



City of Homer

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Memorandum 22-019

TO: Mayor Castner and Homer City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, Director of Public Works
DATE: January 12, 2022
SUBJECT: Request for Seed Money for Green Infrastructure Projects

Issue: The purpose of this Memorandum is to follow up on the January 10, 2022 Council Worksession by recommend that the City Council authorize seed money to continue exploration of four Green Infrastructure Storm Water Management Projects.

I. Background

The Green Infrastructure Storm Water Management System is a system of four projects that would use natural systems, including wetlands and peatlands, to store and treat storm water. These projects would have multiple benefits: improving water quality, reducing potential for flooding, and reducing potential for bluff erosion in their project impact areas. Three of the four projects involve the acquisition of real property, which mostly consists of wetlands, from either the Kenai Peninsula Borough or private land owners.

A. **Appraisals.** In order to have a sensible discussion with the land owners, we need to have a better understanding of the value of the land. The best way to develop this understanding is to have the land appraised. Since there's a good chance some or all of the funding for these property acquisitions would come from government funds, either through grants or loans, the appraisals must be performed in accordance with the standards established by the government agencies. These requirements are stipulated in the Uniform Standards of Professional Appraisal Practice (USPAP) and the more stringent Uniform Appraisal Standards for Federal Land Acquisition (UASFLA). The funding agencies dictate, which set of standards will apply to their money.

Regardless of which set of standards apply, the appraisals are not cheap or quick. We estimate it would cost up to \$30,500 and 60-90 days for appraisals following the USPAP standards and \$80,000, and a little longer, for appraisals following the UASFLA standards, to cover all the properties we are interested in.

B. **Technical Field Work.** Another thing we need in order to have a sensible discussion with the land owner as well as plan the projects, is to have a better understanding of the wetlands' technical parameters. Some of the land is a "low quality" wetlands and some of it is "high quality" wetlands,

which affects the value of the land as well as the ability of the wetlands to absorb water. We also need to better calibrate the volume of water expected to flow into the wetland absorption areas. These analyzes require field work to (1) delineate the wetlands; (2) monitor the quality and quantity of storm water that could flow into the wetland areas; and (3) evaluate the hydrology of the watershed in greater detail. We estimate it could cost \$60,000 for the field work and data analysis for all four projects. This work is a vital part of the project design process.

II. Funding. We propose to fund the Seed Money from the HART Road Fund, which has a vested interest in drainage works.

1. Appraisals for all 4 projects	\$80,000
2. Technical Field Work for all 4 projects	<u>\$60,000</u>
Total Request	\$140,000

The minimum available balance in the HART Road Fund is \$3,286,278, even after the recent requests for the purchase of the grader and service truck.