

Session 20-01, a Special Meeting of the Parks, Art, Recreation and Culture Advisory Commission was called to order by Chair David Lewis at 5:41 p.m. on January 21, 2021 via Zoom Webinar from the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska. Due to some minor technical issues the meeting start time was delayed.

**PRESENT:** COMMISSIONERS ARCHIBALD, LEWIS, ROEDL, FAIR, HARRALD, GALBRAITH, AND STUDENT REPRESENTATIVE BLANTON-YOURKOWSKI

**ABSENT:** COMMISSIONER LONEY (EXCUSED)

**STAFF:** PARKS SUPERINTENDENT STEFFY  
COMMUNITY RECREATION MANAGER ILLG  
DEPUTY CITY CLERK KRAUSE  
PUBLIC WORKS DIRECTOR KEISER

#### **AGENDA APPROVAL**

Chair Lewis requested a motion to approve the agenda.

ARCHIBALD/FAIR MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

#### **PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA**

#### **VISITORS/PRESENTATIONS**

A. Mike Miller, Executive Director, Homer Foundation

Mr. Miller presented to the Commission on the Homer Foundation and services that they provide. He made the following points:

- Special IRS designation not a private foundation, tax exempt, 501© (3) non-profit
- Broad based, region specific and locally governed
- Donation pooled for investments and earnings distributed
- First Community foundation in Alaska
- Over \$4.2 million in assets
- Investments managed by Vanguard Investments
- Endowed funds are in perpetuity. They are forever.
- Assets are managed with a focus on income and stability
- Quarterly Financial reports
- Emphasis on transparency and accountability

- Endowed Funds are created with 70% Stock and 30% Bonds
- Non-endowed Funds are 50% Stocks and 50% Bonds
- Types of funds are Donor Advised, Field of Interest such as the City Fund and LAB Funds, Opportunity Fund, Agency Funds, Pass through funds such as the Community Chest
- Legacy Society
- Ways of Giving – simple and easy, online or in person

Mr. Miller explained what the Library created and that the process is easy, minimum donation of starting an endowed fund is \$10,000 and is given within the confines of the agreement. The earnings from that fund are then available for charitable works and in this case, parks.

The members of the Commission, Staff and Mr. Miller addressed or commented on the following:

- On an annual basis funds may be expended up to 4% of the earnings of an endowed fund
- Endowed Funds are a long term funding plan which can be augmented by various multiple donations which then increases the earnings, this can be compared to a savings account, not intended for routine maintenance or expenditures.
- Establishing an Endowed Fund provides opportunities to have endowed gifts from the public, which the average gift across the country is \$40,000
- Having a different platform to efficiently use specific small amounts of money donated by individuals for specific purposes such as park benches, Skateboard Park improvements, etc.
- Funds remaining in the HoPP fund and the Boathouse Fund could, if approved by the Homer Board and those groups, be used to start a Parks/Recreation Endowment Fund. Funds in those accounts is approximately \$19,000.
- There are non-endowed funds for more accessible funding options but the Foundation is not to be used as a checking account, and you cannot assure donors that their donation will be forever because a non-endowed fund has no restrictions on the principal.
- The initial \$10,000 starting amount can come from donors.
- The City of Homer provides funding annually to the Foundation and then the Foundation distributes to applicants in the form of grants for various things.
- Funding for short term is needed but setting up an Endowment would be a good thing for the future and for a donor that would provide them an opportunity to provide a meaningful way to carry on their passions.
- Un-endowed funds allow the principle to be below the minimum level required to start the fund and can be depleted as well.
- Donations of real estate would be liquidated with the funds received put into the endowed fund principle which would then provide larger earnings that could be used annually.
- The Commission has the ability to put requirements or guidelines on the endowed or non-endowed fund. This can be used as a “selling point” for the interested donor.
- There is the aspect of the integrity of the Foundation in representing that the donors gift is used towards the intended use such as parks and recreation and not something like roads.
- Non-endowed funds do have minimum distributions as well as limits on the number of distributions.
- Non-endowed funds can be turned into endowed funds
- There is no difference in tax implications for a non-endowed fund over an endowed fund.

## **RECONSIDERATION**

**CONSENT AGENDA** All items on the consent agenda are considered routine and non-controversial by the Parks Art Recreation & Culture Advisory Commission and are approved in one motion. There will be no separate discussion of these items unless requested by a Commissioner or someone from the public, in which case the item will be moved to the regular agenda and considered in normal sequence.

A. Meeting Minutes for November 19, 2020

Chair Lewis called for a motion to approve the consent agenda.

ARCHIBALD/FAIR MOVED TO APPROVE THE CONSENT AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

## **STAFF & COUNCIL REPORT/COMMITTEE REPORTS**

A. Memorandum from Parks Superintendent Steffy re: January Staff Report

Parks Superintendent Steffy provided a synopsis of his written report that was provided to the Commission. He noted the following:

- Still waiting on the ATV Sanding Unit and orders are backlogged currently they are hand sanding with a bucket
- Trail counters have been purchased and will be placing them on Reber and Poopdeck Trails to see the usage
- Work is continuing on the Homer Non-motorized Trails and Transportation Plan
- New Fire Rings are in the process and first placement will be the seasonal campsites
- Fireworks Celebration has outgrown Mariner Park and consideration is being given to relocating the annual event to further down on the Homer Spit. This will provide more viewing options
- Updates to the Social Media Policy is needed but will not be updated until the key personnel in Administration is available.
- The big hole at Bishop's Beach has been filled.
- Met with Friends of the Homer Library and are discussing some options for the space between Hazel and the upper property line to create some outside space to perform activities that are typically held indoors.

Parks Maintenance Superintendent Steffy facilitated questions and answers to the following:

- Providing assistance to the Friends regarding application and support letters for Land & Water Conservation Grants

- Creation and location of the proposed 18 hole Disc Golf Course and possible amenities such as campgrounds in the Diamond Creek Recreation Area and dealing with moose interactions and the impact to the habitat that is visited by moose.
- Woodard Creek Trail status update and funds received from a local non-profit Friends of Woodard Creek
- Adding an agenda item to offer a recommendation of support to the Friends for a Landowner Agreement with the Land & Water Conservation

**B. Memorandum from Recreation Manager Illg re: January Staff Report**

Recreation Manager Illg noted that his written report was provided in the packet and he highlighted the items that City Council passed since they last met in November that were parks or recreation related. He reported that the City Manager Reports from the Council meetings will be included as informational items for each meeting going forward. Mr. Illg then reported on the following:

- City Council approved the Ordinance to purchase the parcel next to Bishop's Beach so that is currently under negotiations
- Park Pavilions Fees are being waived and that resolution will be going before City Council at the upcoming meeting.
- Reminder about the worksession on February 4, 2021 at 5:30 to discussion restrooms and the City Manager has requested that we add the topic of Personal Watercraft (PWC) to that agenda.
- Since the Commission will be reviewing the Beach Policy the subject of Personal Watercraft has been added for the Commission to submit their recommendations
- Parks and Recreation Software status update
- The Sports Equipment Library is up and running, it is limited at this time but hopefully the "library" can grow and it takes off.
- The status of the High School gym roof
- With his remaining budget last year he purchased some Frisbees

Commissioner Archibald asked if Mr. Illg knew anything about the Alaska State Comprehensive and Outdoor Recreation Plan update and that they were considering breaking it up into areas and that SCORP needs to be in effect before any funding can be received by Land & Water Conservation.

Mr. Illg responded that he was not aware of it and will bring it before the Alaska Parks & recreation Association.

Chair Lewis inquired about regulations regarding launching boats from the city beaches and opined that PWC's are a type of boat so it would stand that they would not be allowed to launch either.

Staff facilitated questions from the Commission and responded to the following:

- Existing regulations outlined in the Beach Policy regarding vehicles
- What the city can or cannot mandate as it relates to the use of city beaches
- Additional signage and education needed
- Enforcement of any new or existing regulations
- This item is going to be on the regular meeting in February

## **PUBLIC HEARING**

### **PENDING BUSINESS**

#### **A. Establishing an Endowment Fund for Parks, Art, Recreation & Culture**

Chair Lewis introduced the item by reading of the title and open the floor to discussion.

Public Works Director Keiser stated the differences in having an endowment fund for the library versus an endowment fund for the parks and recreation. She noted that the list of deferred maintenance needs for parks facilities and equipment is massive. She believed that the costs to replace the aging equipment and infrastructure is upwards of \$20 million and they are starting to look at developing a ADA Transition Plan for Parks and Trails that is expected to add greatly to that list of needs. Creating an endowment fund with a spend rate of 4% will take beyond her lifetime to get enough funding available to do anything.

Ms. Keiser believed that they will still be reliant upon the good graces of City Council in order to get the big chunks of funding required for large projects such as the restrooms. She advocated for the Commission to consider this while they deliberate since there are short and long term needs that are massive because of deferred maintenance and aging facilities and equipment.

Discussion was facilitated between staff and commissioners regarding the following:

- Making it easier for people to give money to parks and recreation without all the process that it takes to be able to accept money for minor projects such as park benches
- There are long term benefits to establishing an endowment fund and maybe that is what is needed to accept a donation of \$50,000 or \$100K
- The immediate needs should be considered as well as the long term goals.
- If an endowment fund is established City Council should still bear the responsibility of the operational cost requirements and capital costs and not think that because they have an endowment fund that burden has been lifted from the city.
- Establishing the guardrails or parameters that are used to guide the expenditure of funds from a non-endowed and or endowed fund account that limit the uses of the earnings that will provide guidance for future members of the Commission, Foundation Board and Council.
- There was support for establishing a non-endowed and endowed and fees
- Fees for the management of these funds is currently none for the Foundation but Vanguard charges 4/10<sup>th</sup> of a percent
- City Code does allow the Commission to solicit donations, there is a fund established where donations can be deposited and then the Commission can annually submit budget requests which are then approved during the budget cycle/approval period. Purchases are then charged to that account. Funds are carried over to the following year. Donations are accepted and appropriated by Council through a resolution or ordinance. It is required for accounting processes and transparency.
- Comparison of having the HART Fund for Roads and Trails and how projects can be funded by those accounts are just by ordinance and two meetings. Where if there is no funding source for an expenditure such as banners or other smaller parks related expenditures they have to go hat in hand before City Council hoping they will grant the funds from the general fund.

- Establishing a similar fund such as the HART program for roads and trails is possible but there is the chance that the majority will not agree to funding another tax but it could be put before the voters
- Asking the voters if a certain percentage of the already established tax could be dedicated to parks & recreation like was done with trails and road repairs
- Having a discussion with Finance & Administration on what is possible and what is not should be conducted to facilitate the easiest way to facilitate people giving or performing services for or to the city.
- There are members of the public that would be hesitant to give money to the City and would prefer giving money to the Foundation.
- Recreational Service Area, compensation from non-city residents who use the amenities just as much as the City residents.
- Suggesting an increase of sales tax to round off to 8% which can be facilitated for the October 2021 election
- City is entering into working on a new two year fiscal budget and the Public Works Director and Parks Superintendent can work on a concept plan for the next meeting with needs and numbers before decisions are made on
- ReCreate Rec group efforts a few years back to request the HART Funds be reallocated to cover parks and recreation; revenue stream for a new multi-use recreational facility and support for resident and non-resident user fees.
- Not appropriating the HART Fund Trails for other projects that are not trails related

## **NEW BUSINESS**

### **A. Commission Funds FY2021 - Discussion and Uses**

Chair Lewis deferred to Parks Superintendent Steffy.

Parks Superintendent Steffy spoke to the \$1,500 Commission funds were to be spent but all shipping was delayed and the event for skating was postponed and postponed so they were not expended by the end of the year. This year since the fiscal year was amended the budget is \$750 to be expended by June 30, 2021. He requested input on what the Commission would like to expend the funds available.

Discussion was facilitated by staff on ideas that they could expend the \$750 on. The following was offered:

- Dog Park
  - o Section off area up by the HERC building
- Swag, Shirts or hats

Deputy City Clerk Krause will provide history for the Budget Requests at the next meeting.

### **B. Memorandum from Public Works Director re: Main Street Sidewalk Project Design Update**

Chair Lewis introduced the item by reading of the title and requested Public Works Director Keiser to provide her report to the Commission.

Public Works Director Keiser provided a status update on the Main Street Sidewalk Design and was available for any questions.

There were no questions from the Commission.

### **INFORMATIONAL MATERIALS**

- A. 2021 Commission Annual Calendar
- B. 2021 Commission Attendance at City Council Meetings

Chair Lewis requested a volunteer to speak at the upcoming Council meeting.

There were no volunteers forthcoming and deputy City Clerk Krause noted that the Mayor is implementing some changes to reduce the length of the meeting so there will be only one meeting per month that would be available.

Commissioner Harrauld volunteered to speak.

- C. Resolution 20-128, 2021 Regular Meeting Schedule for Advisory Bodies
- D. City Manager's Report for the City Council January 11, 2021 Regular Meeting

### **COMMENTS OF THE AUDIENCE**

### **COMMENTS OF THE CITY STAFF**

Recreation Manager Illg commented it was good meeting.

Parks Superintendent Steffy commented that he is always so excited to attend the meetings and speak with the Commissioners, he expressed that it was a great meeting and apologized for adding to the time consumption. He wished everyone a great evening.

Public Works Director Keiser commented that they are starting the process to demolish the Karen Hornaday restroom and they will begin the process to develop a ADA Transition Plan for Parks and Trails.

### **COMMENTS OF THE COMMISSION**

Commissioner Fair commented that if they were going to look into creating an endowment fund that they should invite Dave Berry from the Library to comment on the process as the library has some big things that they want to do to, not quite as big as parks though.

Commissioner Archibald expressed his thanks to Matt for doing what he did as parking director for the vaccination clinic and offered Commissioner Harrauld assistance with notes for speaking points to Council. He noted that he did speak at the last Council meeting but there wasn't much to say since the commission had not met in December.

Commissioner Galbraith expressed his appreciation for getting the hole filled in at Bishops Beach entrance as his dog fell in to it and his daughter fell on the ice down there the last time they visited so hopefully this will help the situation.

Student Commissioner Blanton-Yourkowski expressed her thanks for getting that hole filled in also at the entrance to Bishop's Beach and her appreciation for everything that Staff does.

Commissioner Roedl had no comments.

Commissioner Harrauld expressed her thanks to Matt, Mike and Jan and that they are doing an awesome job and so much is being accomplished. As always she will reach out to Robert, Dave and Deb before the Council meeting.

#### **COMMENTS OF THE CHAIR**

Chair Lewis commented about getting off to a rough start and it was a good meeting.

#### **ADJOURNMENT**

There being no further business to come before the Commission the meeting adjourned at 7:56 p.m. A worksession is tentatively scheduled for February 4, 2021 at 5:30 p.m. The next regular meeting is scheduled for Thursday, February 18, 2021 at 5:30 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

*Renie Krause*  
RENEE KRAUSE, MMC, DEPUTY CITY CLERK

Approved: *February 18, 2021*