

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4 **RESOLUTION 20-056**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 INITIATING A SEAWALL IMPROVEMENT SPECIAL ASSESSMENT
8 DISTRICT FOR ARMOR TOE IMPROVEMENTS, AUTHORIZING AN
9 APPLICATION FOR THE ALASKA DEPARTMENT OF
10 ENVIRONMENTAL CONSERVATION/ENVIRONMENTAL
11 PROTECTION AGENCY REVOLVING LOAN FUND, AND
12 ACKNOWLEDGING THE IMMEDIATE NEED TO FUND THE DESIGN
13 AND PERMITTING OF THE PROJECT.

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15 WHEREAS, At the request of homeowners for the City's assistance, a seawall was
16 engineered and constructed along the Ocean Drive Loop bluff in 2002 as an effort to mitigate
17 erosion impacts to lots along the ocean bluff; and

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19 WHEREAS, This effort began with the adoption of Resolution 00-89(A) finding a need to
20 create the Ocean Drive Loop Bluff Erosion Control Improvement District; and

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22 WHEREAS, Over the years regularly occurring winter storms with high tides and high
23 winds have caused major storm damage to the seawall and resulted in the need for continued
24 repair of the wall; and

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26 WHEREAS, Emergency Ordinance 11-49(S) created the Ocean Drive Loop Special
27 Service District (ODLSSD) to collect tax revenues from benefitted property owners to support
28 maintenance and repair of the seawall, which they own and is located on their properties; and

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30 WHEREAS, Emergency repairs to the seawall have to be performed on an emergency
31 basis in order to prevent further damage and remain in compliance with the Army Corps of
32 Engineers permit for the seawall; and

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34 WHEREAS, In the most recent winter storms the seawall received significant damage
35 that threatens the walls integrity with 20 of the 85 wood panels needing complete rebuild, and
36 more frequent sink holes behind the wall indicate failure of the fiberglass sheet piling along
37 the toe of the wall; and

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39 WHEREAS, Upcoming winter storms with high winds and high tides may result in
40 complete wall failure as explained in Memorandum 20-073; and

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42 WHEREAS, The total tax revenues received from benefitted property owners range from
43 total \$25,000 to \$30,000 annually and don't sufficiently cover the increasing seawall
44 maintenance costs; and

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46 WHEREAS, HDR, Inc. provided a technical review of the seawall and provided a Homer
47 Seawall Alternatives Analysis dated June, 27, 2019 that reviewed and provided concepts for
48 improving the structure to reduce maintenance costs and extend the functional life of the
49 structure, and indicated armor rock placement to protect the toe of the wall to be the most
50 practical and cost effective solution which the homeowners who attended the community
51 meetings in 2019 also agreed to as the best approach; and

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53 WHEREAS, The creation of a Seawall Improvement Special Assessment District (SAD) for
54 the cost of placement of the armor rock was addressed at a worksession held May 18, 2020 and
55 financing for the armor rock may be available through a low interest Alaska Department of
56 Environmental Conservation (ADEC)/Environmental Protection Agency (EPA) revolving loan;
57 and

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59 WHEREAS, Staff recommends the City apply for the ADEC/EPA loan as it is has a low
60 interest rate that would be otherwise difficult to secure from a private financing agency.
61 Acceptance of the ADEC/EPA Revolving Loan would be approved by Council through ordinance
62 at a future meeting and applying for consideration does not obligate the City to agree to the
63 loan; and

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65 WHEREAS, The (ODLSSD) is responsible for generating maintenance funds through an
66 annually established mil rate, will remain in place to provide for long-term maintenance costs;
67 and

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69 WHEREAS, Suggestions for expanding the Seawall Improvement SAD and the ODLSSD
70 to include other benefitted properties is addressed in Memorandum 20-074; and

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72 WHEREAS, Through this resolution, Council will give the City authority to facilitate the
73 installation of armor rock protection through an expanded SAD and expand a special service
74 district to generate maintenance funds necessary to maintain the improvements with the City
75 paying a commiserate amount; and

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77 WHEREAS, HCC 17.04.040(a)(1) authorizes the City Council by a vote of not less than
78 three fourths of its membership to initiate a SAD; and

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80 WHEREAS, The City Council deems it necessary and in the best interest e to initiate a
81 SAD for the benefitted property owners along and within proximity to the seawall as identified
82 by the City Engineer, to provide necessary improvements to the seawall; and

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84 WHEREAS, The Council finds there is a need for immediately initiating
85 design/permitting for the project due to anticipated impacts from upcoming winter storms
86 with high winds and high tides, and directs the City Manager to present an ordinance at the
87 next City Council meeting authorizing the expenditure of project costs using the remaining
88 balance of the mil rate deposits and the City's annual contribution (estimated at
89 approximately \$66,000); and
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91 WHEREAS, HCC 17.04.040(c) provides that upon the Council's initiation of a special
92 assessment district the Clerk shall schedule a meeting of record owners of property in the
93 proposed district, and refer the proposed district to the City Manager for the preparation of an
94 improvement plan for the district; and
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96 WHEREAS, The City has been facilitating maintenance of the wall, as required by the
97 Corps permit. If the property owners fail to create the Seawall Improvement SAD, based on the
98 increasing cost of maintenance, the City will not have the financial resources necessary to
99 continue maintaining the wall.
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101 NOW THEREFORE, BE IT RESOLVED:
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103 Section 1. Initiation of special assessment district. As authorized by HCC
104 17.04.040(a)(1), the Council hereby initiates the Seawall Improvement special assessment
105 district for Armored Toe Improvement on the seawall.
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107 Section 2. Meeting of property owners; Improvement plan. The Clerk shall schedule
108 a meeting of record owners of real property in the proposed district in accordance with HCC
109 17.04.040(c)(1), and refer the proposed district to the City Manager for the preparation of an
110 improvement plan, as provided in HCC 17.04.040(c)(2).
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112 Section 3. Effective date. This resolution shall become effective upon passage and
113 approval.
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115 BE IT FURTHER RESOLVED the City Manager is authorized to apply for a low interest
116 ADEC/EPA revolving loan to finance the project and to be reimbursed by property owners
117 through the SAD.
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119 BE IT FURTHER RESOLVED in recognizing the immediate need for design/permitting for
120 the project the City Manager is directed to present an ordinance at the next City Council
121 meeting authorizing the expenditure of project costs using the remaining balance of the mil
122 rate deposits and the City's annual contribution (estimated at approximately \$66,000).
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124 PASSED AND ADOPTED by the Homer City Council this 8th day of June, 2020.
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CITY OF HOMER

KEN CASTNER, MAYOR

ATTEST:

MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Funding for design/permitting to come from 156-0369 and 808-0375