of Senator Lisa Murkowski  
805 Frontage Road, Suite 105  
Kenai, AK 99611  
(907)283-5808 / Fax: (907)283-4363

Sign-up to receive the Senator's newsletter by clicking on the link below:

<http://murkowski.senate.gov/public/index.cfm?p=NewsletterSignup>



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**From:** Katie Koester [<mailto:kkoester@ci.homer.ak.us>]  
**Sent:** Tuesday, August 02, 2016 9:57 AM  
**To:** Blackwell, Michelle (Murkowski)  
**Subject:** RE: US Navy excercizes

Thanks for the follow up Michelle.



Katie

---

**From:** Blackwell, Michelle (Murkowski) [<mailto:Michelle.Blackwell@murkowski.senate.gov>]  
**Sent:** Tuesday, August 02, 2016 9:13 AM  
**To:** Katie Koester  
**Subject:** RE: US Navy excercizes

Katie,

I haven't forgotten about this issue. DC staff have been traveling extensively and are just now addressing this. I will be in touch! My apologies for the delay.

Best,

Michelle

---

Michelle Blackwell  
Office of Senator Lisa Murkowski  
805 Frontage Road, Suite 105  
Kenai, AK 99611  
(907)283-5808 / Fax: (907)283-4363

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<http://murkowski.senate.gov/public/index.cfm?p=NewsletterSignup>



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**From:** Katie Koester [<mailto:kkoester@ci.homer.ak.us>]  
**Sent:** Tuesday, July 12, 2016 12:14 PM  
**To:** Blackwell, Michelle (Murkowski)  
**Subject:** US Navy excercizes

Hi Michelle,

Opposition to US Navy exercises in Alaska has become a topic of conversation again as apparently training exercises have been scheduled for May of 2017. One of Homer's council members was contacted by an advocacy group to sponsor a resolution 'opposing siting and timing of U.S. Navy training exercises that pose risks to fish and fisheries in the Gulf of Alaska.' This prompted him to ask me to check in on the two resolutions the City of Homer passed last year, Resolution 15-043 "Urging the U.S. Navy to Change Training Exercises in the Gulf of Alaska" and Resolution 15-062 "Urging the Alaska Congressional Delegation to Engage in Negotiations with the U.S. Navy to Change Training Exercises in the Gulf of Alaska" and ask if there is an update from the delegation from last year. Do you have any update from Senator Murkowski's office on the topic? I know Homer joined a number of coastal municipalities in passing resolutions.

Thanks for any information you can provide.



Best,

Katie

[http://www.cityofhomer-ak.gov/resolutions?  
keys=navy&field\\_adopted\\_date\\_value%5Bvalue%5D%5Bdate%5D](http://www.cityofhomer-ak.gov/resolutions?keys=navy&field_adopted_date_value%5Bvalue%5D%5Bdate%5D)







**CITY OF HOMER  
HOMER, ALASKA**

Lewis/  
Cannabis Advisory Commission

**RESOLUTION 16-083**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
SUPPORTING THE CANNABIS ADVISORY COMMISSION'S  
OPPOSITION TO THE MARIJUANA CONTROL BOARD'S  
REQUIREMENT OF FEDERAL BACKGROUND CHECKS AND  
FINGERPRINTING TO RECEIVE A MARIJUANA HANDLER PERMIT.

WHEREAS, The Cannabis Advisory Commission (CAC) has reviewed the proposed regulations, 3 AAC 306.700 Marijuana Handler Permit, and expressed that it provides onerous and repressive oversight on an already tightly regulated industry; and

WHEREAS, The CAC supports Marijuana Handler Permit requirements that follow the same guidelines, testing and permitting requirements as established for the serving and sales of Alcohol and supports the requirements for background checks and fingerprinting of owners of a marijuana related business; and

WHEREAS, The proposed regulations, 3 AAC 306.700 Marijuana Handler Permit, presents requirements and limitations that will make it problematic for the marijuana industry to hire employees.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, hereby supports the Cannabis Advisory Commission's opposition to the Marijuana Control Board's requirement of Federal Background Checks and Fingerprinting to receive a Marijuana Handler Permit.

PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of August, 2016.

CITY OF HOMER

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MARY E. WYTHE, MAYOR



39 ATTEST:

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JO JOHNSON, MMC, CITY CLERK

44

45 Fiscal information: NA





## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Clerk

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Homer, Alaska 99603

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(p) 907-235-3130

(f) 907-235-3143

### Memorandum 16-133

TO: MAYOR WYTHER AND CITY COUNCIL

FROM: CANNABIS ADVISORY COMMISSION

DATE: AUGUST 1, 2016

SUBJECT: PROPOSED REGULATIONS 3 AAC 306.700 REQUIREMENT FOR FEDERAL BACKGROUND CHECKS AND FINGERPRINTING FOR A MARIJUANA HANDLER PERMIT.

---

At the regular meeting on July 28, 2016 the proposed state regulations, 3 AAC 306.700 Marijuana Handler Permit, were reviewed and the Commission issued the following recommendation in opposition considering it onerous, invasive and unnecessary.

Following is the motion of opposition from the commission:

*B. Proposed Amendments to the State Marijuana Regulations: Testing Facility Requirements, Notices for Marijuana Stores and Onsite Consumption and Marijuana Products in Marijuana Retail Stores*

*Commissioner Carroll opposed the proposed regulations for a Marijuana Handlers Card believes that it should follow the same guidelines as getting a TAPS card. Anyone who handles alcohol has one, they take a test. To require the business owners to have every employee go through fingerprinting and federal background search is government over reach.*

*Commissioner Harris and Clark agreed offering the onerous requirement to have a person being paid minimum wage to sweep the floor or putting stickers on containers who does not handle or deal with the product be required to have the Handlers permit and background check along with fingerprinting.*

*It could be considered a method of shaming to take the employment in the industry.*

*LEWIS/CLARK – MOVED TO FORWARD A RECOMMENDATION OF COMMISSION IN OPPOSITION TO THE REQUIREMENTS OF BACKGROUND CHECK AND FINGERPRINTING FOR A MARIJUANA HANDLER PERMIT AS OUTLINED IN THE PROPOSED REGULATIONS 3 AAC 306.700 AND THAT IT SHOULD BE LIMITED TO THE OWNER OF THE BUSINESS.*

*There was no additional comments.*



*VOTE. YES. NON-OBJECTION. UNANIMOUS CONSENT.*

*Motion carried.*

Recommendation:

Adopt Resolution 16-083 approving the Cannabis Advisory Commission's opposition to the Marijuana Control Board's requirement of federal background checks and fingerprinting to receive a Marijuana Handler Permit and submit to the Alcohol and Marijuana Control Office prior to the August 21, 2016 deadline.



3AAC 306.700

(f) The board will not issue a marijuana handler permit to a person that

(1) has been convicted of a felony and either

(A) less than five years have elapsed from the time of the person's conviction; or

(B) the person is currently on probation or parole for that felony.

(2) has been found guilty of

(A) selling alcohol without a license in violation of AS 04.11.010; or

(B) selling alcohol to a minor in violation of AS 04.16.051 or AS 04.16.052; or

(C) a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the preceding five years

(3) has, within two years before submitting an application, been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana.

(g) When filing an application for a marijuana handler permit the applicant, must submit the person's fingerprints and the fees required by the Department of Public Safety under AS 12.62.160 for criminal justice information.

(1) The director shall submit the fingerprints to the Department of Public Safety to obtain a report of criminal justice information under AS 12.62. The board will use the information obtained under this section to determine if an applicant is qualified for a marijuana handler permit.

(2) In this section, "criminal justice information" has the meaning given in AS 12.62.900.

**3 AAC 306.831. Suspension or revocation of marijuana handler permit.** (a) The board will suspend or revoke a marijuana handler permit issued under this chapter if any licensee is convicted of a felony listed in 3AAC 306.700 (f)(1)(A) and (B) or of a crime listed in 3 AAC 306.700(f)(2) and (3) or if the board becomes aware that a permit applicant did not disclose a previous felony conviction or a conviction of a crime listed in 3 AAC 306.700(f)(1)(A) and (B).

(b) The board may suspend or revoke a permit issued under this chapter, refuse to renew a permit, or impose a civil fine if the board finds that a permit applicant misrepresented a material fact on an application for a marijuana handler permit, or an affidavit, report, or signed statement under AS 17.38 or this chapter.







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



