



MEMORANDUM

Homer Accelerated Roads and Trails (HART) Road Fund

Item Type: Informational Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: January 7, 2025
From: Melissa Jacobsen, City Manager

This memo outlines the history and evolution of the Homer Accelerated Roads Program (HARP), later renamed the Homer Accelerated Roads and Trails program (HART), focusing on its funding, policy changes, and future planning.

Background:

Ordinance 87-19 authorized a question to the voters to approve a three quarter percent sales tax for the purpose of partial funding of street reconstruction improvements and related utilities for up to twenty years, which was approved by voters at the October 1987 regular election.

Resolution 87-61(S) established the first Homer Accelerated Roads Program (HARP) policies. The resolution identified the urgent need within the City for reconstruction of streets and related utilities. The Council at that time recognized the limited state revenues then and into the future. In 1987 the program was funded by three quarter percent sales tax and assessments against benefitted property owners. Additional resolutions followed updating these policies as needed for effective use of the program.

Resolution 94-50 appears to be the legislation that put Council's policies into the HARP Policy Manual.

Key Milestones:

Ordinance 06-42 authorized three propositions to the voters regarding HARP.

- Proposition 1 asked the voters to extend the three quarter percent sales tax to fund HARP for up to twenty additional years.
- Proposition 2 asked that if Proposition 1 passed would the City be authorized to use the revenue from the dedicated sales tax for construction of new local streets.
- Proposition 3 asked that if Proposition 1 passed would the City be authorized to use the revenue from the dedicated sales tax for construction of new local non-motorized trails.

All three propositions were passed by the voters at the October 2006 regular election, and HARP became HART, the Homer Accelerated Roads and Trails program with **Resolution 07-33**.

Resolution 07-82 updated the HART policy manual to incorporate non-motorized transportation and trail infrastructure into the program.

Ordinance 15-36(A)(2) authorized a proposition asking the voters to suspend the three quarter percent sales tax for a period of three years (2016, 2017, and 2018). The purpose of this suspension was to increase revenues to the general fund due to a downturn in oil prices, the State reducing the City's contract for community jail services, and significant decline in and elimination of the State revenue sharing, which prompted Council to remove revenue sharing from the operating budget under revenue. The proposition passed at a special election in December 2015.

Ordinance 17-10(S)(A) put a question before the voters asking to amend the HART program to authorize the use of the three quarter percent sales tax for road and trail maintenance. As City Administration and City Council worked to address impending budget shortfalls and understand the needs in taking care of infrastructure, they saw the need to ask voters for approval to continue to use a portion of the HART fund for road and trail maintenance operations costs. Again, the voters supported this proposition which allowed for approximately \$700,000 of General Fund expenses to be funded by HART when the suspension expired and relieving some pressure on the General Fund into the future. This is the model we continue to use today, however with increased cost of operations and new roads built within the City, the amount of the transfer has increased.

Ordinance 17-40(A) amended Homer City Code 3.05 to add section 3.05.017 Minimum annual transfers for Homer Accelerated Roads and Trail Capital Accounts. Following the passage of the 2017 ballot proposition a minimum transfer of \$550,000 was set for the purpose of funding street reconstruction improvements and utilities, construction of new local roads, and construction of new local trails. This is split 90%/10%, \$500,000 for HART Roads and \$50,000 for HART Trails.

This amount was based on information in **Memorandum 17-133**, backup to **Resolution 17-092(A)**, that outlined special assessment districts costs and operation costs and updated the HART Policy Manual.

In researching the fund, up until 2015 its primary function has served to finance developing local roads by through road improvement districts initiated by the City or by property owners in a neighborhood. From 1987 to 2016 a front footage assessment methodology was used where property owners paid set amounts for gravel and for paving, as established by Council resolution. In 2016 the assessment methodology changed to a percentage based methodology where benefitted property owners pay 25% of the improvement costs and the City pays 75%. The purpose of this change was to standardize HART and HAWSP (Homer Accelerated Water and Sewer Program) assessment methodologies, make the allocation of cost to property owners under HART more equitable, and encourage property owners to utilize the program. See **Memorandum 16-063** and **Resolution 16-041 (S-2)(A)**.

When the HART suspension ended and the annual HART transfers to the general fund for operations began, HART Roads was used primarily to fund capital projects approved through the budget, Local Improvement Districts (LIDs), now called Special Assessment Districts (SADs), and the annual transfer. Because there weren't a lot of SAD's initiated the HART Roads fund grew significantly over the years, even with the annual transfer.

Recent Developments:

In 2020 Public Works became more vocal about needs for existing roads and the community more vocal about the need for sidewalks. Leadership in Public Works and Administration had recently changed and they saw value in and the need for more utilization of the HART road funds for eligible projects throughout the City.

We have accomplished several great projects including the Main Street Sidewalk, Ben Walters Sidewalk, improvements at Bayveiw Park, Woodard Creek Culvert Rehabilitation Project, Design of the Bunnell Ave/Ohlson Lane Road Restoration Project, design of the Heath Street Pavement Restoration Project, and green infrastructure projects that impact roads, to name a few.

Looking Ahead:

As seen in this history, the needs for HARP/HART have changed over time as the City continues to grow and infrastructure needs repair and revitalization. Looking at the future of the HART Roads and Trails funds it will be important for Council and Administration to consider what priorities lay ahead, how to continue to manage the fund to accomplish the priorities, and how best to update the HART Policy Manual to set appropriate policies for the funds.

It's also important to keep in mind that the dedicated three quarter percent sales tax for HART expires on December 31, 2027, midway through the second year of our upcoming budget cycle. A proposition will need to go to the voters in October 2026 asking them to extend the dedicated sales tax for this important fund, and here is a very preliminary schedule-

- January-February 2026: Discussions about HART and preparation of an ordinance and memo
- March 2026: Council adopts the ordinance to put a ballot measure before the voters
- May 2026: Register as an entity with the Alaska Public Offices Commission (APOC)
- June 2026: Campaign Branding/Ad Building begins
- August 2026: Begin advertising
- October 7, 2026, Election Day

Future Considerations:

Looking ahead, Council should address questions on funding policies, budget strategies, and setting priorities for future road and trail projects.

- Should the City amend HCC 3.08.017 Minimum Annual Transfer for Homer Accelerated Roads and Trails capital accounts to clarify wording and change the minimum transfer? If so what changes would the Council support?
- Should the City set policy on the annual general fund transfer for operations and maintenance? If so is there a floor or ceiling on the amount of the transfer?
- Should we proceed in budgeting at status-quo until the proposition is decided by the voters in 2026, and take up consideration of these adjustments for FY28/29 after HART is extended?
- Is there a need to limit HART roads appropriations to let the fund replenish until the proposition is decided by the voters?

CITY OF HOMER

HOMER, ALASKA

ORDINANCE 87-19

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF HOMER CALLING FOR PROPOSITIONS TO BE INCLUDED ON THE OCTOBER 6, 1987 GENERAL ELECTION BALLOT WHICH PROVIDE FOR THE COMBINED LEVY OF UP TO AN ADDITIONAL ONE PERCENT TAX ON SALES, RENTS AND SERVICES WITHIN THE CITY OF HOMER FOR THE DEDICATED PURPOSE OF PARTIALLY FUNDING DEBT RETIREMENT FOR THE SEWER TREATMENT PLANT IMPROVEMENTS, AND PARTIALLY FUNDING STREET RECONSTRUCTION IMPROVEMENTS; PROVIDING FOR RATIFICATION OF THIS ORDINANCE BY THE VOTERS AT THE OCTOBER MUNICIPAL ELECTION AND FURTHER PROVIDING FOR REFERRAL TO THE KENAI PENINSULA BOROUGH FOR COLLECTION.

WHEREAS, expansion and upgrade of the Sewer Treatment Plant has been mandated by the Environmental Protection Agency; and

WHEREAS, it has been determined that reconstruction of street improvements and related utilities is an urgent need within the City of Homer; and

WHEREAS, the availability of state revenues to finance street and public utility improvements is limited and may not be available in the near future; and

WHEREAS, the City of Homer wishes to provide a dedicated funding source for street reconstruction and the sewer treatment plant improvement needs as outlined by the City.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Levy of Sales Tax; Purpose. (a) An additional consumer's sales tax in the amount of one quarter percent (1/4%) is hereby levied by the City of Homer on all sales, rents and services within the City except as the same

may be otherwise exempted by law, for the purpose of partially funding debt retirement of the Sewer Treatment Plant improvements.

(b) An additional consumer's sales tax in the amount of three quarters percent ($3/4\%$) is hereby levied by the City of Homer on all sales, rents and services within the City except as the same may be otherwise exempted by law, for the purpose of partial funding of street reconstruction improvements and related utilities.

Section 2. Effective Date. This ordinance shall take effect on January 1, 1988, after ratification by the qualified voters of the City of Homer, voting on the following questions at an election to be held on October 6, 1987, which shall read:

PROPOSITION NO. 1

INCREASED SALES TAX RATE FOR
SEWER TREATMENT PLANT IMPROVEMENTS

Shall the City of Homer, Alaska provide a partial funding source for debt retirement on \$4.4 million improvements to the Sewer Treatment Plant by an additional one quarter percent ($1/4\%$) dedicated sales tax with such additional sales tax to remain in effect until the debt is retired or for twenty (20) years, whichever occurs first?

INCREASE OF $1/4\%$ SALES TAX RATE, YES ☐

INCREASE OF $1/4\%$ SALES TAX RATE, NO ☐

PROPOSITION NO. 2

INCREASED SALES TAX RATE FOR
STREET RECONSTRUCTION AND RELATED UTILITIES

Shall the City of Homer, Alaska provide a partial funding source for street reconstruction improvements and related utilities by an additional three fourths percent ($3/4\%$) dedicated sales tax, in accordance with the City of Homer Accelerated Roads Program; such additional sales tax to remain in effect for up to twenty years?

INCREASE OF $3/4\%$ SALES TAX RATE, YES ☐

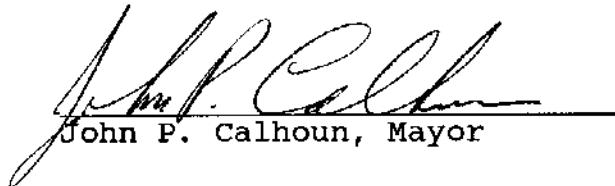
INCREASE OF $3/4\%$ SALES TAX RATE, NO ☐

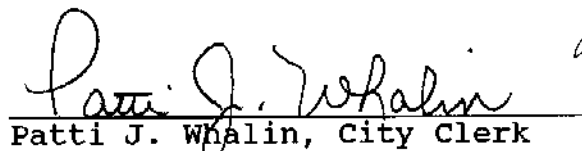
Section 3. Referral to Kenai Peninsula Borough for Collection. Following enactment by the City Council and ratification by the voters at a regular municipal election, this ordinance shall be referred to the Kenai Peninsula Borough for notification of tax registrants within the City and for implementation of other collection procedures as required by law.

Section 4. Borough Sales Tax Provisions Adopted by Reference. Those sections of the Kenai Peninsula Borough Code of Ordinances applicable to the levy and collection of the foregoing sales tax are hereby incorporated by this reference and made a part hereof as though fully set forth herein.

Section 5. Insertion in Municipal Code. This ordinance shall be appropriately numbered and added to the Homer Municipal Code.

CITY OF HOMER


John P. Calhoun, Mayor



Patti J. Whalin, City Clerk

First Reading 8/10/87

Public Hearing 8/24/87

Second Reading 8/24/87

Reviewed and approved as to form
this 24th day of August, 1987.


A. Robert Hahn, Jr.
City Attorney

CITY OF HOMER
HOMER, ALASKA

RESOLUTION 86-71

A RESOLUTION OF THE HOMER CITY COUNCIL AUTHORIZING THE FORMATION OF THE STERLING HIGHWAY WATER/SEWER IMPROVEMENT AREA AND AUTHORIZING THE CITY MANAGER TO PROCEED WITH THE PREPARATION AND CONSTRUCTION OF THE PROJECT.

WHEREAS, a public hearing was held on July 28, 1986 to hear objections or protests to the formation of such improvement area and the objection deadline for written protests was September 26, 1986, and

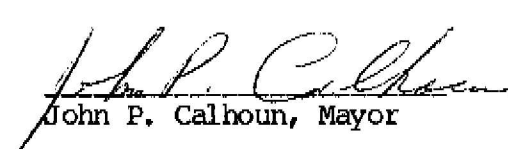
WHEREAS, it is determined that the improvement is desired by the property owners of more than one-half of the value of the property benefited,

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Homer, Alaska, that the Sterling Highway water/sewer improvement area is hereby created and formed, and

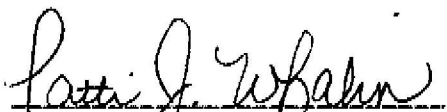
BE IT FURTHER RESOLVED that the City Manager is instructed to proceed with the necessary preparations and construction of the improvement area and to prepare the assessment roll for presentation to the Homer City Council at a future date.

DATED at Homer, Alaska this 13th day of October, 1986.

CITY OF HOMER


John P. Calhoun, Mayor

ATTEST:


Patti J. Whalin, City Clerk

CITY OF HOMER
HOMER, ALASKA

RESOLUTION 94-50

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF HOMER, ALASKA AMENDING THE HOMER
ACCELERATED ROADS PROGRAM (HARP) AND POLICY
MANUAL.

WHEREAS, the Road Standards Committee at their meeting on May 2, 1994 moved to recommend to the City Council that the assessments be changed from \$20 per front foot for road reconstruction to \$30 per front foot for road reconstruction and that the paving assessment of \$11 per front foot be left the same; and

WHEREAS, this recommended change affects Section III. Financing/Assessments, of the HARP Policy Manual, subsection 6. and 8.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Homer, Alaska that the HARP and HARP Policy Manual are hereby amended in the following:

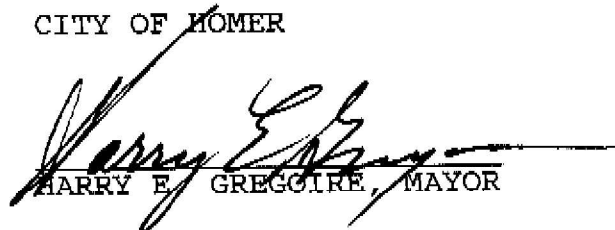
Section III. Financing/Assessments

6. Abutting property owners will share the cost of upgrading a street to residential standards by paying \$20 \$30 per front foot for gravel and \$11 per front foot for paving.

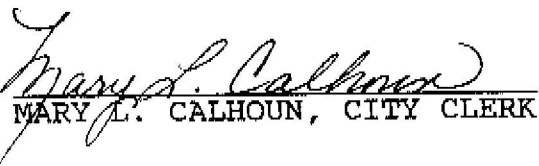
8. The \$20 \$30/\$11 split in front foot assessment stands unless there is 100% agreement on a revised formula for a specific project or the amount is adjust by the City Council.

PASSED AND ADOPTED by the City Council of Homer, Alaska on this 9th day of May, 1994.

CITY OF HOMER


HARRY E. GREGGORE, MAYOR

ATTEST:


MARY L. CALHOUN, CITY CLERK

**CITY OF HOMER
HOMER, ALASKA**

Council/Manager

ORDINANCE 06-42

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA SUBMITTING A SET OF BALLOT QUESTIONS TO THE VOTERS AT THE REGULAR MUNICIPAL ELECTION ON OCTOBER 3, 2006, REGARDING THE HOMER ACCELERATED ROADS PROGRAM (HARP), INCLUDING CONTINUATION OF THE PROGRAM AND REAUTHORIZING THE THREE FOURTHS PERCENT ($\frac{3}{4}\%$) SALES TAX LEVY FOR UP TO TWENTY ADDITIONAL YEARS, AMENDING HARP TO AUTHORIZE CONSTRUCTION OF NEW ROADS AND NEW TRAILS, AND AMENDING HOMER CITY CODE SUBSECTION 9.16.010 (C) ACCORDINGLY.

WHEREAS, The Homer Accelerated Roads Program (HARP) and the three fourths percent ($\frac{3}{4}\%$) sales tax levy approved by the voters in October 1987 to provide funding for the program, both expire on December 31, 2007; and

WHEREAS, The general intent of the program, as approved by the voters in 1987, is to provide for the reconstruction of local substandard roads and/or upgrade existing City roads, thereby reducing maintenance costs, improving access, increasing property values, and improving the quality of life (Resolution 88-47 #1); and \

WHEREAS, The purpose, intent, qualifying criteria, financing, and other provisions of the HARP are provided in the HARP Policy Manual as amended from time to time and in Ordinance 87-19; and

WHEREAS, The City Council has determined that reconstruction and upgrades of local streets and associated utilities remains a urgent need and top priority; and

WHEREAS, The Council wishes to continue to provide a dedicated source of local revenue for this purpose and wishes to ask the voters to reauthorize the HARP Program and the existing three quarters percent ($\frac{3}{4}\%$) sales tax levy to provide funding for HARP for up to 20 additional years; and

WHEREAS, State and Federal funding for the construction of new local roads and trails is dwindling and the Council hereby finds it is in the public interest to develop a local source of funding to provide for necessary expansion of the local transportation infrastructure; and

WHEREAS, the construction of new roads and new trails are high priorities in both the Homer Transportation Plan and the Homer Non-Motorized Transportation Plan respectively; and

WHEREAS, The Council also wishes to ask the voters for authorization to amend the HARP to allow the revenue generated by the three fourths percent (3/4%) dedicated sales tax levy to be used for the construction of new local roads and new trails.

NOW THEREFORE, The City of Homer Ordains:

Section 1: The Homer City Council finds that it is in the best interest of the community to ask the voters if the Homer Accelerated Roads Program (HARP) and the three fourths percent (3/4%) sales tax levy currently dedicated to this purpose should be reauthorized and extended for up to twenty additional years. The Council also finds that it is in the best interest of the community to ask the voters if they will authorize amendments to the HARP and permit the dedicated sales tax levy to be used for construction of new local roads and trails.

Section 2: Homer City Code Section 9.16.010 is hereby amended to read as follows:

9.16.010 c. An additional consumer's sales tax in the amount of three quarter's percent (3/4%) is hereby levied by the City of Homer on all sales, rents, and services within the City except the same may be otherwise exempted by law, for the purpose of funding of street reconstruction improvements and related utilities, construction of new local roads, and construction of new local trails.

Section 3: The City Clerk shall submit the following questions to the voters at the regular municipal election to be held on October 3, 2006. The ballot propositions shall read as follows:

PROPOSITION 1:

Shall the City of Homer, Alaska continue to provide a funding source for street reconstruction improvements and related utilities in accordance with the City of Homer Accelerated Roads Program (HARP) by continuing after December 31,2007 to levy a three fourth percent (3/4%) sales tax to fund HARP for up to twenty additional years?

YES _____ NO _____

PROPOSITION 2:

If Proposition 1 is approved by the voters, shall the City also be authorized to use the revenue from the three fourths percent (3/4 %) dedicated sales tax for the construction of new local streets?

YES _____ NO _____

PROPOSITION 3:

If Proposition 1 is approved by the voters, shall the City also be authorized to use the revenue from the three fourths percent (3/4%) dedicated sales tax for the construction of new local non-motorized trails?

YES _____ NO _____

Section 4. If Ballot Proposition 1 contained herein is not approved by the voters, the amendments to HCC 9.16.010 (C) approved in Section 2 of this ordinance shall not take effect and the three fourths percent (3/4%) dedicated sales tax levy is not extended beyond December 31, 2007.

Section 5. If Ballot Proposition 1 contained herein is approved by the voters but Ballot Propositions 2 and 3 are rejected, the amendment to HCC 9.16.010 (C) approved in section 2 of this ordinance shall not take effect, but the authorization to extend HARP and to levy the three fourths percent (3/4%) dedicated sales tax for HARP shall take effect and continue for 20 years after December 31, 2007.

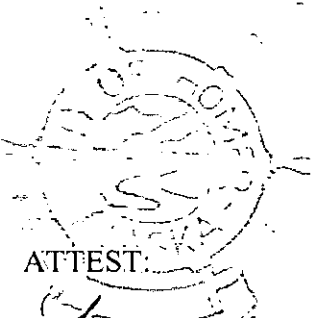
Section 6. If Ballot Proposition One and Proposition Two contained herein are approved by the voters, then the amendment to HCC 9.16.010 C referring to construction of new streets shall take effect, and the Council shall amend the HARP program by resolution to provide qualifying criteria and conditions under which new street construction projects could be funded using HARP revenue.

Section 7. If Ballot Proposition One and Proposition Three contained herein are approved by the voters, then the amendment to HCC 9.16.010 C referring to construction of new trails shall take effect, and the Council shall amend the HARP program by resolution to provide qualifying criteria and conditions under which new trail construction projects could be funded using HARP Revenue.

Section 8. The City Manager and the City Clerk and their designees are authorized to provide unbiased factual and educational information to the public regarding these ballot questions and what effect they might have on the budget, the capital improvement program, community development generally, or other relevant information that might help the voters make an informed decision.

Section 9. If Ballot Proposition 1 and either or both of Ballot Propositions 2 and 3 are approved by the voters, the respective amendments to HCC 9.16.010 C shall be effective immediately upon certification of the election. If approved by the voters, the amendment(s) to HCC 9.16.010 C shall be incorporated in the Homer City Code. The remaining sections of this ordinance are not of a permanent nature and as such, shall not be codified.

PASSED AND ENACTED by the Homer City Council this 14 day of Sept,
2006.



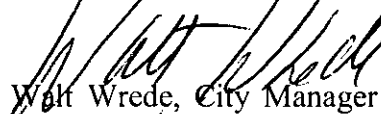
ATTEST:


MARY L. CALHOUN, CMC, CITY CLERK

Introduction: 07/24/06
Public Hearing: 08/14/06
Second reading: 08/14/06
Effective Date: 08/15/06

Ayes: 6
Nays: 0
Abstain: 0
Absent: 0

Reviewed as to form and content:


Matt Wrede, City Manager

Date: 8/15/06

CITY OF HOMER


JAMES C. HORNADAY, MAYOR


Gordon Tans, City Attorney
Date:

22 August 2006

Fiscal Note: Revenue estimated at \$1 Million per year

**CITY OF HOMER
HOMER, ALASKA**

City Clerk

RESOLUTION 07-33

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, CHANGING THE NAME OF THE HOMER ACCELERATED ROADS PROGRAM (HARP) TO HOMER ACCELERATED ROADS AND TRAILS PROGRAM (HART).

WHEREAS, The Homer Accelerated Roads Program (HARP) was established August 27, 1990

WHEREAS, On August 14, 2006 Ordinance 06-42 was adopted by the City Council placing three propositions before the Voters for the October 3, 2006 election; and

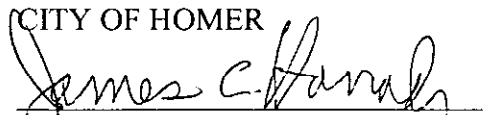
WHEREAS, The three propositions included continuing to provide a funding source for street reconstruction improvements and related utilities, levy of three fourth percent (3/4%) sales tax to fund HARP for up to twenty additional years, use of the funds for construction of new local streets, and use of the revenue from the 3/4% dedicated sales tax for construction of new local non-motorized trails; and

WHEREAS, All three propositions regarding the HARP passed and the election was certified on October 9, 2006 via Resolution 06-145(S); and


WHEREAS, The Transportation Advisory Committee recommended the name of the HARP be changed to Homer Accelerated Roads and Trails Program (HART) to more adequately describe the intent of the program.

NOW THEREFORE BE IT RESOLVED, That the Homer City Council hereby changes the name of the Homer Accelerated Roads Program (HARP) to Homer Accelerated Roads and Trails Program (HART).

PASSED AND ADOPTED by the Homer City Council this 26th day of February, 2007.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR



ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: Not Applicable

**CITY OF HOMER
HOMER, ALASKA**

City Manager/Parks and
Recreation Advisory Commission

RESOLUTION 07-82

A RESOLUTION OF THE CITY COUNCIL AMENDING THE HOMER ACCELERATED ROADS PROGRAM (HARP) POLICY MANUAL TO THE HOMER ACCELERATED ROADS AND TRAILS PROGRAM (HART) POLICY MANUAL, INCORPORATING NON-MOTORIZED TRANSPORTATION AND TRAIL INFRASTRUCTURE IN THE PROGRAM.

WHEREAS, Voters approved the extension of the HARP Program on October 3, 2006, and the results were certified in Resolution 06-145(S) on October 9, 2006; and

WHEREAS, Voters also approved the expenditures of program funds for construction of new local non-motorized trail projects; and

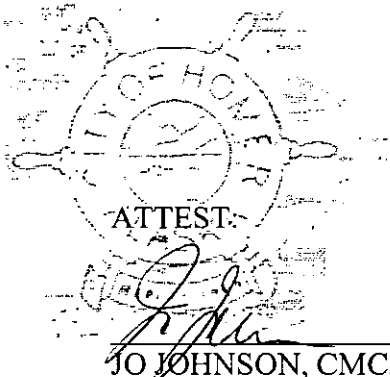
WHEREAS, Council adopted Resolution 07-33 changing the name of the HARP program to include Trails, thereby being named HART; and

WHEREAS, the Homer Non-Motorized Transportation and Trail Plan, Policy 6, states "Establish a city-sponsored funding source dedicated to building a non-motorized transportation and trail infrastructure in Homer;" and

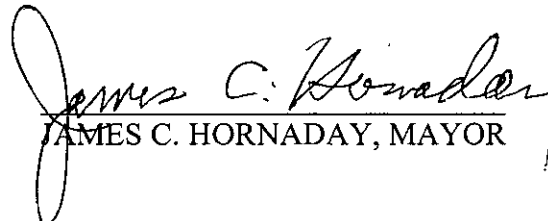
WHEREAS, The Homer Parks and Recreation Advisory Commission and the Transportation Advisory Committee spent several months discussing and recommending changes to the HART program and recommended approval of the new HART program as outlined in the HART Policy Manual.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby adopts the Homer Accelerated Roads and Trails (HART) Policy Manual to incorporate non-motorized transportation and trail infrastructure into the program.

PASSED AND ADOPTED by the Homer City Council this 10th day of September, 2007.



CITY OF HOMER


JAMES C. HORNADAY, MAYOR

**CITY OF HOMER
HOMER, ALASKA**

Mayor

ORDINANCE 15-36(A-2)

AN ORDINANCE AMENDING HCC 9.16.010 TO SUSPEND THE DEDICATION OF 0.75% OF THE CITY SALES TAX TO THE HOMER ACCELERATED ROADS AND TRAILS (H.A.R.T.) PROGRAM FOR A PERIOD OF THREE YEARS, AND AUTHORIZING THE CITY TO SUBMIT THE QUESTION OF SUSPENDING SUCH SALES TAX DEDICATION TO THE QUALIFIED VOTERS OF THE CITY AT A SPECIAL ELECTION TO BE HELD IN THE CITY ON DECEMBER 1, 2015.

THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 9.16.010 is amended to read as follows:

9.16.010 Levied.

a. A consumer's sales tax in the amount of three and three-quarters percent is levied by the City on all sales, rents and services within the City except as the same may be otherwise exempted by law.

b. An additional consumer's sales tax in the amount of three-quarters percent is hereby levied by the City of Homer on all sales, rents and services within the City except as the same may be otherwise exempted by law, for the purpose of funding debt retirement of the sewer treatment plant improvements, and to the extent revenues from such tax exceed such debt retirement obligations, for the purpose of funding water and sewer systems.

Section 2. Homer City Code 9.16.010 is amended to read as follows:

9.16.010 Levied.

a. A consumer's sales tax in the amount of three percent is levied by the City on all sales, rents and services within the City except as the same may be otherwise exempted by law.

b. An additional consumer's sales tax in the amount of three-quarters percent is hereby levied by the City of Homer on all sales, rents and services within the City except as the same may be otherwise exempted by law, for the purpose of funding debt retirement of the sewer treatment plant improvements, and to the extent revenues from such tax exceed such debt retirement obligations, for the purpose of funding water and sewer systems.

c. An additional consumer's sales tax in the amount of three-quarters percent is hereby levied by the City of Homer on all sales, rents and services within the City except as the same may be otherwise exempted by law, for the purpose of funding of street

reconstruction improvements and related utilities, construction of new local roads, and construction of new local trails.

Section 3. A special election in and for the City is called for December 1, 2015, at which the City shall submit the following proposition to the qualified voters of the City. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. 1

**SUSPEND THE DEDICATION OF 0.75% OF THE CITY SALES TAX TO THE
HOMER ACCELERATED ROADS AND TRAILS (H.A.R.T.) PROGRAM FOR A
PERIOD OF THREE YEARS, TO MAKE SUCH 0.75% OF CITY SALES TAX
AVAILABLE FOR GENERAL GOVERNMENT PURPOSES**

Shall the dedication of 0.75% of the City sales tax to the Homer Accelerated Roads and Trails (H.A.R.T.) Program be suspended for a period of three years, to make such 0.75% of City sales tax available for general government purposes?

Section 4. The proposition shall be printed on paper ballots and machine ballots, and the following words shall be added as appropriate next to an oval provided for marking the ballot for voting by hand or machine:

PROPOSITION NO. 1

O Yes
O No

Section 5. Section 1 of this ordinance shall become effective on January 1, 2016, but only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the special election to be held in the City on December 1, 2015. Section 2 of this ordinance shall become effective on January 1, 2019, but only if the proposition described in Section 3 is approved by a majority of the qualified voters voting on the proposition at the special election to be held in the City on December 1, 2015. The remaining sections of this ordinance shall become effective upon adoption.

Section 6. Sections 1 and 2 of this ordinance are of a permanent and general character and shall be included in the city code upon their respective effective dates. The remaining sections of this ordinance are not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER, ALASKA, this 12th day of October, 2015.



CITY OF HOMER

Mary E. Wythe
MARY E. WYTHE, MAYOR

ATTEST:

Jo Johnson

JO JOHNSON, MMC, CITY CLERK

AYES: 4
NOES: 0
ABSTAIN: 0
ABSENT: 2

First Reading: 9/22/15
Public Reading: 10/12/15
Second Reading: 10/12/15
Effective Date: 10/13/15

Reviewed and approved as to form:

Mary K. Koester

Mary K. Koester, City Manager

Date: 10.15.15

Thomas F. Klinkner

Thomas F. Klinkner, City Attorney

Date: 10-19-15

**CITY OF HOMER
HOMER, ALASKA**

Mayor

ORDINANCE 17-10(S)(A)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, SUBMITTING A BALLOT QUESTION TO THE VOTERS AT THE OCTOBER 3, 2017 REGULAR MUNICIPAL ELECTION INQUIRING WHETHER TO AMEND THE HOMER ACCELERATED ROADS AND TRAILS (HART) PROGRAM TO AUTHORIZE THE USE OF REVENUES FROM THE THREE FOURTHS PERCENT (3/4%) SALES TAX LEVIED TO SUPPORT THE HART PROGRAM FOR THE USE OF ROAD AND TRAIL MAINTENANCE AND AMENDING HOMER CITY CODE 9.16.010(C) ACCORDINGLY UPON APPROVAL BY THE VOTERS OF PROPOSITION NO.1.

WHEREAS, The HART Program (the "Program" or the "HART Program") and the three fourths percent (3/4%) sales tax levy in support of the Program was first approved by the voters in October 1987; and

WHEREAS, The general intent of the Program, as approved by the voters of the City of Homer, Alaska (the "City") in 1987, was to provide for the reconstruction of local substandard roads and/or upgrade existing City roads, thereby reducing maintenance costs, improving access, increasing property values, and improving the quality of life within the City; and

WHEREAS, In October 2006 the City voters reauthorized the Program for an additional 20 years and amended it to include the construction of new roads and trails; and

WHEREAS, Ten years later there is again a need to amend the Program to include maintenance of City roads and trails; and

WHEREAS, A dedicated funding source for road and trail construction, improvement and maintenance will establish these activities as essential and funding to continue to maintain and improve the City transportation infrastructure; and

WHEREAS, Road and trail maintenance includes:

- gravel road surface grading, dust control, gravel purchase, and drainage ditch/culvert maintenance
- pavement, curb, gutter and sidewalk repair, asphalt crack sealing, pavement stripping and sweeping
- bridge maintenance, signage, right-of-way vegetation control, storm drain pipe/catch basin/ manhole cleaning and repair, street light maintenance and electricity costs

- snow plowing and snow removal, snow dump site maintenance, purchase of sand, calcium chloride, and deicing chemicals, sanding, advertising and public notices
- purchase of road and trail maintenance equipment and tools
- for trails: vegetation control, trash pickup, signage, drainage, snow plowing, sanding, grading/resurfacing of gravel trails, sweeping of paved trails, and trail head maintenance

WHEREAS, Funding road and trail maintenance, construction and improvement through the Program will free up general funds for other essential City services; and

WHEREAS, The City Council will still be able to annually dedicate a large percentage of HART funds to capital projects to keep up with demand for road and trail improvements and new construction; and

WHEREAS, The City will continue to offer a special assessment district process as a mechanism for the improvement of local roads.

NOW THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1: The Homer City Council finds that it is in the best interest of the community to ask the voters to authorize amendments to the Program to expressly permit the use of revenue generated by the HART Program dedicated sales tax levy for maintenance of local roads and trails.

Section 2. The City shall submit the following proposition to the qualified voters of the City at the October 3, 2017 regular election. The proposition must receive an affirmative vote from a majority of the qualified voters voting on the question to be approved.

PROPOSITION NO. 1

AUTHORIZE THE USE OF REVENUE FROM THE 0.75% OF THE EXISTING CITY SALES TAX DEDICATED TO THE HOMER ACCELERATED ROADS AND TRAILS (H.A.R.T.) PROGRAM TO INCLUDE MAINTENANCE OF LOCAL ROADS AND TRAILS

Shall the City of Homer, Alaska, be authorized to use the revenue from the three fourths percent (3/4%) Homer Accelerated Roads and Trails dedicated sales tax for the maintenance of local roads and trails?

Section 3. The proposition shall be printed on paper ballots and machine ballots, and the following words shall be added as appropriate next to an oval provided for marking the ballot for voting by hand or machine:

PROPOSITION NO. 1

O Yes

O No

Section 4. Homer City Code 9.16.010 is amended to read as follows:

a. A consumer's sales tax in the amount of three and three-quarters percent is levied by the City on all sales, rents and services within the City except as the same may be otherwise exempted by law.

b. An additional consumer's sales tax in the amount of three-quarters percent is hereby levied by the City of Homer on all sales, rents and services within the City except as the same may be otherwise exempted by law, for the purpose of funding debt retirement of the sewer treatment plant improvements, and to the extent revenues from such tax exceed such debt retirement obligations, for the purpose of funding water and sewer systems.

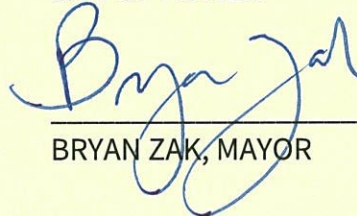
c. An additional consumer's sales tax in the amount of three-quarters percent is hereby levied by the City of Homer on all sales, rents and services within the City except as the same may be otherwise exempted by law, for the purpose of funding street reconstruction improvements and related utilities, construction of new local roads, construction of new local trails, and maintenance of local roads and trails.

Section 5. Section 4 of this ordinance shall become effective immediately upon approval of Proposition No. 1 by a majority of the qualified voters voting on the proposition at the regular election to be held in the City on October 3, 2017. The remaining sections of this ordinance shall become effective upon adoption.

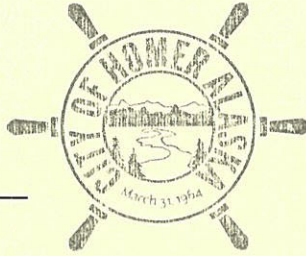
Section 6. Section 4 of this ordinance is of a permanent and general character and shall be included in the Homer City Code upon its effective date. The remaining sections of this ordinance are not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 13th day of March, 2017.

CITY OF HOMER



BRYAN ZAK, MAYOR



ATTEST:



JO JOHNSON, MMC, CITY CLERK

AYES: 6

NOES: 0

ABSTAIN: 0

ABSENT: 0

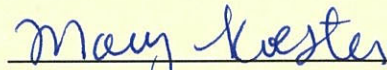
First Reading: 2/27/17

Public Hearing: 3/13/17

Second Reading: 3/13/17

Effective Date: 3/14/17

Reviewed and approved as to form:



Mary K. Koester, City Manager

Date: 3.20.17



Holly Wells, City Attorney

Date: 3.21.17

**CITY OF HOMER
HOMER, ALASKA**

Smith/Aderhold

ORDINANCE 17-40(A)

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
AMENDING HOMER CITY CODE TITLE 3 CHAPTER 3.05 BUDGET BY
ADDING A NEW SECTION THAT ESTABLISHES A MINIMUM ANNUAL
TRANSFER IN THE OPERATING BUDGET OF HOMER ACCELERATED
ROAD AND TRAILS (HART) FUNDS FOR ROAD AND TRAIL CAPITAL
IMPROVEMENTS.

WHEREAS, Homer City Code Chapter 3.05 establishes the procedures, guidelines and
rules for the annual budget; and

WHEREAS, In October 0f 2017 Homer voters approved Ballot Measure 1 allowing the $\frac{3}{4}\%$
sales tax collected for Homer Area Roads and Trails (HART) to be spent on maintenance of
roads and trails; and

WHEREAS, It is appropriate to establish guidelines in Homer City Code that ensure a
minimum recommended amount is reserved for HART capital projects; and

WHEREAS, Estimated annual expenditures in the near future for HART road capital
expenditures such as the City portion of road improvement special assessment districts, storm
drain rehabilitation and paving projects equals \$504,306; and

WHEREAS, The HART Policy Manual allocates 10% of HART annually to trail projects;
and

WHEREAS, A line item in the 2019 budget should be added for trail maintenance in order
to allow the City to track trail maintenance expenditures and give greater attention to
maintaining municipal trail infrastructure.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer Municipal Code Chapter 3.05 is hereby amended by adding a new
section, as follows:

3.05.017 Minimum Annual Transfer for Homer Accelerated Roads and Trail Capital Accounts

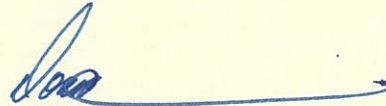
The annual budget will transfer a minimum of \$550,000 of the $\frac{3}{4}\%$ dedicated sales tax levied
for Homer Accelerated Roads and Trails exclusively for the purpose of funding street

reconstruction improvements and related utilities, construction of new local roads, and construction of new local trails.

Section 2. This Ordinance is of a permanent and general character and shall be included in the City Code and shall become effective January 1, 2019.

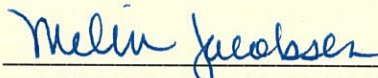
ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA this 27 day of Nov, 2017.

CITY OF HOMER



DONNA ADERHOLD, MAYOR PRO TEMPORE

ATTEST:



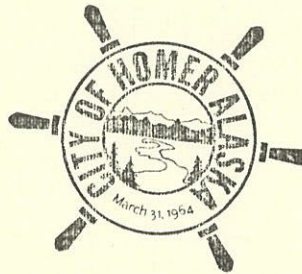
MELISSA JACOBSEN, MMC, CITY CLERK

YES: 6

NO: 0

ABSTAIN: 0

ABSENT: 0



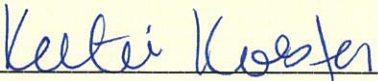
First Reading: 10.30.17

Public Hearing: 11.27.17

Second Reading: 11.27.17

Effective Date: 11.28.17

Reviewed and Approved as to form and content:



Katie Koester, City Manager



Holly Wells, City Attorney

Date: 11.29.17

Date: 11.30.17



City of Homer

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Memorandum 17-133

TO: Mayor Zak and Homer City Council
FROM: Katie Koester, City Manager
DATE: October 25, 2017
SUBJECT: Ordinance 17-40 and Resolution 17-092

The purpose of this memo is to explain the parameters outlined in the proposed Ordinance and Resolution for the expenditure of Homer Accelerated Roads and Trails (HART) funds on maintenance of roads and trails.

Ordinance 17-40 in combination with Resolution 17-092 proposes that at a minimum \$550,000 of HART funds collected in any given year be reserved for capital expenditures (\$500,000 for roads and \$50,000 for trails). Resolution 17-092 establishes the same parameters for the HART Trails set aside as Ordinance 17-40 does for roads by amending the HART Policy Manual. Because the 10% dedication for trails is in the Policy Manual and not City Code, the Trails parameters need to be adopted by resolution, not ordinance.

The existing balance of the HART fund (currently approximately \$5.2 million) would remain available for future capital projects.

2017 value of HART (3/4% sales tax): \$1.284m

HART ROADS		HART TRAILS	
Annual amount of HART road (HART – 10% for HART trails)*	\$1.156m	Annual amount of HART trails (10% of HART)*	\$128,400
Anticipated annual draw on HART Roads for capital projects based on historical experience	\$504,306	Recommended minimum annual set aside for HART trails for capital projects	\$50,000
HART road remainder available for road maintenance (operating budget transfer)	\$656,000	HART trails remainder available for maintenance (recommend line item created for this in 2019 budget)	\$78,400
2017 budget for road maintenance (paved roads + gravel roads + winter roads)	\$717,000	2017 budget for trail maintenance	Not currently tracked

*Based on 2017 budget

Logistics. What will using HART for maintenance look like in the 2019 budget?

The 2019 budget will create an operating transfer into General Fund Revenue for HART road maintenance and HART trail maintenance. The HART road maintenance funds will offset expenditures on gravel, paved, and winter road maintenance. Since historically the City has not tracked trail maintenance expenditures, I recommend creating an item in the Parks and Cemetery budget for trail maintenance with a budget directly from HART Trails separately from other parks-related expenditures. The Parks Art Recreation and Culture Advisory Commission could advise on how to best spend these funds to maintain Homer's existing trail infrastructure. This could include purchasing trail maintenance equipment, materials such as gravel, signage and typar; and any associated labor. Any HART funds that are not budgeted and spent on specific maintenance expenditures will lapse into the HART capital funds until appropriated.

**CITY OF HOMER
HOMER, ALASKA**

Smith/Aderhold

RESOLUTION 17-092(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
AMENDING THE HOMER ACCELERATED ROADS AND TRAILS
PROGRAM (HART) POLICY MANUAL TO THE HART CAPITAL
IMPROVEMENTS POLICY MANUAL AND ESTABLISHING MINIMUM
SET ASIDES FOR CAPITAL IMPROVEMENTS.

WHEREAS, Homer Accelerated Road and Trail (HART) is a ¾% sales dedicated to roads
and trails; and

WHEREAS, In October of 2017 City of Homer voters approved Ballot Proposition 1 that
allowed Homer Accelerated Road and Trail funds to be spent on road and trail maintenance;
and

WHEREAS, Homer City Council is considering revisions to Homer City Code to restrict
what can be spent on road and trail maintenance in the annual budget and establish a
minimum set aside for HART capital improvement projects; and

WHEREAS, Updating the HART Policy Manual to the HART Capital Improvements
Policy Manual differentiates between HART funds that are used for capital projects and HART
funds that can be used in the operating budget for road and trail maintenance; and

WHEREAS, Revisions to the HART Policy Manual provide further guidance on the
required minimum set aside for roads capital improvements and trail capital improvements.

NOW, THEREFORE, BE IT RESOLVED THAT the title of the Manual is amended to read
as follows (additions bold and underlined; deletions stricken through):

H.A.R.T. CAPITAL IMPROVEMENTS POLICY MANUAL

BE IT FURTHER RESOLVED THAT the first sentence of paragraph I of the manual is
amended to read as follows:

I.PURPOSE

The purpose of the HART Capital Improvement program (referred to hereafter as HART
program) is to pay for reconstructing substandard city roads, upgrading existing
roads, and constructing new streets and non-motorized trails.

BE IT FURTHER RESOLVED THAT Paragraph V of the manual is amended to read as follows:

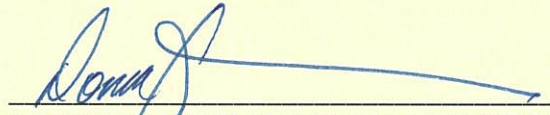
V.FINANCING AND ASSESSMENTS

This program is funded by a dedicated sales tax of up to three quarters of one percent (3/4%), and the collection of assessment payments due from completed projects. Roads are allocated 90% of the annual revenue, and trails are allocated 10%. Homer City Code requires that annually no less than \$550,000 is set aside for capital road and trail improvements. Of that amount, a minimum of \$500,000 shall be set aside for road capital improvements and \$50,000 for trail capital improvements. The tax will be collected for up to twenty years expiring December 31, 2027, as approved by voters. Expenditures under the HART program are subject to the availability of funds.

BE IT FURTHER RESOLVED THAT these changes shall become effective January 1, 2019.

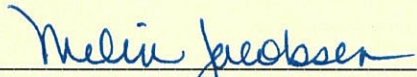
PASSED AND ADOPTED by the Homer City Council this 27 day of Nov 2017.

CITY OF HOMER

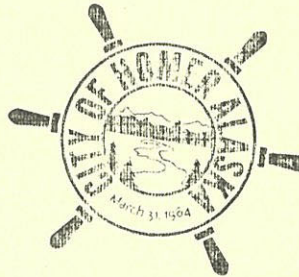


DONNA ADERHOLD, MAYOR PRO TEMPORE

ATTEST:



MELISSA JACOBSEN, MMC, CITY CLERK





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Memorandum 17-133

TO: Mayor Zak and Homer City Council
FROM: Katie Koester, City Manager
DATE: October 25, 2017
SUBJECT: Ordinance 17-40 and Resolution 17-092

The purpose of this memo is to explain the parameters outlined in the proposed Ordinance and Resolution for the expenditure of Homer Accelerated Roads and Trails (HART) funds on maintenance of roads and trails.

Ordinance 17-40 in combination with Resolution 17-092 proposes that at a minimum \$550,000 of HART funds collected in any given year be reserved for capital expenditures (\$500,000 for roads and \$50,000 for trails). Resolution 17-092 establishes the same parameters for the HART Trails set aside as Ordinance 17-40 does for roads by amending the HART Policy Manual. Because the 10% dedication for trails is in the Policy Manual and not City Code, the Trails parameters need to be adopted by resolution, not ordinance.

The existing balance of the HART fund (currently approximately \$5.2 million) would remain available for future capital projects.

2017 value of HART (3/4% sales tax): \$1.284m

HART ROADS		HART TRAILS	
Annual amount of HART road (HART – 10% for HART trails)*	\$1.156m	Annual amount of HART trails (10% of HART)*	\$128,400
Anticipated annual draw on HART Roads for capital projects based on historical experience	\$504,306	Recommended minimum annual set aside for HART trails for capital projects	\$50,000
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2017 budget for road maintenance (paved roads + gravel roads + winter roads)	\$717,000	2017 budget for trail maintenance	Not currently tracked

*Based on 2017 budget

Logistics. What will using HART for maintenance look like in the 2019 budget?



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(f) 907-235-3148

Memorandum 16-063

TO: Mayor Wythe and Homer City Council
FROM: Katie Koester, City Manager
DATE: April 1, 2016
SUBJECT: Resolution 16-041 HART and HAWSP

Council has had two work sessions on the Homer Accelerated Roads and Trails (HART) and Homer Accelerated Water and Sewer Program (HAWSP). From those sessions I gathered the following areas of consensus.

- 1) Standardize HART and HAWSP as much as possible
- 2) Make the allocation of cost to lot owners under HART more equitable

Changes made in Resolution 16-041:

- 1) Resolution 16-041 before you changes HART from \$30/foot for gravel reconstruction and \$17/foot for paving to an equal assessment per lot owner, regardless of lot size. This will require changing how the cost per lot is determined. Staff recommendation is that lot owners be assessed 25% of total project cost. This more closely aligns HART and HASWP Special Assessment District (SAD) procedures.
- 2) A new provision makes HART and HAWSP SADs subject to the availability of funds. This could be a problem sooner rather than later for HAWSP whose cash flow is committed to loan repayment.

Recommendations for Planning Commission review contained in Resolution 16-041:

There are a number of outstanding policy questions Council has brought up surrounding HART that this Ordinance does not address. Item 7 of the Purpose and Intent section of the HART Policy Manual requires the criteria for HART to be reviewed annually by the Transportation Advisory Committee, whose duties have been absorbed by the Planning Commission. Resolution 16-041 asks the Planning Commission for an extensive review focusing on:

1. Any specific differing criteria for the establishment of a sidewalk LID (now called a Special Assessment District or SAD)
2. Any recommendations/comments on incorporating maintenance costs into the HART
3. Readability of HART Policy Manual

Issues not addressed in Resolution 16-041:

HCC 17.04.100 triggers a new assessment when a lot is subdivided. This was not an issue for HART SADs currently, because the original assessments have a relation to lot size. The

rational is that when a lot subdivides, it is creating additional benefit from the improvement and should pay a fair share. City code says this new assessment is to be distributed back to the members of the district. This is difficult to do in practice and very administratively burdensome. Staff recommended a sunset on this clause for the natural gas HSAD. The Economic Development Advisory Commission has submitted a memo requesting this be changed for all special assessment districts.

Some councilmembers have articulated the desire for every lot to have an equal vote (currently votes are weighted by assessed value). This would solve the problem of one very large commercial lot being able to dictate the outcome for the rest of the district. However, the original intention of weighting the vote by assessed value was to give a preference to people who had a home and investment on the property (and are probably city residents living and working here) versus someone who has a vacant piece of property and may have no motivation to have a road improved or access to city utilities. Because of this, Resolution 16-041 as it is currently drafted does not change the way votes are calculated.

Column1	HART CURRENT	HAWSP CURRENT	HART RESOLUTION 16-041
Vote	Each lot owner is given a vote that is weighted by assessed value.	Each lot owner is given a vote that is weighted by assessed value.	Each lot owner is given a vote that is weighted by assessed value.
Cost	Lot owners are charged \$17/foot for paving and \$30/foot gravel reconstruction. Fixed cost for lot owners variable for City.	Every Lot pays the same (75% of project cost).	Every lot pays the same (25% of project cost).
Payment Schedule	10 Years	20 Years	10 Years
New Assessment Generated When Lot Subdivides?	No	Yes	Yes

Because of the details surrounding HART/HAWSP the topic can quickly become confusing. In order to give the public a chance to weigh in and Council time to come up with additional suggestions, a Public Hearing is scheduled for April 25.

Enc:
HART Policy Manual
HASWP Policy Manual
HCC 17.04.100

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**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 16-041(S-2)(A)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, AMENDING THE HOMER ACCELERATED ROADS AND TRAILS PROGRAM (HART) POLICY MANUAL TO CHANGE THE ALLOCATION OF COSTS FOR STREET RECONSTRUCTION AND NEW STREET CONSTRUCTION, AND THE BASIS FOR ASSESSING SUCH COSTS; AMENDING THE HART AND HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) POLICY MANUALS TO STATE THAT EXPENDITURES UNDER EACH PROGRAM IS SUBJECT TO THE AVAILABILITY OF FUNDS; REFERRING THE DEVELOPMENT OF A MATCHING GRANT PROGRAM FOR SMALL SCALE GREENWAY TRAILS TO THE PARKS AND RECREATION ADVISORY COMMISSION; AND REFERRING OTHER REVISIONS OF THE HART POLICY MANUAL TO THE HOMER ADVISORY PLANNING COMMISSION FOR ITS REVIEW AND RECOMMENDATIONS.

WHEREAS, It is in the best interest of the City and its residents to encourage the reconstruction of streets and the construction of new streets with funding from Homer Accelerated Roads and Trails Program (HART) funds; and

WHEREAS, Revising the formula for funding street reconstruction and new street construction from HART funds will provide a better incentive for property owners to participate in special assessment districts (SAD) for street reconstruction and new street construction; and

WHEREAS, Uniformity between HART and the Homer Accelerated Water and Sewer Program (HAWSP) with regard to the basis for allocating special assessments is desirable; and

WHEREAS, The HART Policy Manual is in need of updating and reorganization, and it would be appropriate to refer this matter to the Homer Advisory Planning Commission for its review and recommendations.

NOW, THEREFORE, BE IT RESOLVED that Paragraph III.A.1.j of the Homer Accelerated Roads and Trails Program (HART) Policy Manual is amended to read as follows (additions bold and underlined; deletions stricken through):

j. For special assessment districts initiated on or before May 10, 2016, property owner contribution through SAD process by paying \$30 per front foot for gravel and \$17 per front foot for paving cost of a residential standard street and the city pays all costs for

additional improvements deemed necessary. For special assessment districts initiated after May 10, 2016, property owner contribution through SAD process of 25% of project cost for street reconstruction or new street construction on an equal assessment per lot basis for cost of a residential standard street and the city pays all costs for additional improvements deemed necessary.

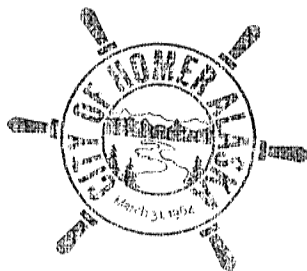
BE IT FURTHER RESOLVED that each of the Homer Accelerated Roads and Trails Program (HART) and Homer Accelerated Water and Sewer Program (HAWSP) Policy Manuals is amended to state that expenditures under each program are subject to the availability of funds, after maintaining a debt-service coverage ratio of 1.25 or above.

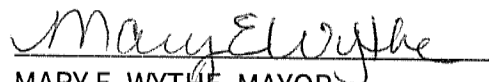
BE IT FURTHER RESOLVED that the Council refers to the Homer Advisory Planning Commission for its review and recommendations the subject of revising the HART Policy Manual to achieve the following goals: (i) update and improve the organization and readability of the HART Policy Manual; (ii) make policies in the HART Policy Manual as consistent as possible with the policies in the Homer Accelerated Water and Sewer Program (HAWSP) Policy Manual; and (iii) review project eligibility; (iv) provide for the funding of special assessment districts for sidewalks with HART funds; and (v) develop a matching grant program for small scale greenway trails.

BE IT FURTHER RESOLVED that the Council refers to the Parks and Recreation Advisory Commission for its review and recommendations the subject of revising the HART Policy Manual to develop a matching grant program for small scale greenway trails.

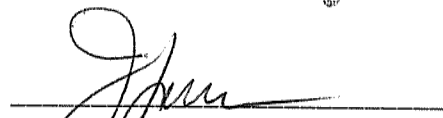
PASSED AND ADOPTED by the Homer City Council this 9th day of May, 2016.

CITY OF HOMER




MARY E. WYTHE, MAYOR

ATTEST:


JO JOHNSON, MMC, CITY CLERK

Fiscal Note: N/A