



# MEMORANDUM

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## 2025-2030 Capital Improvement Plan Review Worksession

**Item Type:** Action Memorandum  
**Prepared For:** Mayor and Homer City Council  
**Date:** August 22, 2024  
**From:** Jenny Carroll, Special Projects & Communications Coordinator  
**Through:** Melissa Jacobsen, City Manager

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The City's Capital Improvement Plan (CIP) has undergone review by staff and City Advisory Commissions and Boards and is provided in draft form for discussion at your September 26, 2024 worksession. The purpose of the worksession is to give you an opportunity to review recommendations and provide feedback regarding CIP updates so that staff can prepare a final CIP draft and Resolution for your consideration at the September 19, 2024 City Council meeting to approve the CIP and establish the City's FY26 Legislative Priority projects.

**BACKGROUND** The CIP is the City's six-year planning document that forecasts and describes community priorities for capital improvements. It contains written descriptions of City prioritized projects; five of the projects in the Legislative Priority section will be submitted to our State Legislators, and as eligible, up to five will be submitted to our Federal Delegation and appropriate agencies so they have the information necessary to make decisions regarding appropriation requests.

**OVERVIEW OF CIP UPDATES** (which are also indicated in red font in the draft CIP)

Six projects have been successfully funded will be removed from the CIP:

- Beluga Sewage Lift Station
- Fish Grinding Building Replacement (pending Council September 26 approval of grant match funds)
- Homer All Ages & Abilities Pedestrian Pathway (HAPP)
- Svedlund/Herndon Street Sidewalks (included as part of HAPP)
- Main Street Sidewalk: Pioneer Avenue South to Ohlson Lane (included as part of HAPP)
- Homer Public Library Sliding Security Gate

Partial funding has been obtained for two City of Homer projects and they remain in the CIP:

- Homer Harbor Expansion: \$4.15M in local, State and Federal funding was secured to complete funds required for the USACE General Investigation.

## Substantial project revisions/updates:

### FY25 Legislative Priority Projects

- The Homer Harbor Expansion General Investigation is anticipated to reach a tentatively selected plan in June 2025 and conclude with a Chief's Report and US Army Corps of Engineers' recommendation in early 2026. If recommended, Phase 2, Project Engineering and Design (PED) would commence in FY26. Costs for the PED phase are shared 90% Federal, 10% local sponsors.
- The Homer Harbor Float Systems 4 & 1 Replacement project has also gained some traction with Legislative funding. A successful Community Funded Projects request to Representative Mary Peltola for Design and Engineering (Phase 1) of the project will contribute \$250,000 in Federal funding from the Transportation, Housing and Urban Development Appropriations Subcommittee. An application for additional Phase 1 funding assistance is currently pending with the Denali Commission. A FY24 grant application to the Federal Port Infrastructure Development Program for both design and construction is also pending.
- The A-Frame Water Transmission Line Replacement project is set to receive \$650,000 in Federal Assistance thanks to a successful FY25 Congressionally Designated Spending request forwarded by Senator Lisa Murkowski and included in the Interior and Environment appropriations bill.

A few Mid-Range projects are recommended to be removed. These include: Homer Spit Campground Renovations, Home Spit Trailhead Restroom, and the Baycrest Overlook Gateway Improvements (from the State projects sub-section). Reasons for the recommendations are included in each project description.

### New projects for your consideration:

Several new projects have been proposed for inclusion in the CIP. They are contained in a separate document and will only be included in the CIP upon Council approval of motions that identify the specific projects to be added.

### **ACTION ITEM RECOMMENDATIONS FOR THE AUGUST 26, 2024 WORKSESSION:**

- 1) **Review, discuss and provide feedback regarding recommended CIP project updates** so that staff can prepare a final draft of the CIP. Substantive updates and/or recommended changes from last year's CIP are indicated in red font.
- 2) **Review and discuss projects proposed to be removed and proposed new projects.** (When Council formally adopts the CIP, the Resolution identifies any new projects to be added to the CIP, projects to be removed and designates a short selection of City of Homer projects as Legislative Priorities.)
- 3) **Discuss Legislative Priority Projects.** Please discuss potential projects to include in the Legislative Priority section. As a reminder, Legislative Priority projects designated by City Council for consideration for Congressionally Designated Spending (CDS), or Federal appropriation

requests. Staff will submit up to five Legislative Priority projects for consideration if they meet nuanced eligibility criteria set out by the appropriations committees. Additional criteria for Federal appropriations include that the project have broad public impact, should have gone through the planning/design phase, or at least have conceptual designs and a budget in place, and show City and possibly State investment and/or match funding.

Five Legislative Priority projects are also submitted to our State legislators through the State's online CAPSIS system to be considered for State capital funding through Designated Legislative Grants.

Leveraging outside funding for large capital improvements often takes years to accomplish. Recognizing this, Council has often elected to maintain Legislative Priority projects year over year until the projects are funded, as long as they remain relevant to community plans and needs. Nine projects provide City staff with sufficient flexibility to select projects that maximize alignment with State and Federal eligibility criteria.

To aid Council's discussion and your individual Legislative Priority selections, the City's advisory bodies provide the following Legislative Priority project recommendations:

- Port & Harbor Advisory Commission (PHAC)

1. Homer Harbor Expansion
2. Homer Harbor Critical Float System Replacements: Systems 1 & 4
3. Large Vessel Haul-Out Repair Facility

The PHAC motion also expressed strong support for the Homer Spit Coastal Erosion Mitigation as a fourth highest priority project.

- Economic Development Advisory Commission (EDAC)

1. Multi-Use Community Recreation Center
2. Slope Stability/Erosion Mitigation Program
3. HERC Hazardous Material Cleanup and Revitalization Plan

The EDAC also passed motions expressing (a) strong support for the Homer Spit Coastal Erosion Mitigation project and the Comprehensive Drainage Management Plan project and (b) support for adding the Pratt Museum Roof Replacement project as a new project in the Projects by Other Organizations section.

- ADA Advisory Board

1. City Hall Access Barrier Removal (combined with Removing Parking & Pavement Accessibility Barriers at City Facilities, a similar project)
2. Nick Dudiak Fishing Lagoon Accessible Ramp and Fishing Platform
3. Multi-Use Community Recreation Center

- Planning Commission
  - 1. Homer Harbor Expansion
  - 2. New Public Works Facility
  - 3. A-Frame Water Transmission Line Replacement.
- Parks, Art, Recreation & Culture Advisory Commission (PARCAC)
  - 1. Multi-Use Community Recreation Center
  - 2. Karen Hornaday Park Public Restroom Facility
  - 3. Jack Gist Park Improvements

The PARCAC motion approving the CIP priority projects also listed the Kachemak Drive Non-Motorized Pathway as their fourth priority project.

PARCAC passed an additional motion that opposes the removal of the Homer Spit Campground renovations project from the CIP document until the project has been updated and further encourages the Port and Harbor Advisory Commission work with the Parks Art Recreation & Culture Advisory Commission to develop the project.

- Library Advisory Board (LAB)
  - 1. Homer Public Library Siding Replacement
  - 2. Homer Waste Water Treatment Plan Improvements
  - 3. Fire Department Fleet Management

The LAB also passed a motion in favor of adding the Parking Lot Drainage Solutions for Homer Public Library to the CIP.

- 4) **After discussion, Mayor and each Council Member please submit your individual top nine project selections to me (in order of rank #1-9) either at the end of the September 26th worksession or by email ([jcarroll@ci.homer.ak.us](mailto:jcarroll@ci.homer.ak.us)) no later than Friday, August 30.** I will tally your recommendations into a prioritized list in the CIP adoption resolution for your approval in advance of the September 9<sup>th</sup> Council Meeting.

I look forward to hearing back from you and incorporating your recommendations into the final draft.