



CC-26-010

MEMORANDUM

Resolution 26-005, A Resolution of the City of Homer, Alaska approving a sublease between the City of Homer and Alaska Bus LLC, D.B.A. Alaska Bus Company for a portion of the Airport terminal consisting of 384 square feet, more or less, and designated parking at the Homer Airport Terminal and authorizing the City Manager to negotiate and execute the appropriate documents.

Item Type: Backup Memorandum

Prepared For: Mayor Lord and City Council

Date: January 2, 2026

From: Mark Bowman, Port Property Associate

Through: Melissa Jacobsen, City Manager

Alaska Bus LLC, owned by local residents Brian and Soniyae Reid, proposes leasing 384 square feet of vacant office and cargo space at the Homer Airport Terminal, including parking for six commercial vehicles and two employee parking spaces. This hub will simplify passenger and cargo transport operations, benefiting the City's residents and visitors by increasing transportation options. Because the City's Prime Lease with the State DOT expires on March 30, 2028, this sublease terminates on that same date.

The applicant is financially robust, with income growing 93% in 2024 and 2025 profits already exceeding previous year-end totals. This expansion requires no external financing and generates \$22,392 in annual City revenue. Beyond fiscal gains, the service provides critical transportation security during flight cancellations and enhances Homer's reputation as an accessible travel hub.

This proposal represents the "highest and best use of City-owned property" by providing a reliable, locally-operated transit solution that strengthens the regional economy. Following Council approval, the State of Alaska DOT will also need to approve the Sublease prior occupancy.

RECOMMENDATION:

Approve Resolution 26-005

Attachments:

Application Review Checklist
Sublease Application



City of Homer

www.cityofhomer-ak.gov

Port and Harbor

4311 Freight Dock Road

Homer, AK 99603

port@cityofhomer-ak.gov

(p) 907-235-3160

(f) 907-235-3152

City of Homer Sublease Application for Homer Airport Terminal Proposal Review & Staff Recommendations

Proposal Synopsis

Application is for: Sublease at the Homer Airport

Lease Proposal Synopsis and Recommendation: **Proposal Overview:** Alaska Bus LLC, established in 2018 by Jinchil "Brian" and Soniyae Reid, proposes to lease a portion of the City lot at 3720 FAA Street. The requested space will serve as a dedicated office, cargo hub, and shuttle pickup/drop-off point, including parking for six commercial vehicles and two employee vehicles. Due to the City's overarching lease with the State of Alaska DOT, this sublease term is limited to an expiration date of March 30, 2028.

Financial and Operational Viability: The applicant demonstrates exceptional financial growth and stability. Total income increased by 92.8% from 2023 to 2024, and profitability in the first seven months of 2025 has already exceeded the 2024 year-end totals. Their history and solvency support their plan to improve Homer Airport accessibility and provide critical transportation redundancies during flight cancellations.

Recommendation: Staff recommends approval of the sublease, contingent upon final State DOT review and proof of the City as a co-insured party on the applicant's liability policy. This proposal represents the "highest and best use of City-owned property" by providing a reliable transit solution for the community.

Criteria Checklist using City of Homer Code 18.08.060

The lease application provides a clear, precise written narrative that addresses all proposal criteria:

Yes

No

N/A

Insufficient

Notes: The provided narrative is attached.

1. property plan is compatible with neighboring uses and consistent with applicable land use regulations including the land allocation plan; comprehensive plan:

Notes: Utilizing the Homer Airport Terminal provides an ideal permanent location for the Alaska Bus Company for ground travel between Homer and Anchorage, and potentially additional communities in the future. The Airport facilities also provide the Bus Company with needed infrastructure for their operation.

2. The development plan includes phases and timetables for the proposal:

Yes

No

N/A

Insufficient

Notes: No extensive remodeling work is planned. The sublease space being considered needs some maintenance and painting to be completed by the City. The Applicant is planning to add exterior signage in compliance with City Planning requirements as well as interior signage.

3. The development plan proposes a capital investment plan: **Yes** **No** **N/A** **Insufficient**

Notes: No major capital development is planned. Additional buses have been purchased and in the busy summer months Alaska Bus Company plans two trips to and from Anchorage, seven days a week.

4. The applicant is experienced in the proposed business or venture: **Yes** **No** **N/A** **Insufficient**

Notes: The business has been in operation since 2018 and experienced significant growth.

5. The applicant has the financial capability or backing including a credit history, prior lease history, and assets that will be used to support the proposed development: **Yes** **No** **N/A** **Insufficient**

Notes: The operation is well managed, financially profitable and stable.

6. The proposal states the number of employees anticipated: **Yes** **No** **N/A** **Insufficient**

Notes: Two parking spaces will be included in the Sublease for employees working at the Airport Terminal. Alaska Bus Company also provides services on the Spit during the summer months as well as Bus service that doesn't affect the Homer Airport Terminal. Alaska Bus Company is in the process of hiring a manager for the Company at the time of this writing.

7. The proposed lease rate was included in the proposal. **Yes** **No** **N/A** **Insufficient**

Notes: The space inside the Terminal is calculated at \$4.00/sq. ft./month. Six parking spaces for their commercial vehicles are calculated at the standard annual parking pass rate of \$500.00/parking space/year. Employee parking space is calculated at the standard rate of \$15.00/month/parking space.

8. Information about other financial impacts such as tax revenues, stimulation of related or spin-off economic development, or the value of improvements left behind upon termination of the lease was included in the application. **Yes** **No** **N/A** **Insufficient**

Notes: As a Homer based company, the City as well as the Kenai Peninsula Borough will benefit from the tax revenue while the community benefits from their service.

9. Other long-term social economic development information was included in the proposal. **Yes** **No** **N/A** **Insufficient**

Notes: See #8 above.

10. Residency or licensure of the applicant has been established in the city, Kenai peninsula borough, and/or the state of Alaska, as identified in the city's **Yes** **No** **N/A** **Insufficient**

request for proposal and permitted under state and federal law:

Notes: The business owners, Brian and Soniyae Reid are Homer residents and have provided documents showing Alaska Bus LLC to be licensed and in good standing with the State of Alaska.

18.08.060 (b) Determination of the rent amount shall take into consideration the following factors:

(Record comments below as appropriate.)

- 1. Appraisal or tax assessed valuation;** the Sublease rates are based on existing subleases at the Airport Terminal
- 2. The highest and best use of the land;** this sublease is in the highest and best use of the sublease space available.
- 3. Development (existing and planned);**
- 4. Economic development objectives;**
- 5. The location of the property;**
- 6. Alternative valuation methodologies as negotiated by both parties. [Ord. 18-16(S)(A) 1,2018].**

FOR CURRENT ASSIGNMENTS ONLY	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Yes	No	N/A	Insufficient
FOR CURRENT TENANTS ONLY	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Yes	No	N/A	Insufficient

All applicable documentation has been provided:

Lease Application and Written Narrative

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No	N/A	Insufficient
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- Property Plan
- Development Plan
- Financial Information
- Business Entity and Licensing Information
- Verification that Insurance can be provided at Signing of Lease (Pending)
- City Planning & Other Agency Approval Information

Comments/Recommendations from Public Works

Comments/Recommendations from Planning & Zoning

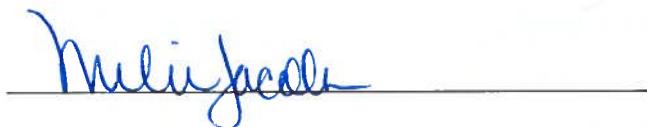
Building Maintenance: Staff coordinated with Building Maintenance to identify suitable parking, finalize the sublease footprint, and establish requirements for signage and water access.

City Planning: The Port Property Associate is working with the Planning Department to ensure all proposed airport signage complies with City code.

Additional Comments/Recommendations from Port & Harbor Staff (if applicable)

The Port Director recommends approving this Sublease Application.

N/A

Comments from City Manager's Office N/A**Recommendation from Port & Harbor Advisory Commission (if applicable)** N/A**Recommended Action to City Council****Approval of the resolution approving the sublease with Alaska Bus LLC.** N/A**Application Verified By:****City Manager Approval:**

Date: 1-2-26

Attachments:

Lease Application - the standard Lease Application form was used for this Airport Sublease.

City Lease (Sublease) Narrative

Application Additional Information - Company References

State of Alaska Articles of Organization

State of Alaska 2024 Biennial Report

Alaska Department of Commerce... Business License

CONFIDENTIAL Documents:

Profit and Loss Statements January ~ July 2025

Profit and Loss Previous Year Comparison 2023 & 2024

Balance Sheet as of July 31,2025

Alaska Bus LLC Operating Agreement



City Lease Application For City-Owned Real Property

Homer Port & Harbor
4311 Freight Dock Road
Homer, AK 99603
Phone: (907)235-3160
Fax: (907)235-3152
port@cityofhomer-ak.gov

Lease Application Purpose

Request for New Lease; New Lessee – Applicant is not currently a City lessee
 Request for New Lease; Existing Lessee – Applicant is a current lessee with no remaining options to renew
 Request for Assignment of Lease – Applicant is requesting to have an existing lease transferred to a new owner/business

Property Information

Physical Address:	3720 FAA St. Homer, AK		
Square Footage:	<input type="checkbox"/> Full Lot	<input checked="" type="checkbox"/> Portion of Lot	KPB Parcel No.:
Legal Description of Property:			

Applicant Information

Business Name:	Alaska Bus LLC. D.B.A Alaska Bus Company		
Representative's Full Name & Title:	Brian Reid, Owner		
Mailing Address:	PO Box 2270		
City, State, ZIP Code:	Homer, AK 99603		
Phone Number(s):	907- 299- 8882		
Email:	brian @alaskabuscompany.com		

Business Entity & Financial Information

<input type="checkbox"/>	Sole or Individual Proprietorship – Attached documentation must provide owner's full name, address, and verify they are the sole owner.		
Is entity authorized to do business in Alaska? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes – As of what date:			
<input checked="" type="checkbox"/>	Partnership – Attached documentation must provide Partners' full names, addresses, and share percentages.		
Date of Organization: 2/1/2018		Type of Partnership: LLC.	
Is Partnership authorized to do business in Alaska? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes – As of what date: 2/1/18			

<input type="checkbox"/>	Corporation – Attached documentation must provide the full names of Officers and Principal Stockholders (10%+), their addresses, and share percentages.	
	Date of Organization:	Type of Corporation:
	Is Corporation authorized to do business in Alaska? <input type="checkbox"/> No <input type="checkbox"/> Yes – As of what date:	
	Corporation is held: <input type="checkbox"/> Privately <input type="checkbox"/> Publicly – How and where is stock traded:	
<input type="checkbox"/>	Other – Please explain:	

Proof of Financial Capability to Meet Obligations:	<input type="checkbox"/>	Documentation of Payment History: Documents such as a credit report and score from one of the three credit bureaus (i.e. Experian, Equifax, TransUnion) or records of prior lease history.
	<input type="checkbox"/>	Documentation of Applicant's Financial Backing: Records showing applicant has secured the funding necessary to implement their development/improvement plan and/or purchase the business (if applicable).
	<input checked="" type="checkbox"/>	Documentation of Business' Vitality: Minimum of two years (past year and current year) of financial statements; this includes a Balance Sheet and Profit/Loss Statement (Revenue/Expense Statement).
Surety Information:	Has any surety or bonding company ever been required to perform upon your default or the default of any of the principals in your organization holding more than a 10% interest? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes – Attach a statement naming the surety or bonding company, date and amount of bond, and the circumstances surrounding the default or performance.	
Bankruptcy information:	Have you or any of the principals of your organization holding more than a 10% interest ever been declared bankrupt or are presently a debtor in a bankruptcy action? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes – Attach a statement indicating state, date, Court having jurisdiction, case number and to amount of assets and debt.	
Pending Litigation:	Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes – Attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.	

Lease Proposal	
Type of Business/ Proposed Use of the Property:	<p>Ground transportation, providing shuttles to/from Anchorage.</p> <p>To use the city property as our designated pickup/drop-off location and office.</p>

Insurance Requirements:	<p>The granting of any lease is contingent upon lessee obtaining and keeping in full force insurance as outlined in HCC 18.08.170. Certificates of insurance showing the required insurance is in effect and identifying the City as an additional insured must be provided to the City at the time a lease becomes effective and annually thereafter, and upon every change in insurance provider or insurance coverage.</p> <p><input checked="" type="checkbox"/> Provide proof of insurability for public liability insurance in the amount of not less than \$1,000,000 coverage per occurrence for bodily injury, including death, and property damage, and the City of Homer as co-insured. Additional insurance limits or types may be required due to the nature of the business, lease, or exposure.</p>
Benefits & Impacts on Community:	<p><input checked="" type="checkbox"/> In your written narrative answer the following questions:</p> <ul style="list-style-type: none"> • What experience do you have in the proposed business or venture? • How long have you resided or conducted business in the City, Kenai Peninsula Borough, and/or the State of Alaska? • What are some of the economic, social, and financial benefits and/or impacts your business/proposed use brings to the community?
Applicant References:	<p><input checked="" type="checkbox"/> In your written narrative, list four persons or firms with whom the Applicant or its owners have conducted business transactions with during the past three years. Two references named shall have knowledge of your financial management history, of which at least one must be your principal financial institution. Two of the references must have knowledge of your business expertise.</p> <p>Each reference must include the following:</p> <ul style="list-style-type: none"> • Full Name • Name of the organization/business and their title at this entity • Address • Phone number and email address • Nature of association with Applicant
Additional Information:	<p><input checked="" type="checkbox"/> Include in your written narrative, or attach relevant documentation, that you deem pertinent to your application/lease proposal. Criteria for evaluating and approving proposals and competing lease applications can be found under HCC 18.08.060.</p>

Required Attachments/Documentation

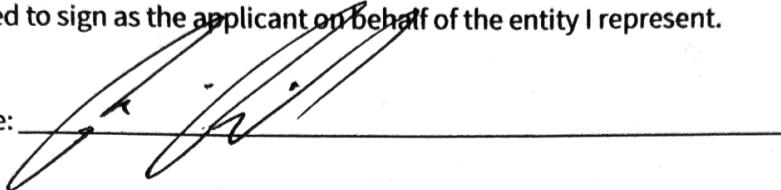
<input checked="" type="checkbox"/> Written Narrative
<input checked="" type="checkbox"/> Business Entity and Licensing Information <ul style="list-style-type: none"> • State of Alaska Business License • Current State of Alaska Biennial Report • If Partnership: Statement of Partnership/Partnership Agreement • If Corporation: Articles of Incorporation & Bylaws • Any additional documentation concerning the formation or operation of the entity
<input checked="" type="checkbox"/> Financial Information
<input type="checkbox"/> Property Plan – Detailed Schematic of Property
<input type="checkbox"/> Development Plan documents/plans, if any
<input checked="" type="checkbox"/> Proof of Insurability; verification that insurance can be provided at signing of lease

City Planning & Other Agency Approval Information, if any

Application Signatures

By signing, I agree that the above information is true and correct to the best of my knowledge. I certify that I am authorized to sign as the applicant on behalf of the entity I represent.

Signature:



Date: 10/5/25

Printed Name & Title: Brian Reid, Owner

Office Use Only

Received By & Date:	Fee Processed: \$	Date:
Date Application Accepted as Complete/Submitted for Review:	Application Timeout Date: (1 year from receipt)	
Submitted for Dept. Review:	<input type="checkbox"/> Planning <input type="checkbox"/> Port & Harbor <input type="checkbox"/> Economic Development <input type="checkbox"/> Finance <input type="checkbox"/> Public Works	
Submitted for City Manager Review:	<input type="checkbox"/> Approved on:	<input type="checkbox"/> Denied on:
For Existing Leases Exempt from Competitive Bidding:	Current Lease Expires with No Options to renew: _____ 6 mos. Prior to date of lease termination (Council Approval Deadline): _____ Request received within 12 to 18 mo. timeframe from expiration of lease date: <input type="checkbox"/> Yes <input type="checkbox"/> No	

City Lease Application

Alaska Bus Company seeks to lease space at the Homer Airport to enhance visitor access and improve the traveler experience in Homer. The proposed lease site will be used as a centralized staging and passenger pickup/drop-off location for our transportation services. Our goal is to utilize available city property in a way that streamlines and strengthens airport-to-airport connectivity while supporting Homer's tourism and local economy.

Property Plan

The leased area will serve as a designated passenger transfer point. We will ensure adequate parking for company vehicles and short-term loading/unloading space for travelers. The site will not be subleased, and its use will be limited strictly to Alaska Bus Company's operations. The proposed use is compatible with airport operations, as it supports safe, efficient ground transportation for travelers and aligns with the City's Comprehensive Plan objective of improving visitor infrastructure.

Development Plan

At this stage, no permanent structures are proposed. We anticipate minimal site improvements such as signage, and maintenance of the leased space to ensure safe and organized operations. Improvements will be completed promptly upon lease approval, with an estimated timeline of 2 weeks from initiation. No external financing will be required beyond company operating funds.

Agency Approvals

We do not anticipate any additional permitting requirements beyond City lease approval and compliance with zoning regulations.

Benefits & Impacts on the Community

Alaska Bus Company has been operating in Homer and the Kenai Peninsula since 2018, providing safe and reliable transportation for residents and visitors alike. Locally owned and operated by Homer residents, Brian and Soniyae Reid, our company understands the unique needs of the community.

The proposed lease will:

- Improve accessibility for visitors traveling to/from Homer Airport.
- Improve transportation security when flights are canceled.
- Support local businesses by increasing traveler flow into town.
- Enhance the City's reputation as a welcoming, well-organized travel hub.
- Provide employment opportunities for Homer residents.

Alaska Bus Company is committed to maintaining positive relationships with the City and community stakeholders while delivering professional, reliable services.

Additional Information

We believe our proposed use of the airport property represents the highest and best use of this site, bringing measurable economic and social benefits to the community while aligning with the City's land use priorities.

Application Additional Information

ALASKA BUS LLC. ENTITY OWNERSHIP:

49% Owned, Jinchil Brian Reid
51% Owned, Soniyae Stephens Reid

ALASKA BUS COMPANY REFERENCES:

Mike Dye (Our Banker)
VP & Lending Branch Manager- Northrim Bank
601 E Pioneer Ave Suite 211 Homer, AK
michael.Dye@nrim.com
907-235-3728

Brad Anderson (We are active chamber members and support where we can)
Executive Director- Homer Chamber of Commerce
201 Sterling Highway Homer, AK
exdir@homeralaska.org
(907) 235-2325

McKenzie Daigle (We have worked with NatHab for 2 years providing transport around AK)
Operations, Natural Habitat Adventures
833 W South Boulder Rd, Louisville, CO
mckenzie.daigle@nathab.com
907-299-7342

Jay Metzler (Our mechanic that we have worked with for several years)
Owner/Mechanic- Cruz Unlimited
3267 E St, Homer, AK
907-226-3338



THE STATE

of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

FOR DIVISION USE ONLY

Articles of Organization

Domestic Limited Liability Company

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1 - Entity Name

Legal Name: Alaska Bus LLC

2 - Purpose

To provide transportation in the state of Alaska.485210

3 - NAICS Code

485210 - INTERURBAN AND RURAL BUS TRANSPORTATION

4 - Registered Agent

Name: Jinchil Reid

Mailing Address: PO Box 2270, Homer, AK 99603

Physical Address: 3725 W Hill Rd, Homer, AK 99603

5 - Entity Addresses

Mailing Address: PO Box 2270, Homer, AK 99603

Physical Address: 3725, WEST HILL RD, HOMER, AK 99603

6 - Management

The limited liability company is managed by a manager.

7 - Officials

Name	Address	% Owned	Titles
Jinchil Reid			Organizer

Name of person completing this online application

I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Official(s) listed above to act on behalf of this entity.

Name: Jinchil Brian Reid



THE STATE
of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: corporations.alaska.gov

AK Entity #: 10077395
Date Filed: 10/19/2023
State of Alaska, DCCED

FOR DIVISION USE ONLY

Domestic Limited Liability Company

2024 Biennial Report

For the period ending December 31, 2023

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Due Date: This report along with its fees are due by January 2, 2024

Fees: If postmarked before February 2, 2024, the fee is \$100.00.

If postmarked on or after February 2, 2024 then this report is delinquent and the fee is \$137.50.

Entity Name: Alaska Bus LLC

Entity Number: 10077395

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: 3725 WEST HILL RD, HOMER, AK 99603

Mailing Address: PO BOX 2270, HOMER, AK 99603

Registered Agent information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.

Name: Jinchil Reid

Physical Address: 3725 W HILL RD, HOMER, AK 99603

Mailing Address: PO BOX 2270, HOMER, AK 99603

Officials: The following is a complete list of officials who will be on record as a result of this filing.

- **Provide all officials and required information. Use only the titles provided.**
- **Mandatory Members:** this entity must have at least one (1) Member. A Member must own a %. In addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
- **Manager:** If the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Full Legal Name	Complete Mailing Address	% Owned	Manager	Member
Jinchil Reid	PO BOX 2270, HOMER, AK 99603-8882	49.00	X	X
Soniya Reid	PO BOX 2270, HOMER, AK 99603	51.00	X	X

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

Purpose: To provide transportation in the state of Alaska.485210

NAICS Code: 485210 - INTERURBAN AND RURAL BUS TRANSPORTATION

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with

the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: Soniyae Reid

Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806

This is to certify that

ALASKA BUS LLC

P.O. BOX 2270, HOMER, AK 99603

owned by

ALASKA BUS LLC

is licensed by the department to conduct business for the period

October 7, 2024 to December 31, 2025
for the following line(s) of business:

48-49 - Transportation and Warehousing



This license shall not be taken as permission to do business in the state without having
complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Julie Sande
Commissioner

ALASKA BUS LLC
P.O. BOX 2270
HOMER, AK 99603