



# MEMORANDUM

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**Resolution 25-070, A Resolution of the City Council of Homer, Alaska, Directing the Planning Commission to Review and Recommend Amendments to Homer City Code to Allow Temporary Structures for Retail Purposes on Vacant Lots in the CBD. Davis.**

**Item Type:** Backup Memorandum  
**Prepared For:** Mayor Lord and City Council  
**Date:** July 28, 2025  
**From:** Jason Davis, Councilmember  
**Through:** Melissa Jacobsen, City Manager

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**Purpose:** This memorandum provides background and rationale for Resolution 25-XXX, which requests that the Homer Advisory Planning Commission review and recommend amendments to the Homer City Code (HCC) to explicitly permit temporary, unplumbed structures for retail use on vacant lots in the Central Business District (CBD).

**Background:** In early 2025, a local entrepreneur applied to place a small, temporary shed on skids at a vacant lot on Pioneer Avenue in the CBD to sell artisanal products. The Planning Department required a zoning permit per HCC 21.70.010, and provided setback requirements. After review, the permit was denied based on HCC 14.04.020, which mandates that commercial buildings near city water and sewer lines connect to those utilities rather than using private wells or septic systems.

**Issue:** The Planning Department's application of HCC 14.04.020 extends the sewer connection requirement to all commercial structures, including small, temporary ones like a shed on skids, which may not require plumbing. It is unclear whether this interpretation aligns with the code's intent, which appears to target structures designed with plumbing. While HCC 8.08.010 allows retail activities from various structures—such as buildings, tents, or vehicles—for itinerant merchants, the current code does not explicitly permit temporary, unplumbed structures for retail use in the CBD. This lack of clarity, combined with the Planning Department's strict interpretation, creates a barrier to small-scale economic activity in the CBD, limiting opportunities for entrepreneurs.

**Rationale:** Resolution 25-070 requests the Planning Commission to review HCC Chapter 21.18 (Central Business District zoning) and related provisions, including HCC 14.04.020, to clarify restrictions on temporary, unplumbed structures and propose amendments to allow their use for retail purposes. Permitting such structures would:

- Support small-scale entrepreneurship, fostering business growth and increasing tax revenues for the City.
- Activate vacant lots in the CBD, reducing undeveloped gaps that disrupt the downtown's walkability and vibrancy.
- Offer a low-cost option for startups unable to afford permanent developments with utility connections, aligning with the City's economic development goals. If successful, such businesses may over time desire to expand into permanent commercial structures at their location.

By addressing this issue, the City can balance economic vitality with its commitment to a cohesive and attractive downtown, ensuring that small businesses can thrive without undue regulatory hurdles.