



MEMORANDUM

Kachemak Sponge Project Status Update

Item Type: Informational Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: April 8, 2024
From: Julie Engebretsen, Community Development Director
Through: Melissa Jacobsen, Acting City Manager

Kachemak Sponge Project

The Kachemak Sponge Project is the collaborative project between the City of Homer and Kachemak Bay National Estuarine Research Reserve (KBNERR) for a storm water infrastructure project out East End Road, south of Northern Enterprises Boat Yard.

KBNERR received a NOAA grant (\$1.1 million) to fund acquisition of land parcels for conserving peatlands included in the Kachemak Sponge project. In October City Council approved Resolution 23-114, authorizing a term contract up to \$30,000 for the Kachemak Heritage Land Trust (KHLT) to assist the City with property acquisition for the Kachemak Sponge project.

The NOAA grant needs to be amended so KHLT can help the City, but NOAA is not doing budget amendments to projects at the current time. To keep the project moving forward, KBNERR has identified and received approval to pay KHLT for landowner negotiations from funds KBNERR has available, until the Sponge grant budget can be updated.

When NOAA has updated the budget, the City would then take over paying KHLT at that point in time. Unless there is objection from Council, staff will move forward with KHLT working on the City's behalf as authorized by Resolution 23-114, but funded by KBNERR until NOAA is able to complete their grant administration requirements.