

**CITY OF HOMER  
HOMER, ALASKA**

City Manager/  
Port Director

**RESOLUTION 25-080**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
EXPRESSING SUPPORT FOR THE HOMER PORT COASTAL  
FREIGHT PROJECT, ENDORSING THE CITY'S GRANT APPLICATION  
TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION  
MARITIME ADMINISTRATION'S FY2025 PORT INFRASTRUCTURE  
DEVELOPMENT PROGRAM (PIDP) AND COMMITTING LOCAL  
MATCH FUNDS.

WHEREAS, City Council adopted Resolution 25-072 authorizing the City's application for the USDOT FY2025 PIDP Grant Program for \$11,240,000 and match fund commitment of up to \$5,261,706; and

WHEREAS, In the application process a necessary project budget adjustment was discovered and the purpose of this resolution is to correct the total project cost and match, hereby superseding Resolution 25-072; and

WHEREAS, The City of Homer strives to provide and improve city-operated facilities and services to meet community, regional and statewide needs; and

WHEREAS, The City of Homer owns and maintains the Homer Port & Harbor, a regional maritime transportation hub facility that provides broad community benefits, serving:

- barges and landing craft that deliver cargo and essential supplies to 135 non-road connected communities and work sites in Southcentral, Southwestern and Western Alaska;
- pilot boats and tugs that assist freight delivery to the Port of Alaska and industries located in Southcentral, Southwestern, and Western Alaska;
- commercial fishing vessels working nearly every fishery in the State of Alaska; and

WHEREAS, A comprehensive Homer Port & Harbor Condition Assessment completed in 2022 by R&M Consultants rated the condition of all port structures and prioritized the need to replace System 4, which is in critical condition due to decades of deferred maintenance by the State before being transferred to City ownership in 1999 through a Transfer of Responsibility Agreement from the State of Alaska; and

WHEREAS, The assessment report also noted that electrical, fire suppression and water supply to these float systems are not up to code; and

43  
44 WHEREAS, These issues can no longer be adequately or economically addressed  
45 through maintenance and major repairs; and  
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47 WHEREAS, Float System 4 is facing load restrictions in the short-term and will require  
48 being condemned and decommissioned in the near future to mitigate the risk of sudden and  
49 catastrophic float failure; and  
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51 WHEREAS, Losing this float system will displace a significant number of vessels from  
52 the Port facility, increase rafting of vessels on the remaining floats, increase safety hazards for  
53 vessel owners and their crews, create vessel delays, and disrupt reliable, affordable means to  
54 move freight, supplies and people; and  
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56 WHEREAS, Demands for moorage and regional freight movement have increased over  
57 time, driving the need to safeguard and maximize moorage capacity and efficiencies in  
58 Homer's Port & Harbor to meet this demand; and  
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60 WHEREAS, The Homer Port Coastal FREIGHT (*Freight Resiliency & Efficiency – Improving*  
61 *Greater Homer-area Transportation*) project designs, permits and replaces major portions of  
62 System 4 to preserve the foundational integrity and maximum, efficient functioning of the  
63 Homer Port facility to serve regional and statewide maritime transportation needs; and  
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65 WHEREAS, The project will furnish float systems that are in compliance with modern  
66 engineering standards, safety, fire and electrical codes and ADA standards to address safety  
67 and accessibility issues; and  
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69 WHEREAS, The project has strong local and regional support evidenced by being  
70 selected as a Legislative Priority project in the City's Capital Improvement Plan, and letters of  
71 support; and  
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73 WHEREAS, The project is aligned with Alaska's Statewide Long-Range Transportation  
74 Plan goal of sustainability of Alaska's public harbor system; and  
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76 WHEREAS, The project is identified as an objective in the Kenai Peninsula Borough  
77 Comprehensive Economic Development Strategy: to advance the stability and resilience of  
78 Homer's marine transportation infrastructure so that it continues its critical role in facilitating  
79 regional economic activity and community resilience; and  
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81 WHEREAS, The City is presently investing in the completion of System 4 design and  
82 permitting with grant funds from the Denali Commission and local match funds; and  
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84 WHEREAS, The United States Department of Transportation Maritime Administration  
85 is making Port Infrastructure Development Program (PIDP) grant funds available to support

investments in construction projects that improve port resilience, efficiencies in freight movement, equity and workforce development; and

WHEREAS, The Homer Port Coastal FREIGHT project aligns with PIDP's intent and merit criteria; and

WHEREAS, PIDP provides a key funding opportunity to complete the rehabilitation of this critical port infrastructure, with future project costs estimated at \$17,053,846 for the benefit of the communities, industry and other regional stakeholders in Southcentral and Western Alaska, which would otherwise be out of reach for the city; and

WHEREAS, In light of the regional importance of the project, the City of Homer has developed a financial plan to provide significant match funds through port match reserves and bond/loans, and meeting loan payments utilizing current and new revenues in the Port & Harbor Enterprise Reserve Account.

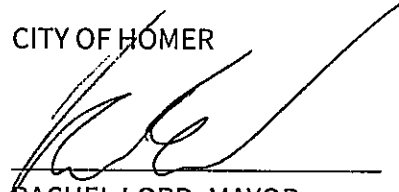
WHEREAS, This financial plan includes non-Federal funding from the Denali Commission and City match to the Denali Commission funds. The future expenditures of these funds associated with the PIDP grant project is \$1,339,990.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, supports the Homer Port Coastal FREIGHT project and the City's request to FY2025 PIDP Grant Program for \$11,240,000; and

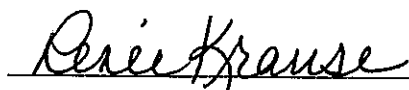
BE IT FURTHER RESOLVED that the City Council of Homer, Alaska commits to providing local match funds of 26% (twenty-six percent) of the PIDP project future expenditures, for a total PIDP match fund commitment of up to \$4,473,856.

PASSED AND ADOPTED by the Homer City Council this 8th day of September, 2025.

CITY OF HOMER

  
RACHEL LORD, MAYOR

ATTEST:

  
RENEE KRAUSE, MMC, ADAC, CITY CLERK

Fiscal Note: See Memorandums CC-25-201 and CC-25-226

