



# Agenda

## Economic Development Advisory Commission Regular Meeting

Tuesday, March 11, 2025 at 6:00 PM

City Hall Cowles Council Chambers In-Person & Via Zoom Webinar

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### Homer City Hall

491 E. Pioneer Avenue  
Homer, Alaska 99603  
[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

### Zoom Webinar ID: 990 0366 1092 Password: 725933

<https://cityofhomer.zoom.us>  
Dial: 346-248-7799 or 669-900-6833;  
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### CALL TO ORDER, PLEDGE OF ALLEGIANCE, 6:00 P.M.

### AGENDA APPROVAL

### PUBLIC COMMENTS ON MATTERS ALREADY ON THE AGENDA (3 minute time limit)

### RECONSIDERATION

**CONSENT AGENDA** (Items listed below are considered routine and non-controversial by the Commission and are approved in one motion. If a separate discussion is desired on an item, a Commissioner may request that item be removed from the Consent Agenda and placed on the Regular Agenda under New Business.)

[A.](#) Unapproved Meeting Minutes January 14, 2025

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### VISITORS/PRESENTATIONS (10 minute time limit)

### STAFF & COUNCIL REPORT/COMMITTEE REPORTS

A. Community Development Director Staff Report

B. Chamber Director Report

[C.](#) Homer Marine Trades Association Report

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D. Kenai Peninsula Economic Development District Report

E. HERC Update

F. Housing/Guiding Growth Update

G. Planning Update

### PUBLIC HEARING

### PENDING BUSINESS

<a href="#">A.</a> Comprehensive Plan	Page 10
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**NEW BUSINESS**

**INFORMATIONAL MATERIALS**

<a href="#">A.</a> EDC 2025 Calendar	Page 26
<a href="#">B.</a> SWOT Analysis	Page 27
<a href="#">C.</a> City Manager's Report	
January 27, 2025 City Council Meeting	Page 35
February 10, 2025 City Council Meeting	Page 71
February 24, 2025 City Council Meeting	Page 74
March 10, 2025 City Council Meeting	Page 76

**COMMENTS OF THE AUDIENCE** (3 minute time limit)

**COMMENTS OF THE CITY STAFF**

**COMMENTS OF THE COMMISSION**

**ADJOURNMENT**

Next Regular Meeting is Tuesday, **April 10, 2025, at 6:00 p.m.** All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar.

## **CALL TO ORDER**

Session 24-09 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Karin Marks at 6:01 p.m. on January 14, 2025 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar, and opened with the Pledge of Allegiance.

PRESENT: COMMISSIONERS AREVALO, YOUNG, BROWN, NOOMAH, DICKINSON, MARKS & ZUBEK

STAFF: COMMUNITY DEVELOPMENT DIRECTOR ENGBRETSSEN & DEPUTY CITY CLERK APPEL

## **AGENDA APPROVAL**

Chair Marks requested a motion and second to approve the agenda as presented.

DICKINSON/AREVALO MOVED TO APPROVE THE AGENDA AS PRESENTED.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

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

Scott Adams, Homer resident, spoke on Bridge Creek Watershed. He said the Bridge Creek Watershed wasn't included in the Comprehensive Plan and he believes it is important for community development. He also asked why the HERC building hasn't been surveyed to potential future use, instead of using more money to purchase land to a new building. He suggested to plan for future building plans to account for growth in the community.

## **RECONSIDERATION**

### **CONSENT AGENDA**

- A. EDC Unapproved Minutes of October 08, 2024

Chair Marks requested a motion and second to approve the agenda as presented.

ZUBEK/AREVALO MOVED TO APPROVE THE OCTOBER 08 AND NOVEMBER 12 MEETING MINUTES.

Chair Marks commented on a typo in the November 12 meeting minutes.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- B. EDC Unapproved Minutes of November 12, 2024

## **VISITORS/PRESENTATIONS**

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

- A. Introductions

Chair Marks introduced the topic and open the table to Commissioners and Staff to introduce themselves to new individuals.

**B. EDC Staff Report**

Community Development Director Engebretsen reported various transportation projects and the adoption of the Kenai Peninsula Borough's transportation plan. She also mentioned a partnership with the Chamber of Commerce for an event celebrating Kristen Faulkner's double gold medals. She spoke on a potential grant application with the Kachemak Bay Research Reserve and the Land Trust. She also mentioned to the Commission that the Comp Plan Open House was coming up and suggested the Commission to attend.

**C. Chamber Director Report**

Community Development Director Engebretsen reported that the Chamber of Commerce Membership Meeting was scheduled for Tuesday, February 4. She mentioned tickets are available online for twenty-five dollars a person. She also mentioned the Chamber is gearing up for the Winter King Tournament, which is currently scheduled to happen later in March.

**D. Homer Marine Trades Association Report**

No report was provided

**E. Kenai Peninsula Economic Development District Report**

Chair Marks stated that she had missed the October meeting and the January meeting hadn't happened yet, but was looking forward to having a full report for the Commission for the February Regular Meeting.

**F. HERC Update**

Community Development Director Engebretsen reported that the City is currently working on analyses and other tasks required to apply for a large grant. The City Council passed a memorandum asking the EDC, PARCAC, and the Planning Commissions to consider using Town Center as a future site for a new Recreation Center. Engebretsen mentioned the City has been looking at different pieces of property for the past year and weighing out pros and cons, such as traffic access, utilities, total usable area of the property, etc.

**G. Housing Update**

Commissioner spoke on a group out of the hospital the periodically surveys the community for what the community thinks are the most important health areas. The survey found the top answer was housing and the second was communication on the resources the city has.

**H. Planning Update**

Community Development Director Engebretsen spoke on the comprehensive plan steering committee releasing a pre-draft of the plan. She mentioned there has been an increase of permit application this year as opposed to prior years.

**PUBLIC HEARING**

**PENDING BUSINESS**

A. EDC Strategic Plan

Community Development Director spoke on the Strategic Plan and goals for the Commission. This discussion included looking at local properties for a recreation center and putting it out to public opinion on where the community feels would be the best location. She encouraged Commissioners to come to her with questions regarding the Strategic Plan.

**NEW BUSINESS**

A. Agenda Item Report- Amenity Trap

Community Development Director Engebretsen mentioned the brochure that was included in the meeting packet. She explained that this document shows many communities that have the same kinds of issues as Homer. She stated she feels the document is geared more toward western states but a lot of the same themes are present in the Homer community. The commission asked her to forward the brochure to the Planning Commission for their February 5<sup>th</sup> meeting.

**INFORMATIONAL MATERIALS**

- A. City Manager's Report  
CM's Report for November 21, 2024  
CM's Report for January 08, 2025

- B. EDC Annual Calendar 2025

- C. QOL Report

Chair Marks noted the informational materials. Chair Marks volunteered to deliver the January report to City Council.

**COMMENTS OF THE AUDIENCE**

Scott Adams, city resident, noted the housing memo did not have interest rates on houses or property listed. He also spoke about the property assessments from the Borough being raised.

**COMMENTS OF THE CITY STAFF**

**COMMENTS OF THE MAYOR/COUNCIL MEMBER (If Present)**

**COMMENTS OF THE COMMISSION**

Commissioner Dickinson welcomed the new Commissioner.

Commissioner Young expressed his excitement for the February comp plan open house.

Commissioner Brown stated she would not be present for the February meeting.

Commissioner Arevalo welcomed the new Commissioner.

Commissioner Noomah stated it was a great first meeting and his is looking forward to working closely with the Commission.

Chair Marks encouraged Commissioners to submit ideas for topics and guest speakers for the Agenda.

**ADJOURNMENT**

There being no further business to come before the Commission, Chair Marks adjourned the meeting at 7:30 p.m. The next regular meeting is Tuesday, March 11, 2025 at 6:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers and via Zoom Webinar.

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ASHLEY APPEL, DEPUTY CITY CLERK I

Approved: \_\_\_\_\_

## Homer Marine Trades Association Meeting

February 12, 2025

@ Harbormaster Conference Room

### Meeting Minutes

Call to order: The meeting was called to order by President, Eric Engebretsen at 6:08 p.m.

Present: Eric Engebretsen, Aaron Fleenor, Jen Hakala, Alita Mahan, Mark Zeiset, Trey Hill, Matt Alward, Amy Woodruff, George Hall, and Communications Director Samantha Jacobsen.

Absent: Bruce Friend

Approve Minutes of the previous BOD Meeting held January 8, 2025: Motion by George Hall to approve seconded by Mark Zeiset, motion carried.

Approval of Agenda: Motion by Mark Zeiset to approve the Agenda as presented, George Hall seconded, motion passed.

#### Guest Presentations:

Willem Hakala, Homer High School Yearbook

- Presented HHS Yearbook ad options for ¼, ½, and full page ad opportunities. Ads can be fully customized to include message as well as logo, can also combine with member ads on same page. Ad sponsorships are due at end of February, can submit to Willem or yearbook contact email listed on flyer.

#### Treasurer's Report –Jen Hakala:

- Treasurer's Report attached to minutes
- Accounts Receivable consists of tide book and membership fees due.
- Need more info to flow through from new member sign up on website to match fees paid w/ new member business.
- Upcoming expenses – Brochure printing \$938, and Harborfest sponsorship \$8,000.

#### Communication Director's Report:

- Samantha – emailed unpaid memberships, next step will be to follow up with phone calls.
- Marketing brochure – would like to revamp brochure with new categories, waiting for Board input on keeping old brochure for 2025 or moving forward with new brochure design?
  - Consensus was to keep current brochure for 2025, remove year but list version for reference and print in house, ordering folding tool from Amazon if possible. Jen will store folder at Nomar.
- Website updates are underway, need login access from Grady
- City of Homer – City Manager would like to meet to get HMTA goals / objectives for city funds. Preference is to keep it simple, draft contract currently covers main points, budget is \$8,000. Need plan to clarify what funds will be spent on by 10/1/2025. Eric and Samantha will meet with City Manager. Discussion regarding proposing new brochure for use of funds, short video, or both?
- Updated Board group picture for website suggested by Kate, Willem offered to take photo. Will shoot for March to take picture of entire group.
- Social Media master plan – event listing and advertising, need to update website first as link will be included.
  - Social Media ideas are: Membership Monday, Feature Friday posts, New member spotlight, meeting announcements, Hoodie ads, refer a new member get a free hoodie.

### Committee Reports:

- Marketing –
  - Mark presented 2025 HMTA Marketing Cost vs Proceeds analysis (attached to minutes)
  - New brochure modeled after Seward's brochure – can run current as “service listing” in conjunction w/ new brochure. Will cost prohibit widespread distribution? There is potential to reuse new brochure for multiple years. Can present to city as use of funds.
  - Need to hang up refreshed HMTA banner at HHS
  - PME show – need to sell one booth, if booth does not sell, do we want to purchase 3 booths next year? PME banner proceeds are covering cost of booth, if last booth sells PME will profit \$1827 for HMTA.
  - Michael Dukes, new Peninsula Radio Group owner has offered to plug classes and potentially scholarship opportunities at no cost.
  - When Samantha and Eric meet with City Manager, it should be clarified if city can award funds in advance of invoice, as in the past we have submitted invoices for funds.
- Workforce Development –
  - Amy gave update on upcoming Job Fair to be held 3/28/25 at HHS. Job fair has been advertised in the Chamber newsletter, we should also get flyers out. Job Fair goal is to match employers with job seekers on the spot (students and community) for summer and seasonal positions.
  - Mark advised that college is working to get 100 ton and AB cert. classes back. Jill at the college would also like to be included in HMTA workforce development emails.
- Scholarship –
  - Alita reported there are no scholarship applicants to date, applications are due 4/15. Suggestions to create flyer and present / provide to FLEX at In Reach scheduled time.
  - Samantha to create scholarship flyer and social media post. Eric shared success story of Max Kuzmin, HMTA scholarship recipient – possible social media post?
  - Suggestion to include QR code on flyer
- Events –
  - No report, meeting to be scheduled before next board meeting, but after upcoming Chamber Harborfest meeting.

### Old Business:

- Update Committee Members / assignments
  - Need to revamp / relist committees to included members, meeting schedule, and assigned tasks. The following are current committees, those in attendance at previous meeting signed up for desired committees. Need to keep as old business to poll absent members to be added to desired committees.
    - Marketing: George, Mark, Trey, Kate Mitchell (Chair – Mark)
    - Workforce Development: Aaron, Alita, Samantha (Chair – Aaron)
    - Scholarship :Alita, Jen, Samantha (Chair – Alita)
    - Events: Jen, Alita, Amy, Eric (Chair- Jen)
    - Finance: Jen, Matt Alward, Alita (Chair-Jen)
- High School Student Board Seat Appointment
  - Potential candidate Gabe Bradshaw has been identified, will follow up by next meeting if accepted

### New Business:

- Homer Harborfest Update:
  - Chamber has requested that we define area needed for boat show vendors.
  - Reviewed separate “Boat Show” event flyer, preference would be to merge with Harborfest flyer and market jointly.
  - Need to think about how we will fill vendor booths for HMTA, Ex: Trailers?



- Need to make membership aware of booth opportunity and start advertising to fill designated spaces – pitch: chance to show what you do/make to a large group of people.
- When Bruce is back he can visit targeted members/vendors for booth sales, after opportunity has been put out to membership.
- Samantha will send out save the date to membership w/ boat show flyer when finalized.
- Questions for upcoming Chamber Harborfest planning meeting:
  - Need to define area
    - Need to know how many HMTA spaces to make available and cost to recoup.
  - When is sponsorship money due to Chamber?
  - Can we use the Chamber vendor application/agreement for our resold HMTA vendor booths?
  - What is the chamber charging vendors for booth space? Any vendor restrictions on our booth sales?
  - Finalized event flyer version available to begin HMTA marketing?
- HHS Yearbook ad sponsor request
  - Motion by Alita to sponsor a ½ page yearbook add listing link to HMTA website to apply for Scholarships. Second by Matt Alward.
    - George Hall amended to sponsor a full page add to list member businesses as well and generously offered to personally sponsor the price difference from ½ page to full page ad. Motion passed.

Next Meeting: March 5, 2025 6pm @ Harbormasters conference room.

Adjourn: The meeting was adjourned at 8:07 p.m.

Respectfully submitted,

Alita Mahan  
HMTA Secretary



# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

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## Memorandum

TO: ECONOMIC DEVELOPMENT ADVISORY COMMISSION  
FROM: JULIE ENGBRETSSEN, COMMUNITY DEVELOPMENT DIRECTOR  
DATE: MARCH 6, 2025  
SUBJECT: COMPREHENSIVE PLAN

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### **Requested Action:**

- Provide any detailed comments directly to [shelly@agnewbeck.com](mailto:shelly@agnewbeck.com)
- Read the Economic Development Chapter (attached)
- Be ready to talk about this chapter AND overall vision for the future of the community

### **Background:**

Thanks to everyone who attended the Comprehensive Plan Open House! I know some of you may have a lot of detailed comments; please send those directly to the consultant. For our meeting, please read the Economic Development Chapter at minimum. If you have time, the Quality of Life and Housing Chapters are also specifically EDC related. (And there is a Governance Chapter that also talks about city finances, if you like a good deep dive!)

I'd like to use the Commission meeting time to discuss three things:

1. Economic Development Chapter: Is anything missing? What would make this section better? Are there areas you would fine tune?
2. Do you agree with the chapter goals on page 56?
3. If you've read more of the plan, are there any big picture ideas or concepts you think are missing, or should be more focused?

The EDC typically has great conversation with many viewpoints and I'm hoping we can have a good discussion on the plan.

### **Attachment:**

Econ Dev Chapter  
Crosswalk Document (for reference)



# 2035 Homer Comprehensive Plan Update

## Public Review Draft: Economic Development Policies Extract and Cross-References to Other Chapters

*Prepared March 5, 2025 for Economic Development Advisory Commission Meeting on March 11, 2025*

## Economic Development

### Strategies and Potential Actions

#### Icon Key:

- ✈ Priority: Emerging priority for implementation (these will be carried forward into an action plan)
- ✂ Capital: For any project that includes a potential capital project
- \* Code: A strategy that recommends a specific code revision
- ◆ 2018: A strategy adapted from/carried over from the 2018 Comprehensive Plan

#### 1. Address barriers to workforce recruitment and retention by improving access to affordable, attainable housing and childcare. ✈

*See related policies in the Housing chapter (all strategies) and Quality of Life chapter (strategy 6).*

##### **[Housing Strategy #1] Implement zoning reforms to encourage attainable housing development, prioritizing housing solutions that cater to the needs of young people, families, seniors, and seasonal workers. \* ✈**

- a) Update zoning regulations to support higher density and mixed-use developments where appropriate, facilitating the creation of multi-family housing and affordable units. \*
- b) Remove regulatory barriers to compact and infill development, enabling denser housing projects that integrate well into existing neighborhoods. \*
- c) Expand allowable housing types, including manufactured and modular homes. \*
- d) Monitor short-term rentals and their impact on the housing market. Consider updating the definition of short-term rental in City code to lay the foundation for future regulation, if needed.

##### **[Housing Strategy #2] Develop incentives and public-private partnerships for affordable and long-term housing development.**

- a) Explore the creation of a local housing fund and implement targeted incentives to encourage affordable housing development over luxury and short-term rental projects.
- b) Address the scarcity of affordable land by exploring Community Land Trust models (example: Sitka, AK) and other strategies to lower land acquisition costs.
- c) Incentivize private property owners to place existing vacant parcels into residential use.

- d) *Build public-private partnerships with organizations that influence housing development, such as contractors, nonprofits, Tribal housing authorities, and lending agencies.*
- e) *Explore possibilities for City land acquisition with the intent to develop attainable housing through a request for proposal (RFP) process.*

**[Housing Strategy #3] Consider sustainable development and creative solutions.**

- a) *Integrate climate sustainability plans into housing strategies to ensure resilience and environmental protection. ✎*
- b) *Explore how to maximize the use of any local or regional materials that would decrease the cost of building. This could include (but is not limited to) traditional materials like gravel or timber as well as creative sources like 3-D printing and repurposed or customized shipping containers. This could also be addressed with building code revision that allow for non-traditional materials and innovative designs, or an “innovative and sustainable housing overlay zone” (this overlay zone strategy has been successful in Taos, New Mexico.) Note: these ideas require additional research but are based on methods currently being explored or used in other parts of the state. \**
- c) *Explore partnerships and solutions that could reduce the cost of shipping for building materials and manufactured homes to Homer.*

**[Housing Strategy #4] Assess Homer’s housing needs, maintain data collection, and foster community involvement.**

- a) *Conduct a detailed Housing Needs Assessment to identify current and future housing needs, including types and numbers of units required to serve projected population growth and affordability ranges as well as support economic growth and industries. ✎*
- b) *Complete a housing stock report and buildable lands inventory. Conduct targeted borough land disposition for housing with specific objectives in mind: manufactured housing, smaller lots for more affordable ownership and rental products, duplexes, and triplexes. Note: The strategic approach to land disposition could occur through targeted negotiations/partnerships with local organizations, such as Tribes and Kenai Peninsula Housing Initiatives, Inc. In addition, the RFP process could be used to select developers/contractors and associated homebuyers for selected borough owned lots with specific housing objectives.*
- c) *Build City capacity internally or through contractor support to pursue strategic land dispositions.*
- d) *Update housing indicators (see Figure 14 below) annually to track housing issues, constraints, needs, and opportunities.*
- e) *Encourage shared planning and decision-making to ensure housing policies reflect community priorities and needs.*

**[Quality of Life Strategy #6 – Youth and Early Childhood] Support Homer’s youngest residents and their families by making sure they have what they need to grow and thrive.**

- a) *Ensure quality childcare is accessible and affordable, with parents and caregivers easily able to connect with available childcare resources and programs. ✎*
- b) *Bolster the efforts of the Mobilizing for Action through Planning and Partnerships (MAPP) Homer Early Childhood Coalition in supporting families with young children to learn about community events, connections, resources, and information, including distribution of the Family Resource Booklet.*
- c) *Support efforts by the SPH to establish a childcare facility for hospital employees, increasing overall childcare capacity in the community. ✕*
- d) *Promote a healthy lifestyle by increasing activities available for youth.*
- e) *Promote volunteer and education opportunities for youth to become involved in civic life and contribute to improving the community.*

**2. Expand vocational training resources, particularly in trades, marine trades (including mariculture and shipping industries), and healthcare industries, to retain young residents and provide year-round employment. ✎**

- a) Enhance health care opportunities and adjacent industries to strengthen local services and employment. ♦
- b) Create co-working spaces and incubator hubs for small-scale manufacturers and entrepreneurs. (The Commons in Ketchikan is a good case study <https://www.tongassfcu.com/business/business-services/the-commons-at-tfcu/>.)
- c) Encourage the retention of existing and the relocation of new Federal and State Government jobs and training programs to Homer. Promote Homer as a place to expand and attract government operations. ♦
- d) Promote recreation, the arts, and non-governmental organizations as a complement to tourism and as an export industry. ♦
- e) Continue and increase support for the Alaska Small Business Development Center business advisor located in Homer to foster local business growth.

See related policies in the Quality of Life chapter (strategy 1 and 10).

**[Quality of Life Strategy #1 – Health care] Ensure access to quality, affordable care.**

- a) Implement the goals and strategies identified in the 2023 Homer Community Health Needs Assessment and forthcoming Community Health Improvement Plan, including strategies that address the following priority needs: ✎
  - Aging Population
  - Barriers to Care
  - Childcare
  - Housing
  - Mental Health
  - Physical Health
  - Social Isolation
  - Staff Workforce Shortages
  - Substance Use
- b) Continue to support the SPH via the KPB and the South Kenai Peninsula Hospital Service Area Board, including implementing priorities identified in the SPH Facilities Master Plan. ✎ Top three priorities include:
  - Utilize existing open-shelled space to establish nuclear medicine program, expansion of oncology and infusion, and an upgraded pharmacy. ✕
  - Consolidate services into a medical office building. ✕
  - Address deferred maintenance of existing facilities. ✕
- c) Bolster local educational opportunities to train residents for available health care jobs. ♦
- d) Support efforts by the SPH to construct new employee housing, freeing up other housing units for the community.

**[Quality of Life Strategy #10 – Arts and Culture] Celebrate Homer’s status as a vibrant hub for arts, culture, and community engagement.**

- a) Establish a plaza or town square that can serve as a lively, thriving center of Downtown. ♦
- b) Update the Parks, Art, Recreation, and Culture Needs Assessment, and continue to expand city partnerships with other organizations to implement recommendations.
- c) Partner with the Ninilchik Traditional Council and Seldovia Village Tribe to increase the presence of Alaska Native art, signage, and history around Homer.

- d) Support arts and culture installations and spaces in the community, including Homer's museums and galleries (see also: PARCAC Strategic Plan). ✖
- e) Collaborate with citizen groups and nonprofit organizations to address community needs by providing small matching grants, limited technical assistance, and the option to use City land or facilities at reduced rates. ♦
- f) Support the efficient use of existing community facilities. Partner with organizations to keep city facilities operating beyond normal hours. ♦

### 3. Encourage economic growth and infrastructure development while preserving the natural resources and community characteristics valued by current residents and attracting new residents.

- a) Develop Homer's Downtown Area, focusing on connected, dense, and walkable spaces. ✖
- b) Develop public transportation options, particularly in the Homer Spit area, to alleviate traffic congestion and improve accessibility for seasonal workers, residents, and visitors.
- c) Invest in infrastructure, parks, public restrooms, and recreational facilities to improve the quality of life for residents and enhance tourism experiences. ♦
- d) Regularly review and update city economic plans to reflect current needs and opportunities. ♦
- e) Enhance local schools and K-12 teacher support to attract families and foster long-term community stability.

See related policies in the Land Use and Environment Chapter (strategies 1, 2 and 6), Sustainability, Resilience, and Climate Change Chapter (strategy 3), Transportation Chapter (strategies 1, 3, 4), Quality of Life chapter (strategies 2, 3, 7, 10) and Governance chapter (strategy 1).

**[Land Use and Environment Strategy #1] Implement a future land use map that guides future decisions about land use and growth.** ✖♦

**[Land Use and Environment Strategy #2] Update Homer City Code to better respond to existing and future opportunities for moderate, sustainable growth.** ✖♦

- a) Implement zoning codes that allow for greater flexibility and adaptability, such as form-based codes that focus on building form and relationships rather than strict use classifications. \*
- b) Develop consistent design standards for new development to complement the character of areas. Include architectural and site development standards and standards for associated infrastructure (particularly roads and trails). ♦\*
- c) Provide a clear and predictable approval process for development applications. Include clear staff procedures to accompany code. ♦\*
- d) Encourage development within areas well-served with existing community services or institutions (i.e. schools, libraries, health care clinics, post offices, utilities, other government buildings, or services that people need access to).
- e) Revise code enforcement procedures to ensure consistency, prioritizing known nuisances that pose a threat to public health and safety and/or the environment. Consider creating a public reporting system to accommodate limited city resources and to track potential code violations in a transparent manner. \*
- f) Synthesize existing rules and regulations for both public and private development in a comprehensive design manual to balance functionality and aesthetics. For instance, it is important that the Master Roads and Streets Plan is supplemented by the Community Design Manual, Transportation Plan, and a Streetscape Design Manual. ♦

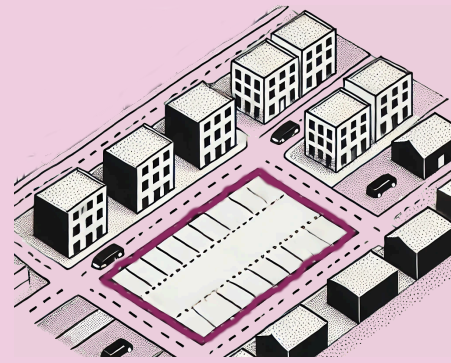
**[Land Use and Environment Strategy #6] Create a downtown area that supports walkable connections, infill development, increased density, and community activities compatible with new and existing businesses to support Homer as a regional center for commerce.** ✖♦



- a) Adjust zoning in central areas to allow a broader range of housing types and compatible mixed-use development. This includes rezoning areas currently designated for low-density uses to accommodate multi-family housing, mixed-use buildings, and small-scale single-family development with accessory dwellings. In urban areas, consider reducing minimum lot sizes and increasing allowable lot coverage to promote compact, walkable development. ✈️\*
- b) Refine development regulations to ensure building height, parking standards, setbacks, landscaping, and façade design contribute to a cohesive and pedestrian-friendly streetscape.
- c) Leverage public-private partnerships to improve the commercial streetscape in Pioneer and Old Town. Focus on completing the sidewalk network, integrating green infrastructure, enhancing landscaping, and improving building façades to create a more attractive and accessible environment. ♦
- d) Promote concentrated development patterns that reduce vehicle trips and support walking, biking, and transit use. ♦
- e) Invest in targeted infrastructure upgrades to support higher-density and mixed-use development. Prioritize projects such as modernizing water and sewer systems, upgrading streets for multimodal access, and expanding broadband infrastructure to facilitate growth in targeted areas. ✂️

### What is 'infill'?

Infill is the **strategic use of underutilized or vacant land** within already developed areas to create new housing, businesses, or public spaces. Using this redevelopment strategy maximizes existing infrastructure, helps create connected, walkable neighborhoods, and revitalizes communities without expanding into undeveloped land.



### **[Sustainability, Resilience, and Climate Change Strategy #3] Continue to develop code, regulations, and incentives to guide sustainable and resilient development. \***

- a) Update City Code to promote more sustainable and resilient land use and transportation strategies, including denser mixed-use and more compact development, urban infill and redevelopment, and non-motorized transportation infrastructure. ✈️\*
- b) Develop Homer's Downtown Area in accordance with Strategy 7, Land Use and Environment Chapter, focusing on connected, dense, and walkable spaces. ✂️
- c) Enact guidelines, regulations, or incentives to limit development in environmentally sensitive areas, including erosion-prone slopes and bluffs, and support the protection of habitat and green infrastructure on public and private lands. ✈️
- d) Relocate City of Homer municipal buildings out of tsunami inundation zones and consider additional regulations for future development in environmentally unsuitable and hazard-prone areas. ✂️

### **[Transportation Strategy #1] Focus on developing a walkable downtown that can support infill development, new and existing businesses, and community activities.**

- a) Develop a Complete Streets policy for the City of Homer to support new non-motorized connections and ensure efficiency in the motorized network. (Policy would include goals/objectives from 2018.) \*
- b) Apply the Complete Streets policy to Pioneer Avenue, to enhance Pioneer Avenue as a Main Street. ✂️
- c) Expand the Homer All Ages and Abilities Pedestrian Pathway (HAP) Loop, including extensions along Pioneer Avenue and into Old Town. ✂️
- d) Consider locations for public parking in the city center to allow visitors to park once and walk. ✂️
- e) Establish truck routes for the City of Homer to reduce interactions between truck traffic and non-motorized users. \*

**[Transportation Strategy #3] Build or improve roadway and pathway access and connections to key locations.**

- a) Improve non-motorized connections to schools and address school site congestion. ✖
- b) Conduct a reconnaissance engineering study to identify concerns, needs, and obstacles for improving Kachemak Drive for non-motorized travel and to develop potential solutions.
- c) Assess parking needs on the Homer Spit in relationship to tourism, employment, and safety from natural disasters.
- d) Conduct a parking study to identify opportunities to park a vehicle or bike, and then use other modes to reach destinations or for recreation.

**[Transportation Strategy #4] Support public-private partnerships that enhance network sustainability via alternative transportation options.**

- a) Research public transportation options, particularly in the Homer Spit area, to alleviate seasonal traffic congestion and improve accessibility for seasonal workers, residents, and visitors.
- b) Explore development of a widespread EV charging infrastructure network to support the transition to electric vehicles and reduce transportation-related greenhouse gas (GhG) emissions. ✖

**[Quality of Life Strategy #2 – Indoor Recreation] Enhance indoor recreation options in Homer, especially in winter months.**

- a) Plan for and construct a new, multi-purpose community center in Homer's downtown to serve the social, recreation, cultural, and educational needs of the Homer community. Preferred features include a general-purpose gymnasium, multi-purpose space for instructional programs, safe walking/running, dedicated space for youth, and possible emergency shelter. ✖
- b) Clean up the Homer Education and Recreation Complex (HERC) and conduct revitalization planning to determine how to proceed with the building once hazardous materials have been removed. ♦
- c) Continue to collaborate with the KPB to use school facilities for recreational, educational, social, and cultural activities to the entire community after school hours and in the summer. ♦
- d) Implement operational improvements to Parks, Art, Recreation, and Cultural Advisory Commission (PARCAC). Areas of focus include open communications, more commission engagement in budget development, support for public art, increased collaboration with organizations, and preservation of open and green spaces.
- e) Reconfigure the City's organizational structure to provide park facilities and recreation services by establishing a dedicated Parks and Recreation Department and ensuring staff capacity is appropriate. ♦
- f) Ensure that City facilities are sufficient to support events that draw visitors such as festivals and activities (e.g., clean restrooms on the Homer Spit, RV dump stations, adequate trash collection, etc.). ♦

**[Quality of Life Strategy #3 – Outdoor Recreation] Care for and expand Homer's network of outdoor trails and parks.**

- a) Complete priority upgrades to existing City parks, including Karen Hornaday Park, Bayview Park, and Jack Gist Park. ✖
- b) Build new sidewalks, trails, and accessible crossings that better connect community hubs and existing networks (e.g., Diamond Creek Recreation Area connector trails). ✖
- c) Develop, update, and implement Master Park and Recreation plans to proactively identify the maintenance and capital needs of City parks. ♦
- d) Establish depreciation reserves for ongoing care and maintenance of recreation facilities. ✖
- e) Implement recommendations in the Homer Wayfinding and Streetscape Plan. ✖
- f) Refine City Code so sidewalks are included under PARCAC oversight. \*



- g) *Implement the Homer Beach Policy and Management Plan, including enforcement of existing regulations, establishment of future regulations, and public education to ensure Homer's beaches are maintained, preserved, protected, and enjoyed.* ◆
- h) *Develop additional community and neighborhood park facilities to complement or expand recreation opportunities; aim for at least one park within one-half mile of all homes.* ✖
- i) *Expand and promote the adopt-a-park program in which local businesses, service organizations, or youth groups care for a particular park, and a structure for public-private partnerships for operations.* ◆
- j) *Establish a park endowment fund through the City or in partnership with the Homer Foundation.* ◆
- k) *When opportunities arise, enhance or improve public access to the beach at public access points.* ✖ ◆

**[Quality of Life Strategy #7 -Education] Offer high-quality K-12 education in Homer and sustain lifelong learning opportunities for all residents.**

- a) *Advocate for state-level increases to the Base Student Allocation formula.* ✖
- b) *Continue to partner and work to support efforts of the KPBSD.*
- c) *Continue active support of the University of Alaska Anchorage, Kenai Peninsula College (KPC).*

**[Quality of Life Strategy #10 – Arts and Culture] Celebrate Homer's status as a vibrant hub for arts, culture, and community engagement.**

- a) *Establish a plaza or town square that can serve as a lively, thriving center of Downtown.* ◆
- b) *Update the Parks, Art, Recreation, and Culture Needs Assessment, and continue to expand city partnerships with other organizations to implement recommendations.*
- c) *Partner with the Ninilchik Traditional Council and Seldovia Village Tribe to increase the presence of Alaska Native art, signage, and history around Homer.*
- d) *Support arts and culture installations and spaces in the community, including Homer's museums and galleries (see also: PARCAC Strategic Plan).* ✖
- e) *Collaborate with citizen groups and nonprofit organizations to address community needs by providing small matching grants, limited technical assistance, and the option to use City land or facilities at reduced rates.* ◆
- f) *Support the efficient use of existing community facilities. Partner with organizations to keep city facilities operating beyond normal hours.* ◆

**[Governance Strategy #1] Develop a long-term fiscal plan that is proactive, sustainable, and responsive to short-term challenges and opportunities.** ✖

- a) *Establish a five-year budget framework to improve financial foresight and stability.*
- b) *Establish a five-year Capital Improvement Plan that is tied to the five-year budget.*

**4. Pursue moderate, sustainable growth in tourism, focusing on activities that benefit small businesses and minimize negative impacts on community character.** ◆

- a) *Develop regenerative tourism strategies to balance visitor growth with environmental and community preservation.*
- b) *Promote recreation, the arts, and non-governmental organizations as a complement to tourism and as an export industry.* ◆

*See related policies in the Quality of Life chapter (strategy 10).*

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- e) *Collaborate with citizen groups and nonprofit organizations to address community needs by providing small matching grants, limited technical assistance, and the option to use City land or facilities at reduced rates. ✔*
- f) *Support the efficient use of existing community facilities. Partner with organizations to keep city facilities operating beyond normal hours. ✔*

## 5. Promote commercial fishing as a viable career option in Homer and demonstrate long-term support for and commitment to the industry.

- a) Increase investment in harbor infrastructure and advocate for state and federal funding to support the fishing sector.
- b) Develop programs to attract seafood buyers and retailers to Homer, increasing competition and driving better prices for local fishermen.
- c) Expand hands-on training and apprenticeships to promote fishing as a viable career option.
- d) Offer grant programs, financial assistance, and legal services to support new entrants to the fishing industry.
- e) Promote sustainable, science-based fisheries management.

*See related port and harbor policies in the Public Facilities and Services Chapter (strategies 9, 10, and 11).*

### **[Public Facilities and Services Strategy #9] Maintain and improve Port and Harbor infrastructure. ✖**

- a) *Maintain infrastructure to maximize longevity and ensure safety of users.*
- b) *Continue to assess and replace aging infrastructure, such as Float System 5 and the Old Main Dock.*
- c) *Expand the port facilities and freight capacity for improved transportation of goods and materials in and out of Homer.*
- d) *Maintain and promote Homer's status as a working waterfront by providing needed facilities and services for ferries, the U.S. Coast Guard, and other state and federal partners.*

### **[Public Facilities and Services Strategy #10] Develop a long-range Port and Harbor Management Plan that considers the environmental and economic significance of the Homer Spit, the impacts of climate change, and natural hazards like earthquakes, tsunamis, and erosion. ⚡**

- a) *Work with DOT&PF, residents, business owners, and other stakeholders to identify opportunities to improve the resilience of the Homer Spit, and especially Homer Spit Road, to natural hazards.*
- b) *Continue to develop the Homer Spit in a fiscally and environmentally responsible manner to provide opportunities for marine trades and tourism.*
- c) *Incentivize growth of the marine trades in Homer to expand services offered locally, create jobs, increase the City's taxbase, and reduce the need to travel to other areas of Alaska and the Pacific Northwest. This could be accomplished through offering education opportunities, modifying zoning to enable growth, or providing tax incentives.*
- d) *Consider opportunities to integrate complementary marine industrial and tourism uses, for example by constructing walking paths and viewing platforms that would allow visitors to observe aspects of the marine trades that they may not be able to see elsewhere.*

**[Public Facilities and Services Strategy #11] Develop new facilities to support access and safety throughout the Homer Spit and Harbor. ⚡**

- a) *Develop new non-motorized infrastructure providing access to the harbor and improve the accessibility of existing infrastructure, including ADA improvements at the Fishing Hole. ✖*
- b) *Further develop parking at the base of the Homer Spit, designate formal parking areas to minimize parking in unsuitable areas, and consider free seasonal shuttles and pay-to-park options in congested areas to reduce traffic.*
- c) *Construct a new parking structure on the Homer Spit that can also serve as a shelter-in-place location during tsunamis. ✖*
- d) *Provide information and signage to educate residents and visitors about the tsunami evacuation route.*
- e) *Improve viewpoints for wildlife observation.*
- f) *Increase the amount of interpretive and wayfinding signs.*
- g) *Explore opportunities to add public art throughout the Homer Spit.*
- h) *Revise the Homer Spit zoning code to reduce the need for conditional use permits.*
- i) *Evaluate the uses of City-owned property on the Homer Spit and ensure uses align with the needs and aesthetics of the area.*



Veggies at the Homer Farmers Market. Photo: Art Koeninger

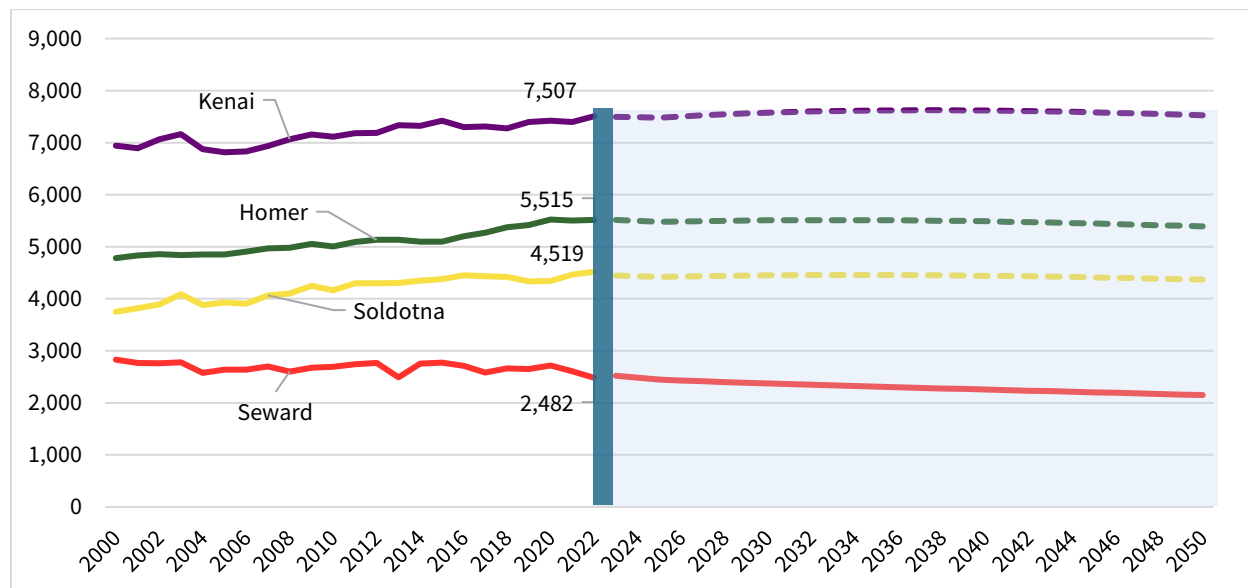
## Economic Development

### Key Themes Guiding the Plan

#### Population Expected to Continue Growing

Homer's population has been steadily increasing, with a 15.4 percent growth from 2000 to 2022, and is projected to continue growing modestly until 2050 (Figure 17). The city has a growing senior population (increasing from 14 percent in 2013 to 22 percent in 2022), which presents unique economic challenges and opportunities, particularly in housing and healthcare services. Homer boasts a higher per capita income compared to nearby communities, although its median household income has seen a modest increase over the past decade. However, residents are still concerned about the high cost of living and doing business in Homer and cite those costs as one of the biggest challenges of living in Homer.

**Figure 17. Historical and forecasted populations for Homer and comparison cities in the Kenai Peninsula Borough (KPB)**



Source: Alaska Department of Labor and Workforce Development and Northern Economics analysis.

*"Growth reflects community values and benefits the local economy – not growth for growth's sake. Keep local input central."*

~ Community Survey Results

*"Slow, moderate growth that focuses on year-round residents, recreation, 'working' people (i.e., fisherman, marine trades), and avoids catering to large corporations, second homeowners, and cruise ship-tourism."*

~ Community Survey Results

## Housing Challenges are Affecting Economic Development

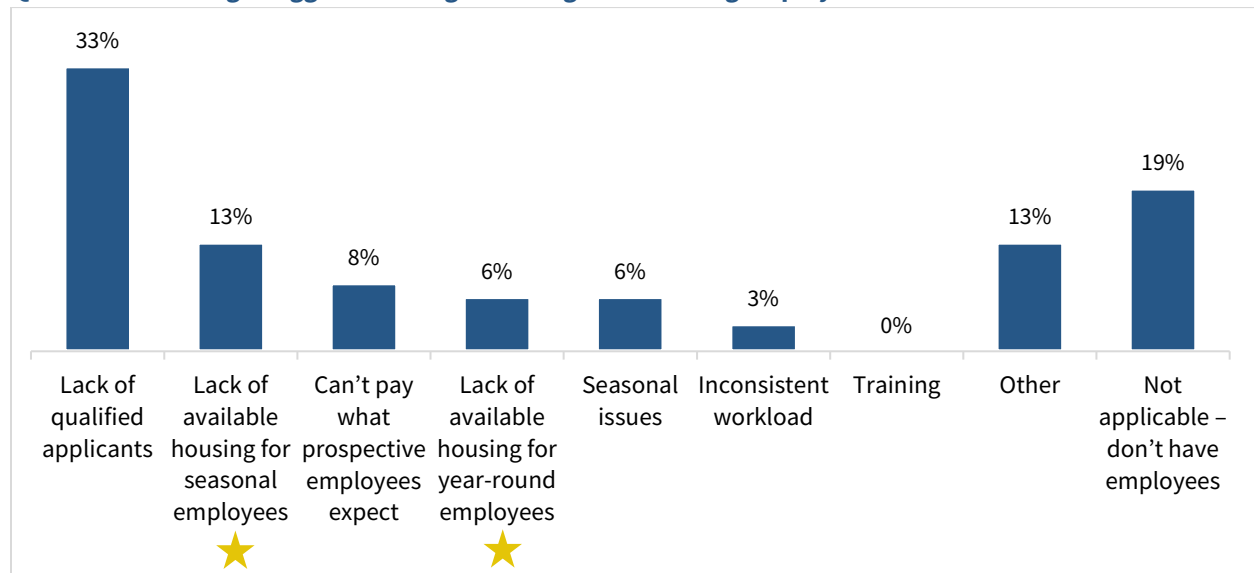
As the population grows, so does the demand for housing. The need for affordable and attainable housing is a priority by the community, as indicated by the community survey and business survey results and the discussions community groups are having about housing policy. Developing housing solutions with a focus on seniors and young people can address demographic needs and stimulate the local economy by increasing demand for goods and services.

*"The cost of housing is not reflective of our local economy and is rapidly outpacing the middle class wage earner."*

~ Community Survey Results

**Figure 18. Results from question #8 of the Business Survey, 2024**

**Q8: What is the single biggest challenge to hiring and retaining employees?**



Answered: 64. Multiple choice question. Percentages may not total 100 percent due to rounding to the nearest whole number.

## Infrastructure Needs are Increasing

An increasing population necessitates the expansion and improvement of public services and infrastructure, such as transportation and recreational facilities. Enhancing public transportation options to connect key areas can improve accessibility and support economic growth. Improvements in Homer's infrastructure, including roads, internet service, and public utilities are necessary to support growth and attract businesses, and is supported by the community as shown through the community survey and public comments. Ensuring that infrastructure is not only compliant with regulations but also genuinely accessible can enhance community inclusivity and economic participation.<sup>28</sup>



Harbor along the Homer Spit

<sup>28</sup> "Does improving accessibility boost local economies? ADA compliance can be costly for community – but the financial benefits may be bigger," Chicago Metropolitan Agency for Planning, Dec. 1, 2022, <https://cmap.illinois.gov/news-updates/does-improving-accessibility-boost-local-economies/>



## Fishing and Tourism Industries Remain Strong Economic Drivers

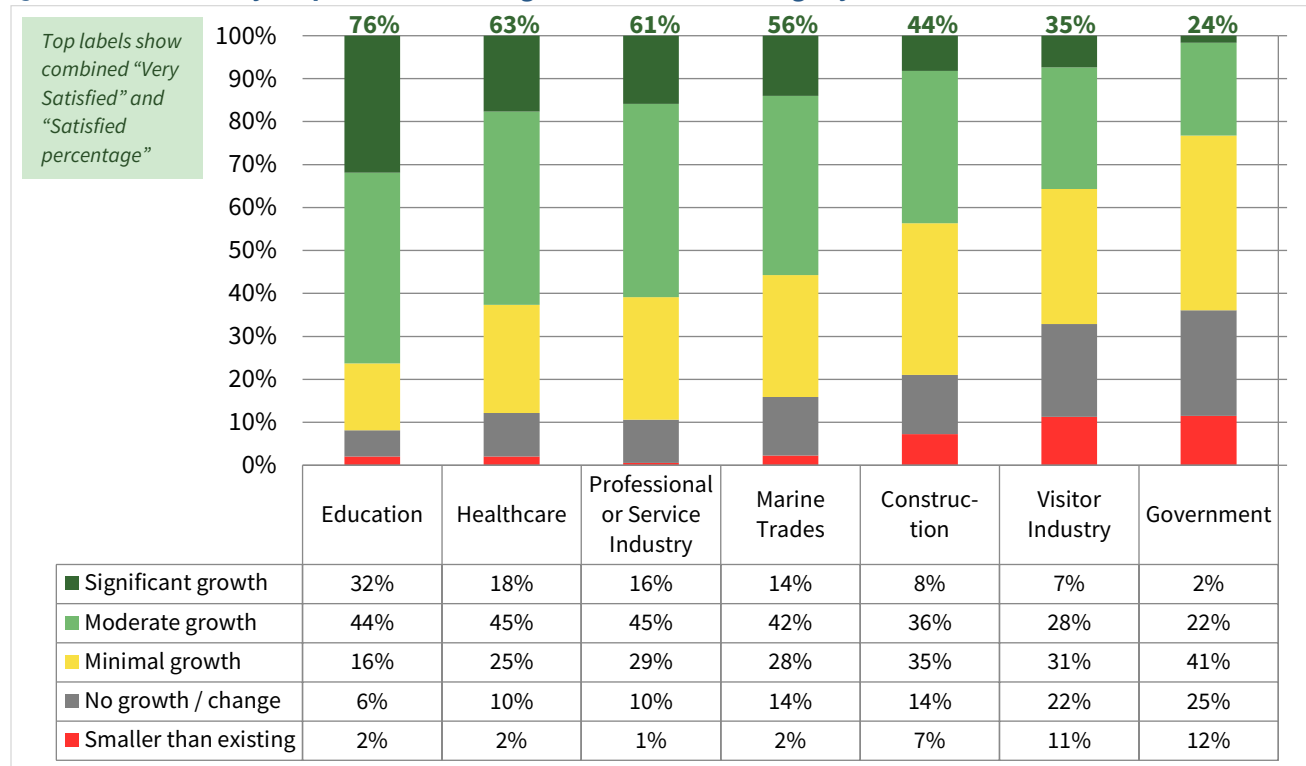
The largest industry sectors in Homer include education, healthcare, retail trade, and arts and entertainment. The commercial fishing industry remains a vital part of Homer's economy, with significant earnings from fisheries (Figure 20). Tourism and marine trades are not specifically identified in state industry data, but both are identified as key industries in the community. Tourism is a critical component of Homer's economy, but there is concern about relying too heavily on this industry or growing this industry at the expense of other priorities important to residents. The community survey showed support for growing the potential of the marine trades industry to provide new economic opportunities and support existing community strengths (Figure 19).

*"Tourism needs to be scaled to what maintains local ownership."*

~ Homer Comprehensive Plan Revision Business Survey

**Figure 19. Results from question #12 of the Community Survey, 2024**

**Q12: Please indicate your preferred level of growth for the following key economic sectors.**



## Job Growth Hindered by Training and Housing

Homer business owners cite barriers to attracting and training employment as their primary obstacle to doing business in Homer, according to the Business Survey Results. Expanding educational training in trades can build a skilled workforce, which is essential for supporting local industries and attracting new businesses. Supporting small business incubation can foster entrepreneurship and innovation, leading to job creation and economic diversification.

**Figure 20. Percentage of Homer workforce by industry and annual wages by industry for the KPB**

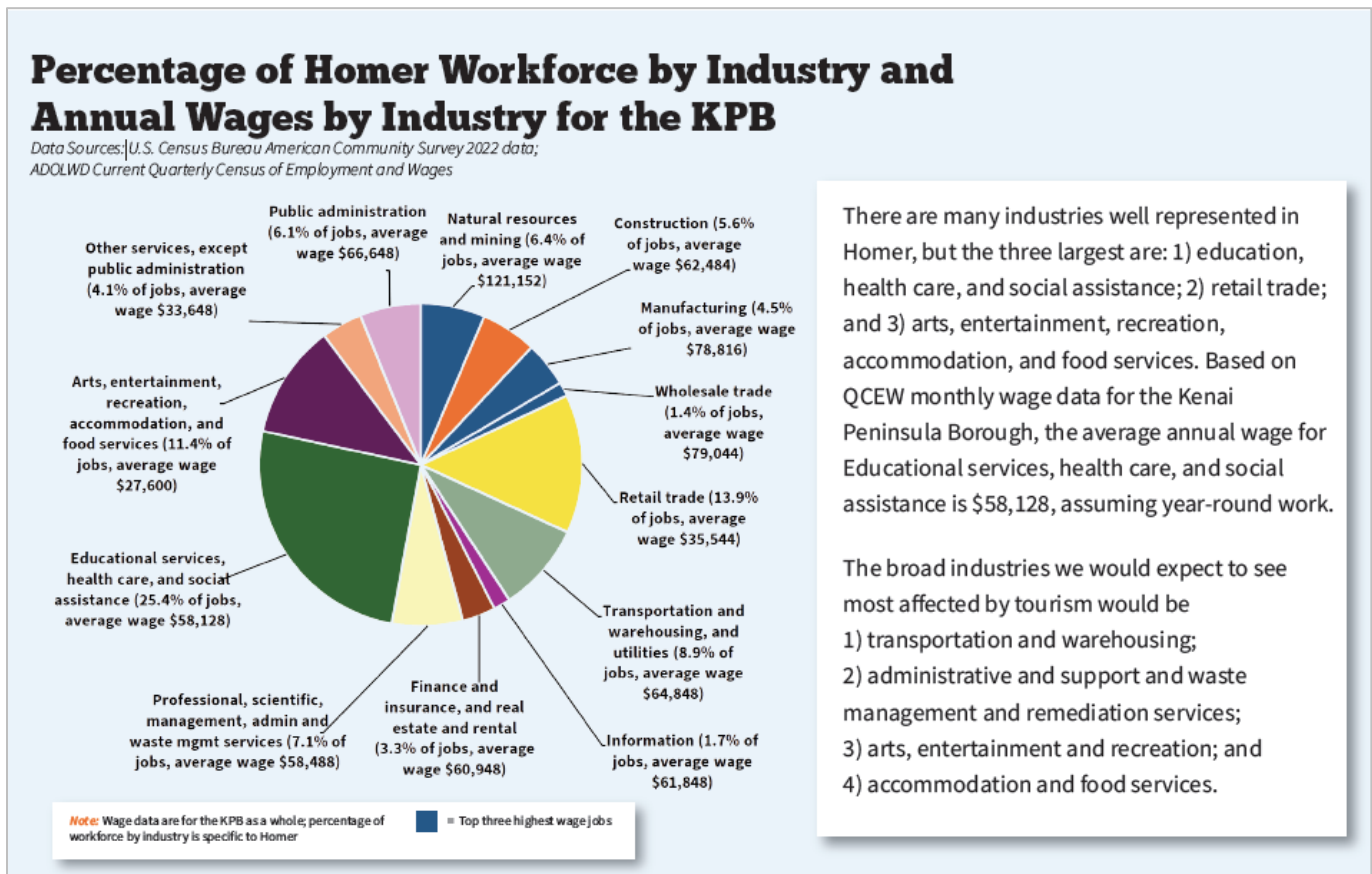


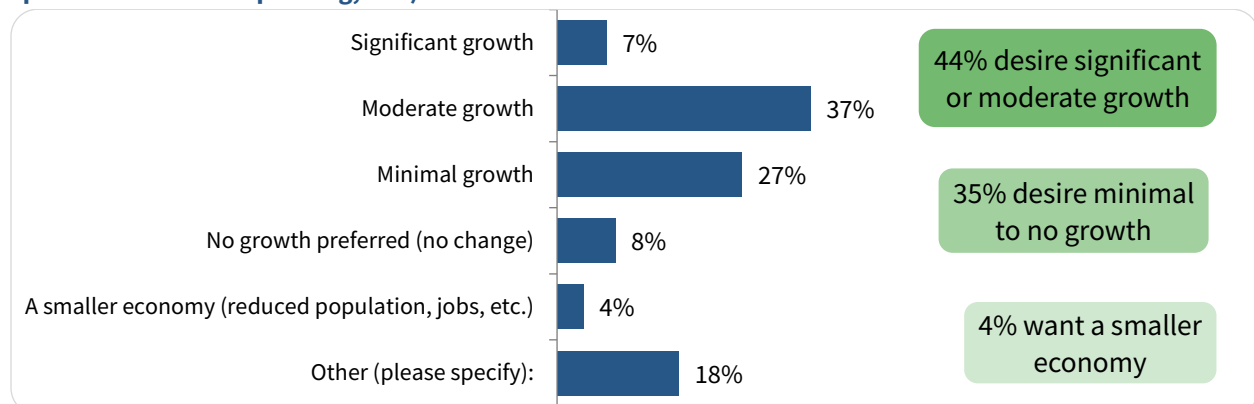
Image from the Homer People & Economy Poster

## Sustainable Growth Preferred Among Community

An important point made by the Homer community throughout the Comprehensive Plan process is a desire to manage growth to ensure it is sustainable and does not compromise the quality of life, character, or the environment in the community. Engaging community members through effective communication strategies can ensure that economic development plans reflect the community's priorities and gain broader support.

**Figure 21. Results from Question #11 of the Community Survey, 2024**

**Q12: What is your preference for community/economic growth in Homer (increased population, jobs, specific industries expanding, etc.)?**



Answered: 548

## Goals

Goal A	Goal B	Goal C	Goal D
Enhance Homer's defined downtown with policy implementation to drive commerce, business, and resident and visitors' services.	Support Homer's diversified economy by honoring traditional industries, while supporting the expansion of marine trades, arts and entertainment, healthcare, and small business development that maintains the character of Homer.	Expand work force development, especially in fisheries, marine trades, healthcare, and small business support that increases year-round, high wage employment opportunities.	Develop and maintain sustainable, accessible infrastructure that aids in economic development for both residents and visitors, while prioritizing accessibility.

## Strategies and Potential Actions

### Icon Key:

- ✍ Priority: Emerging priority for implementation (these will be carried forward into an action plan)
- ✂ Capital: For any project that includes a potential capital project
- \* Code: A strategy that recommends a specific code revision
- ◆ 2018: A strategy adapted from/carried over from the 2018 Comprehensive Plan

### □ ■ Address barriers to workforce recruitment and retention by improving access to affordable, attainable housing and childcare. ✍

See related policies in the Housing chapter (all strategies) and Quality of Life chapter (strategy 6).

### 2. Expand vocational training resources, particularly in trades, marine trades (including mariculture and shipping industries), and healthcare industries, to retain young residents and provide year-round employment. ✍

- a) Enhance health care opportunities and adjacent industries to strengthen local services and employment. ◆
- b) Create co-working spaces and incubator hubs for small-scale manufacturers and entrepreneurs. (The Commons in Ketchikan is a good case study <https://www.tongassfcu.com/business/business-services/the-commons-at-tfcu/>.)
- c) Encourage the retention of existing and the relocation of new Federal and State Government jobs and training programs to Homer. Promote Homer as a place to expand and attract government operations. ◆
- d) Promote recreation, the arts, and non-governmental organizations as a complement to tourism and as an export industry. ◆
- e) Continue and increase support for the Alaska Small Business Development Center business advisor located in Homer to foster local business growth.

See related policies in the Quality of Life chapter (strategy 1 and 10).



**3. Encourage economic growth and infrastructure development while preserving the natural resources and community characteristics valued by current residents and attracting new residents.**

- a) Develop Homer's Downtown Area, focusing on connected, dense, and walkable spaces. ✖
- b) Develop public transportation options, particularly in the Homer Spit area, to alleviate traffic congestion and improve accessibility for seasonal workers, residents, and visitors.
- c) Invest in infrastructure, parks, public restrooms, and recreational facilities to improve the quality of life for residents and enhance tourism experiences. ♦
- d) Regularly review and update city economic plans to reflect current needs and opportunities. ♦
- e) Enhance local schools and K-12 teacher support to attract families and foster long-term community stability.

*See related policies in the Land Use and Environment Chapter (strategies 1, 2 and 6), Sustainability, Resilience, and Climate Change Chapter (strategy 3), Transportation Chapter (strategies 1, 3, 4), Quality of Life chapter (strategies 2, 3, 7, 10) and Governance chapter (strategy 1).*

**4. Pursue moderate, sustainable growth in tourism, focusing on activities that benefit small businesses and minimize negative impacts on community character. ♦**

- a) Develop regenerative tourism strategies to balance visitor growth with environmental and community preservation.
- b) Promote recreation, the arts, and non-governmental organizations as a complement to tourism and as an export industry. ♦

*See related policies in the Quality of Life chapter (strategy 10).*

**5. Promote commercial fishing as a viable career option in Homer and demonstrate long-term support for and commitment to the industry.**

- a) Increase investment in harbor infrastructure and advocate for state and federal funding to support the fishing sector.
- b) Develop programs to attract seafood buyers and retailers to Homer, increasing competition and driving better prices for local fishermen.
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- d) Offer grant programs, financial assistance, and legal services to support new entrants to the fishing industry.
- e) Promote sustainable, science-based fisheries management.

*See related port and harbor policies in the Public Facilities and Services Chapter (strategies 9, 10, and 11).*

*"Make Homer a good place to live and it will be a good place to do business."*

~ Business Survey Results

*"A diverse economy is a healthier economy."*

~ Business Survey Results

## ECONOMIC DEVELOPMENT ADVISORY COMMISSION 2025 Calendar

	<b>AGENDA DEADLINE</b>	<b>MEETING</b>	<b>CITY COUNCIL MEETING FOR REPORT*</b>	<b>ANNUAL TOPICS/EVENTS</b>
<b>JANUARY</b>	Wednesday 1/8 5:00 p.m.	Tuesday 1/14 6:00 p.m.	Monday 1/27 6:00 p.m.	
<b>FEBRUARY</b>	Wednesday 2/5 5:00 p.m.	Tuesday 2/11 6:00 p.m.	Monday 2/24 6:00 p.m.	<ul style="list-style-type: none"> <li>• KPC Job Fair</li> </ul>
<b>MARCH</b>	Wednesday 3/5 5:00 p.m.	Tuesday 3/11 6:00 p.m.	Tuesday 3/24 6:00 p.m.	<ul style="list-style-type: none"> <li>• Clerk Reappointment Notices Sent Out</li> </ul>
<b>APRIL</b>	Wednesday 4/2 5:00 p.m.	Tuesday 4/8 6:00 p.m.	Monday 4/14 6:00 p.m.	<ul style="list-style-type: none"> <li>• Terms Expire April 1<sup>st</sup></li> <li>• SPH speaker</li> <li>• KPEDD Industry Outlook Forum</li> </ul>
<b>MAY</b>	Wednesday 5/7 5:00 p.m.	Tuesday 5/13 6:00 p.m.	Tuesday 5/23 6:00 p.m.	<ul style="list-style-type: none"> <li>• Annual Review of Commission's Bylaws</li> <li>• Advisory Body Training Work session</li> <li>• Election of EDC Officers</li> <li>• KPEDD CEDS Review</li> <li>• Update from Public Works Director</li> </ul>
<b>JUNE</b>	Wednesday 6/4 5:00 p.m.	Tuesday 6/10 6:00 p.m.	Monday 6/24 6:00 p.m.	<ul style="list-style-type: none"> <li>• Comprehensive Plan Review</li> <li>• Annual Review of EDC's Strategic Plan/Goals &amp; BR&amp;E</li> </ul>
<b>JULY</b>	No Regular Meeting			
<b>AUGUST</b>	Wednesday 8/5 5:00 p.m.	Tuesday 8/12 6:00 p.m.	Monday 8/25 6:00 p.m.	<ul style="list-style-type: none"> <li>• Capital Improvement Plan Review</li> <li>• Update from Public Works Director</li> </ul>
<b>SEPTEMBER</b>	Wednesday 9/3 5:00 p.m.	Tuesday 9/9 6:00 p.m.	Monday 9/22 6:00 p.m.	<ul style="list-style-type: none"> <li>• Workforce Development Speaker</li> <li>• Land Allocation Plan Review</li> </ul>
<b>OCTOBER</b>	Wednesday 10/8 5:00 p.m.	Tuesday 10/14 6:00 p.m.	Monday 10/27 6:00 p.m.	<ul style="list-style-type: none"> <li>• City Budget Review/Develop Requests</li> </ul> <p>*may be n/a during non-budget years</p>
<b>NOVEMBER</b>	Wednesday 11/5 5:00 p.m.	Tuesday 11/1 6:00 p.m.	Monday 11/24 6:00 p.m.	<ul style="list-style-type: none"> <li>• Chamber's Annual Presentation to EDC</li> <li>• Approve Meeting Schedule for Upcoming Year</li> </ul>
<b>DECEMBER</b>	Wednesday 12/3 5:00 p.m.	Tuesday 12/9 6:00 p.m.	No Council Meetings	<p>*to be scheduled: Strategic Plan review when needed</p>

\*The Commission's opportunity to give their report to City Council is scheduled for the Council's regular meeting following the Commission's regular meeting, under Agenda Item 8 – Announcements/ Presentations/ Borough Report/Commission Reports.



## HOMER QUALITY OF LIFE

City of Homer Economic Development Commission

September 2022

## **Background**

The City of Homer Economic Development Advisory Commission has an ongoing goal of defining what is positive economic growth for Homer, and how it leads to the quality of life and growth outcomes desired by the community. The Commission has begun working on this goal by conducting a SWOT analysis - strengths, weakness, opportunities and threats- for Homer's quality of life. There are four board categories included in this document: Business Climate, Built Environment, Natural Environment and Social Climate. As the Commission discovered, it's the people who make Homer, Homer. This analysis is offered as a gateway to a larger community conversation about Homer's future as a place to live, work and thrive as we proceed to Homer Comprehensive Plan.

## **Acknowledgments**

### *Economic Development Commission*

Karin Marks, Chair

Nicole Arevalo

Deborah Brown

Jay Cherok

Luke Gamble

Hazel Pearson

Adele Person

Tulio Perez

Debbie Speakman

### *Staff*

Julie Engebretsen, Economic Development Manager

Rachel Tussey, CMC, Deputy City Clerk II

## Strengths

- Small town feel and scale
- Eclectic businesses, buildings and people
- Wide variety of locally owned small businesses
- Integrated town with outdoor environment
- Connected community with vibrant cultural and business groups

## Weaknesses

- Lack of worker support: Housing, Childcare, Training.
- Difficulty for early to mid- career residents to thrive
- Some infrastructures is in need of repair (roads) or expansion - storm water + green infrastructure
- Local regulation is not resulting in the patterns and development the community would like to see.

# QUALITY OF LIFE

## Opportunities

- Encourage multi-family housing
- Increase ease of walking and biking
- Collaborate with community partners on habitat, climate, erosion and other natural environment issues that impact quality of life
- Find ways to keep young or returning residents in the community

## Threats

- Difficult to recruit new talent
- Poor retention of workers
- Loss of town/wildlife interface
- New residents may not become involved in the community; slow loss of volunteer run organizations, events and services; Risk of gentrification; becoming a community of empty households.
- Costs of living and doing business



## Business climate

<b>Strengths</b>	Variety of businesses and activities.	Working town with rich history.	Lots of jobs for entry level workers.	Small, locally owned business are the majority; few chains.	Vibrant cultural community that has rich opportunities for arts, sports, music, gathering, education, and entertainment.	Community that is growing and maturing, that is developing opportunities for families, businesses, visitors, but at a pace that does not create change so quickly that what is here is lost or displaced.
<b>Threats + Weaknesses</b>	Low availability of vocational training.	Not enough homes available for sale or rent to meet the demand. Affects the work force and tax paying residents.	Lack of year round affordable housing. Problem for entry level and low income workers, and also potential future middle income workers. Losing the potential to build up the work force due to entry/early hurdles.	Cost of living and doing business here is increasing. Harder to live and move here. (food, housing, development, energy costs).	Risk of over-regulation. Potential mismatch between level of local regulation and community desire for regulation.	Uncertain energy supplies and future prices (natural gas in Cook Inlet).
<b>Opportunities</b>	Tax breaks could encourage growth by certain groups that could improve commerce. A tax break to encourage certain business activities, such as construction of multi family homes.	Solicit developers (could be from outside of Homer) to build multifamily housing.	Keeping youth in the community and providing skills training to grow the local work force. Kachemak Bay Campus, voc tech training/apprenticeship programs , and partnerships with existing businesses such as NOMAR, Bayweld and other small manufacturing operations are all opportunities.		Promote policies that are favorable to economic growth (tax environment, seasonal labor initiatives, etc.).	Balance growth with cohesive town "feel."

## Built Environment - Town buildings and infrastructure

<b>Strengths</b>	Eclectic, organic feel to the town. Human scale buildings.	Integrated town with the outdoors - can observe wildlife (moose, eagles) and be in nature.	Small town feel and scale.	Multiple economic zones; Homer Spit, spit trail & boardwalks, Pioneer Ave, Old Town, Ocean Drive, East End Road.	Wild spaces - less manicured yards, trails in town, remote access opportunities to the back country and across the bay.	Unique houses, not cookie cutter.
<b>Threats + Weaknesses</b>	Lack of mechanisms to pay for growth or balance the pace of change.	Infrastructure - road system in need of repair, limited access options. Storm water management is a growing issue.	Lack of housing including multi family housing and creative ideas for seasonal housing.	Low density can cause sprawl; cost of utilities and infrastructure increases as a result.	Lower levels of energy efficiency, at risk for pricing swings in energy prices.	Cookie cutter buildings/strip mall.
<b>Opportunities</b>	Accommodate population growth with zones of increased density & reduced commute. Encourage ADU's (Accessory Dwelling Units).	Use the City HART Fund wisely to address roads maintenance + trails.	Increase walkability/biking. Promote an easy flow of people whether they walk, bike or drive within the community, with wayfinding. Plan for all transportation modes to keep the small town feel and the opportunity to meet.	Manage growth wisely, such as road and infrastructure planning with new subdivisions, planning for pedestrian and storm water drainage, and rezoning to allow more housing and tiny homes.	Collaborate with the Homer Chamber of Commerce to help maintain focus towards building up our local small businesses across sectors.	Aesthetics: Use some natural living landscape to break up box store type look. Blend built environment with nature.



## Natural Environment

<b>Strengths</b>	Natural beauty	Community connection to outdoors, nature, skiing and beaches in the same day.	Coastal living - maritime culture of sport and commercial fishing and water based activities	Abundant and pristine natural resources.	Large areas of park and public lands surrounding Homer.
<b>Threats + Weaknesses</b>	Human affect on natural environment. Pollution, overfishing, lack of crab in K Bay, warming climate.	Development of lands without consideration of wildlife/habitat corridors, wetlands (salmon habitat, water connectivity) + groundwater + storm water flow channels.	Destruction of built and natural environment. Storm drains and roads based on 1970's planning and engineering ideas.	Oil + gas lease sale potential in lower cook inlet.	Fisheries: closure of lowed CI salmon fishery, other declining or poorly managed fisheries. Large vessel trawl fleets. (threat to marine economy, wealth + culture).
<b>Opportunities</b>	Local potential for use of alternative energy sources from Tidal energy to household heat pumps.	Study groundwater to increased understanding of this local resource and the ability to plan for the natural environment.	Collaborate with partnerships to create connected greenspace for trails, water management, and wildlife. Purchase or preserve key habitat locations.	Identify wildlife and habitat corridors, and take steps to maintain the health of local fish and wildlife within these corridors.	Fisheries: City could be participating more in partnerships that aim to identify solutions to bycatch issues.

## Social Climate

<b>Strengths</b>	Community has many social connections between residents, and also with the natural environment.	Small business and small non-profit, integrated nature of the community (fundraising, meeting community needs).	Community feeling: People are here by choice at the end of the road.	Eclectic nature of the town and people	Safety - low crime	Diverse and rich heritage.	"Work from Anywhere" trends increasing nationally to benefit novel living locations.
<b>Threats + Weaknesses</b>	Cost of living does not support middle/low income work. Median income 60K, Median House costs of \$20K/year	Many young families need to work outside of Homer to live year-round. Childcare difficult to obtain.	How to entice mid-career small business owners to move to Homer, and have all new residents embrace Homer culture.	Explosive growth (outside wealth outpacing local population) second homes, short term rentals, rapid change.	Addiction education - need for resources, outreach, networking.	Risk of losing the full character of Homer. Not talking to enough people about Homer's future.	Not a very age - diverse population. Unbalanced demographics. 20% of the population over 65. Increasing rate of snowbirds.
<b>Opportunities</b>	Provide education on what government does. Highlight what makes Homer a unified community.	Educate the community on how decisions will impact taxes, utility rates, and cost of living as Homer grows.	Use social appeal to support businesses in obtaining out of area workers. Resource in helping get H2B & vetted workers.	Art/murals/ landscaping as a draw for downtown, in a thoughtful way. Could encourage more businesses participation, cost sharing	Partner w NTC or SVT on community health, well being & cultural heritage. They have other funding streams not available to the City.	Revisit the Parks, Art Rec+ Culture needs assessment, and potential city partnerships with other organizations	Provide a spectrum of housing for all residents: housing first.



## City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

[citymanager@cityofhomer-ak.gov](mailto:citymanager@cityofhomer-ak.gov)

(p) 907-235-8121 x2222

(f) 907-235-3148

### Memorandum

TO: Mayor Lord and Homer City Council  
FROM: Melissa Jacobsen, City Manager  
DATE: January 8, 2025  
SUBJECT: City Manager's Report for January 27, 2025 Council Meeting

---

#### **RAISE Grant Award**

The City of Homer has received a \$2 Million grant from the U.S. Department of Transportation (USDOT) for Rebuilding American Infrastructure with Sustainability and Equity (RAISE). This highly competitive federal grant program funds transportation infrastructure projects with significant local or regional impacts. As of June 2024, the RAISE program has provided more than \$15 billion across sixteen rounds of funding to local governments, Tribes, transit and port authorities, and states. This milestone achievement is a testament to the hard work of the City of Homer team and our dedicated partners. The grant will fund planning and design for Realizing Equitable and Accessible Connectivity in Homer, a project to develop sidewalks, trails, bikeways, and mobility hubs along key streets identified in Homer's Transportation Plan, and to address challenging, hard to develop routes that stand in the way of a connected, community-wide sidewalk network. Work will include public engagement, system-wide planning, design, environmental and equity analyses to ensure an inclusive approach. This award represents a critical step toward improving access for everyone in Homer. We appreciate the U.S. Department of Transportation for recognizing this project as one that will improve safety and mobility for the traveling public, and we thank the Alaska Congressional Delegation for advocating for this, and other important Alaskan infrastructure projects.

#### **Grant Submitted**

Community Development Director Engebretsen and Special Project Coordinator submitted a \$1.5M grant application to NOAA in early January. Via Resolution 24-077 in July 2024, Council supported a partnership between the City, University of Alaska and the Kachemak Bay National Estuarine Research Reserve to submit a grant application to the National Oceanic and Atmospheric Administration for funding to acquire and protect lands within the Bridge Creek Watershed Protection District. The grant also includes funding for a weather station, which can provide data for future landslide hazard research. Staff expects to learn the result of the application in late spring, with a potential grant agreement to Council in the summer.

#### **Transportation Plan**

Homer's new Transportation Plan has been adopted by the Kenai Peninsula Borough! This was the final step in the lengthy process to update this portion of the Comprehensive Plan. The community's work and input on this plan will serve Homer well as we embark on implementing the plan, working with the State of Alaska on the awarded HaPP loop project, and on the newly awarded federal RAISE grant. Staff from Administration, Public Works and Community Development will continue to work closely together on these transportation projects over the coming years.

#### **Alaska Fire Chiefs Association Request to Legislature for Support**

Next week at the Alaska Fire Chiefs Association will be meeting with legislators in Juneau to discuss several topics of interest within the Alaska fire service. Chief Kirko provided a copy of their letter and list of critical infrastructure needs from all over the state. The list was requested last year by Senator Stevens, who was instrumental in getting Kodiak the funding for their new fire station and has shown interest in supporting other Alaska public safety (fire/EMS) agencies as well.

#### **FY24 Audit Update**

The City Finance Department continues to focus on 2024 audit work in conjunction with Porter & Allison, the accounting firm that assists us in preparing our documentation, and BDO, the City's independent auditor. A copy of the 2024 Audit Planning Document from BDO is attached to this report.

#### **Homer Comprehensive Plan Photo Contest and Open House Save the Date**

A photo contest is underway, so help us showcase our vibrant community by sharing your pictures of Homer's unique and vibrant people and places. Submissions are due by January 31, 2025 and up to 5 winning photos will be selected. Winners will be selected by City communications staff and winning entries will be featured on the covers of the plan. Submit your photos on the website at <https://homercompplanupdate.com/> Also, the Open House for the Release of the Draft Comprehensive Plan is scheduled on Tuesday, February 11, 2025 from 5:00 to 8:00 p.m. at Islands & Ocean Visitors Center, 95 Sterling Highway, Homer, AK.

#### **Lunch and Learn**

Recognizing that we have a lot of fantastic new folks that have joined the City team over the last year we held a lunch time training session to learn about drafting ordinances, resolutions, and memorandums and 24 folks representing all departments joined in person or on Zoom! I led the session that took us through a legislation 101 track, and some of the more seasoned staff asked questions that took us down the road of substitutes, amendments, and other scenarios that led into legislation 202 type conversations. I really appreciated folks showing up to learn and I'm encouraged to do more of these sessions.

#### **Attachments:**

City of Homer 2024 Audit Planning Document  
Letter from Alaska Fire Chief's Association





REPORT TO CITY COUNCIL

# CITY OF HOMER, ALASKA

2024 AUDIT PLAN



# Welcome

BDO USA, P.C.  
3601 C St, Ste. 600  
Anchorage, AK 99503  
[www.bdo.com](http://www.bdo.com)

January 7, 2025

City Council

City of Homer, Alaska

We look forward to discussing with you the current year audit plan for the City of Homer, Alaska (the City). This report provides an overview of our overall objectives for the audit, and the nature, scope, and timing of the planned audit work.

We are pleased to be of service to the Company, are committed to executing a quality audit, and look forward to discussing our audit plan, as well as other matters that may be of interest to you.

Respectfully,

*BDO USA*

Copy to: Rachel Lord, Mayor  
Elizabeth Fischer, Finance Director  
Jenna deLumeau, Controller

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## Your Client Service Executive Team



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The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Directors) and, if appropriate, management of the Company, and is not intended and should not be used by anyone other than these specified parties.

# Executive Summary





# Executive Summary

## **Audit timeline**

- We will perform our year-end procedures during the months of December through January and February.

## **Audit strategy, including significant risks identified**

- Our audit strategy, including significant risks identified, for the 2024 audit is outlined in the “Areas of Significant Risk” on page 12.

## **Other topics of interest**

- Recent GASB Standards

**Inquiries of Those Charged with Governance** related to matters relevant to the audit (see page 16).



# Audit Timeline

The following represents our anticipated schedule regarding our audit of the annual financial statements of the City:

	Dec	Jan	Feb	Mar
Planning	✓	✓		
Year-End Fieldwork		✓	✓	
Release Report on Financial Statements			✓	✓

OPTIONAL

# Audit Overview & Strategy



# Overview

Our audit strategy follows a risk-based approach, so that our audit work, including the nature, timing and extent of audit procedures planned, is focused on the areas of the financial statements where the risk of material misstatement is assessed to be significant as well as other areas of the financial statements where we have identified risks of material misstatement.

In preparation for our audit, we have discussed with City Council, management and internal audit significant matters including, but not limited to, market conditions, activities, and changes to the Company's business, systems, accounting principles and controls, and obtained management's view of potential audit risk in order to update our understanding of the Company. This is important to our identification and assessment of risks of material misstatement to the financial statements and related disclosures.

Key components of our audit objectives and strategy are highlighted within the executive summary section and explained in more detail in the following sections. The executive summary section is designed to facilitate discussion with the audit team, while the rest of the package serves as pre-read material for City Council.

We will continue to update the resulting assessment throughout the audit. We will communicate to you any significant changes to the planned audit strategy or the significant risks initially identified and communicated herein, and the reason for such changes, as applicable, when we present the results of our audit upon completion.



# Terms of the Audit and Independence

## AUDITOR'S RESPONSIBILITY

BDO USA, P.C., as your auditor, is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with the applicable financial reporting framework.

The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities.

## TERMS OF THE AUDIT

Our establishment and understanding of the terms of the audit engagement have been documented in our annual engagement letter and includes the objectives of the audit along with the responsibilities of both the auditor and of management for your reference.

## INDEPENDENCE

- ▶ Our engagement letter to you dated November 27, 2024, describes our responsibilities in accordance with professional standards and certain regulatory authorities regarding independence and the performance of our services. This letter also stipulates the responsibilities of the Company with respect to independence as agreed to by the Company. Please refer to that letter for further information.

# Terms of the Audit and Independence

## AUDITOR'S RESPONSIBILITY

BDO USA, P.C., as your auditor, is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with the applicable financial reporting framework. In addition, our audit will be conducted in accordance with standards for financial audits contained in the *Government Auditing Standards* (GAS or Yellow Book), issued by the Comptroller General of the United States.

The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities.

## INDEPENDENCE

- ▶ Our engagement letter to you dated November 27, 2024, describes our responsibilities in accordance with professional standards and certain regulatory authorities and *Government Auditing Standards* regarding independence and the performance of our services. This letter also stipulates the responsibilities of the City with respect to independence as agreed to by the City. Please refer to that letter for further information.

## TERMS OF THE AUDIT

Our establishment and understanding of the terms of the audit engagement have been documented in our annual engagement letter, which was provided to you on December 3, 2024, and includes the objectives of the audit along with the responsibilities of both the auditor and of management for your reference.

- ▶ We will plan and perform the audit of the financial statements for the year ended June 30, 2024, in accordance with *Government Auditing Standards*.
- ▶ We will perform tests of compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions is not an objective of our audit.

# Determining Our Planned Audit Strategy

We focus on areas with higher risk of material misstatement to the financial statements, whether due to error or fraud. Our audit strategy includes consideration of the following:

- ▶ Prior year audit results including discussions with management and those Charged with Governance regarding the City's operations, business activities, and risks.
- ▶ Inherent risk within the City (i.e., the susceptibility of the financial statements to material error or fraud) without regard to the effect of controls.
- ▶ A continual assessment of materiality thresholds based upon qualitative and quantitative factors affecting the City.
- ▶ Recent developments within the industry, regulatory environment, and general economic conditions.
- ▶ Recently issued and effective accounting and financial reporting guidance.
- ▶ The City's significant and critical accounting policies and procedures, including those requiring significant management judgments and estimates and those related to significant unusual transactions.
- ▶ The control environment, risk management and monitoring activities, and the possibility that internal controls may fail to prevent or detect a material misstatement due to error or fraud.
- ▶ The use of information systems and service organizations in the financial reporting process and overall IT environment.
- ▶ Extent to which we plan to use others, outside the core engagement team, to perform certain planned audit procedures or evaluate audit results related to significant risks that may require specialized skills or knowledge.

We will communicate to you any significant changes to the planned audit strategy, or to the significant risks initially identified, that may occur during the audit due to the results of audit procedures or in response to external factors, such as changes in the economic environment.

# Detail of Significant Risks & Additional Audit Considerations





# Areas of Significant Risk

Our areas of significant risk, which are risks with both a higher likelihood of occurrence and a higher magnitude of effect that require special audit considerations, are as follows. Our planned audit procedures for these risks are detailed starting on page 12.

Grant revenue recognition

Management override of internal controls

# Grant Revenue Recognition

## SUMMARY OF AREA OF SIGNIFICANT RISK

BDO has identified a significant risk related to recognizing grant revenue in accordance with approved agreements and applicable provisions. There is a risk that revenue recognized does not correlate with incurred expenses or according to stipulations in the applicable agreements. After considering all the inherent risk factors, the engagement team assessed the likelihood of a misstatement and magnitude of the potential misstatement and concluded on the level of assessed risk as significant.

## SUMMARY OF PLANNED AUDIT PROCEDURES

In order to address this significant risk, we plan to perform the following procedures:

- We will refine our understanding of the grant revenue recognition process through a walkthrough of the revenue business process and evaluate the design of controls in this area.
- Our substantive procedures will include evaluating underlying grants based on inspection,, and inquiries directly with personnel at the City. We will select grants for detailed testwork of the underlying costs, revenue recognition, and cash receipts associated with the project.

# Management Override of Controls

## SUMMARY OF AREA OF SIGNIFICANT RISK

Management override of controls is presumed to be a significant risk by default for all entities. The presumptive risk is that management could use their position to circumvent controls in order to misstate or misappropriate assets. In addition, management could be in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

After considering all the inherent risk factors, the engagement team assessed the likelihood of a misstatement and magnitude of the potential misstatement and concluded on the level of assessed risk as Significant.

## SUMMARY OF PLANNED AUDIT PROCEDURES

In order to address this significant risk, we plan to perform the following procedures:

- We will update our understanding of the FRCP business process, perform a walkthrough of the FRCP business process and evaluate the design of controls in this area.
- Our substantive procedures will include evaluating journal entries to test the reasonableness of entries made, as well as their applicable authorization.
- Inquiries will be made throughout the organization to determine if there is know or potential fraud issues.

# Inquiries of Those Charged with Governance



# Obtaining Information from Those Charged with Governance

We perform inquiries related to fraud and other matters to help inform our audit strategy and execution of our audit procedures. As part of the upcoming meeting with you, we would like to discuss the following topics with you to understand any matters of which you believe we should be aware, including, but not limited to:

- ▶ Your views about the risk of material misstatements due to fraud, including the risk of management override of controls
- ▶ How you exercise oversight over the Company's assessment of fraud risks and the establishment of controls to address these risks
- ▶ Your awareness of any actual, alleged or suspected fraud or illegal acts affecting the Company
- ▶ Your awareness of tips or complaints regarding the Company's financial reporting and your response to such tips and complaints
- ▶ Your awareness of other matters relevant to the audit including, but not limited to, violations or possible violations of laws or regulations
- ▶ Your awareness of noncompliance with laws and regulations to include consideration of noncompliance with provisions of contracts and grant agreements.
- ▶ Your awareness of any investigations or legal proceedings that have been initiated or are in process with respect to the period under audit.
- ▶ Your awareness of any significant communications between the Company and regulators
- ▶ Your understanding of the Company's relationships and transactions with related parties that are significant to the Company
- ▶ Any business relationships between a BDO firm and the Company or its affiliates
- ▶ Whether the Company has entered into any significant unusual transactions
- ▶ Your awareness of any other information that is important to the identification and assessment of risks of material misstatement

# Other Topics



# BDO's System of Quality Management

An effective quality management system in an audit firm is crucial for supporting the consistent performance of high-quality audits and reviews of financial statements, or other assurance or related services engagements under professional standards, and applicable legal and regulatory requirements.

Accordingly, BDO has implemented a system of quality management designed to provide reasonable assurance that its professionals fulfill their responsibilities and conduct engagements in accordance with those professional standards, and legal and regulatory requirements. The firm's system of quality management supports the consistent performance of quality audits through many ongoing activities including, at least annually, certification by leaders with responsibility for key controls and related processes. Our Assurance Quality Management team performs regular reviews and testing of key controls and processes throughout the system of quality management and identifies and communicates areas for improvement. In addition, our Audit Quality Advisory Council supports our system of quality management by providing guidance and input on audit quality initiatives.

As required by International Standard on Quality Management 1 (ISQM 1) under the International Auditing and Assurance Standards Board (IAASB), BDO has conducted an evaluation of the effectiveness of its system of quality management and concluded, as of July 31, 2023, that, except for certain deficiencies related to the execution of its issuer audits, that system provides the reasonable assurance that our professionals will perform audits and reviews of financial statements or related assurance services engagements in accordance with professional standards, and applicable legal and regulatory requirements. BDO has either implemented or is designing remedial actions to address those deficiencies prior to our next evaluation.



We will continue to provide you with updates on our progress. Currently, you may find discussion of BDO's system of quality management within our annual [Audit Quality Reports](#), the most recent of which is accessible [here](#).

**[CLICK HERE TO ACCESS IAASB ISQM-1 IN ITS ENTIRETY >](#)**

# GASB Statement No. 99, Omnibus 2022

Effective Dates	Date per Pronouncement
	Effective as Noted Below

- ▶ This Statement address practice issues identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees.
- ▶ Effective Upon Statement Issuance - April 2022:
  - Extension of the period during which LIBOR is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt
  - Accounting of benefits distributed as part of the Supplemental Nutrition Assistance Program (SNAP)
  - Disclosures related to nonmonetary transactions
  - Pledges of future revenues when resources are not received by the pledging government
  - Clarification of provisions of Statement No. 34 related to the focus of the government-wide financial statements
  - Updates to terminology used in Statement No. 53 to refer to resource flow statements and to certain provisions in Statement No. 63
- ▶ Effective for Fiscal Years Beginning After June 15, 2022:
  - Determination of lease term and classification of leases as short-term in accordance with Statement No. 87
  - Clarification related to the determination of Public-Private Partnerships (PPP) term and recognition and measurement of installment payments and the transfer of PPP assets under Statement No. 94
  - Clarification of the provisions of Statement No. 96 related to Subscription Based Information Technology Arrangements (SBITA) term, classification of short-term SBITA, and recognition and measurement of a subscription liability
- ▶ Effective for Fiscal Years Beginning After June 15, 2023:
  - A government extending an exchange or exchange-like financial guarantee should recognize a liability and expense/expenditure related to the guarantee when qualitative factors and historical data indicate that it is more likely than not a government will be required to make a payment related to the guarantee. Statement No. 99 excludes guarantees related to special assessment debt, financial guarantee contracts within the scope of Statement No. 53, or guarantees related to conduit debt obligations.
  - Requirements related to the classification and reporting of derivative instruments within the scope of Statement No. 53 that do not meet the definition of an investment or hedging derivative instrument



# GASB Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 6/15/2023

- ▶ This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes.
- ▶ As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability.
- ▶ This Statement also addresses corrections of errors in previously issued financial statements.
- ▶ This Statement requires that:
  - changes in accounting principles and error corrections be reported retroactively by restating prior periods,
  - changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and
  - changes in accounting estimates be reported prospectively by recognizing the change in the current period.
- ▶ The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement.
- ▶ Statement No. 100 requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.
- ▶ This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.
- ▶ Statement No. 100 also addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

# GASB Statement No. 101, *Compensated Absences*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 12/15/2023

- ▶ This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means.
- ▶ Requires recognition of a liability for leave that has not been used if:
  - the leave is attributable to services already rendered,
  - the leave accumulates, and
  - the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.
- ▶ Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.
- ▶ Statement No. 101 requires that a liability for certain types of compensated absences, including parental leave, military leave, and jury duty leave, not be recognized until the leave commences.
- ▶ In addition, this Statement requires that for specific types of compensated absences, a liability not be recognized until the leave is used.
- ▶ This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.
- ▶ With respect to financial statements prepared using the current financial resources measurement focus, Statement No. 101 requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.
- ▶ Statement No. 101 amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

# GASB Statement No. 102, *Certain Risk Disclosures*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After 6/15/2024

- ▶ The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints.
- ▶ Statement No. 102 defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources.
- ▶ Statement No. 102 defines a *constraint* as a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority.
- ▶ Requires a government to assess:
  - whether a concentration or constraint is known to the government prior to the issuance of the financial statements,
  - whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and
  - whether event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.
- ▶ For items meeting the above criteria, required disclosures include descriptions of:
  - the concentration or constraint,
  - each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements, and
  - Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

*At BDO, our purpose is helping people thrive, every day. Together, we are focused on delivering exceptional and sustainable outcomes — for our people, our clients and our communities. Across the U.S., and in over 160 countries through our global organization, BDO professionals provide assurance, tax and advisory services for a diverse range of clients.*

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*Material discussed in this publication is meant to provide general information and should not be acted on without professional advice tailored to your needs.*

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# ALASKA FIRE CHIEFS ASSOCIATION

*One Sealaska Plaza, Suite 200, Juneau, Alaska 99801*

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January 21, 2025

Subject: Request for Support for Much-Needed Fire Station Projects in Alaska

Dear Members of the Alaska State Legislature,

On behalf of the Alaska Fire Chiefs Association, we are reaching out to request your support for crucial fire station projects that are currently in need of attention and funding. Our organization represents all regions of Alaska and is dedicated to ensuring the safety and well-being of Alaskans by supporting and advocating for emergency service professionals across the state.

The state of Alaska faces unique challenges when it comes to emergency response, and it is imperative that our fire stations are adequately equipped and maintained to effectively address these challenges.

Many of our fire stations need essential upgrades and improvements to enhance their capabilities and response times. These projects include, but are not limited to, the following:

1. **Replacement and New Construction:** With many of the aging stations, renovations are just not feasible. These old stations need an entire replacement.
2. **Infrastructure Upgrades:** Aging fire stations require improvements to meet current safety standards and accommodate modern firefighting equipment.
3. **Training Facilities:** Establishing or upgrading training facilities will allow our firefighters to stay current with the latest techniques and technologies in firefighting and emergency response.

We understand the fiscal responsibilities faced by the Alaska State Legislature, however, we believe that investing in these fire station projects is crucial for the safety and security of our communities.

We kindly request your support in securing the necessary funding for these projects to ensure that your fire departments can continue to provide the highest level of service to the residents of Alaska.

Thank you for your time and consideration. We look forward to the opportunity to discuss these projects further and to collaborate on initiatives that will strengthen the fire service capabilities throughout our great state.

Sincerely,

A handwritten signature in blue ink, appearing to read "Forrest Kuiper".

Forrest Kuiper, President  
Alaska Fire Chiefs Association

		<b>NEW FIRE STATION CONSTRUCTION</b>			
<b>Community:</b>	<b>Project Name:</b>	<b>Scope:</b>	<b>Cost:</b>	<b>POC:</b>	<b>Email:</b>
Anchorage, Municipality	Anchorage Fire Department Station 12 Relocation	Relocation & Co-locate AFD-APD Dispatch	\$15.8M	Douglas Schrage	Douglas.Schrage@anchorageak.gov
	Anchorage Fire Department Station 16 New Station	New Fire Station	\$10.8M		
	Anchorage Fire Department Station 11 Relocation	Relocation	\$10.8M		
Chugiak	Station Replacement	New station for current and future needs	\$15M	Scott Fisher	scott.fisher@cvfrd.com
Dillingham, City	Dillingham Fire Department Fire Station replacement	Downtown Station replacement	\$10.6M	Scott Runzo	scott.runzo@dillinghamak.us
Fairbanks North Star Borough	University of Alaska Fairbanks Arctic Emergency Services Facility	Replace Station 11, and house Fire/EMS/Police & CTC programs	\$72M	Forrest Kuiper	fjkuiper@alaska.edu
Fairbanks, City	City of Fairbanks Fire Department Station 2 replacment	Replace Station 2	\$20M	Andrew Coccaro	acoccaro@fairbanks.us
Kenai Peninsula Borough	Central Emergency Services Fire Station Replacement	Additional funds to replace Station #1	\$5.9M	Roy Browning	RBrowning@kpb.us
Girdwood Fire Department	Training Prop Building	Building a training prop building	\$300,000	Michelle Weston	chief@girdwoodfire.com
Homer, City	Homer Fire Department Headquarters Replacement	Headquarters station replacement	\$20M	Mark Kirko	mkirko@ci.homer.ak.us
Kenai, City	Publis Safety Building Replacement	Replacement of Public Safety Building	\$25M	Jay Teague	jteague@kenai.city
Ketchikan, City	Ketchikan Fire Department Station Replacement	Station 2 replacement	\$15M	Rick Hines	rickh@city.ketchikan.ak.us
Matanuska Susitna Borough	Willow Fire Department Replacement Station	Replacement public safety facility in willow	\$5M	Brian Davis	bdavis@matsugov.us
North Pole, City	North Pole Fire Department Replacement Station	Replace headquarters fire station	\$21.5M	Chad Heineken	cheineken@northpolefire.org
Palmer, City	Palmer Public Safety Facility	New Public Safety building	\$46.5M	John Prevost	jprevost@palmerak.org
Saxman, City	Saxman Fire Station Replacement	Fire Station replacement	\$10M	Steve Rydeen	stever@kgbak.us
Seward, City	Fire Station Replacement	Replacement of Fire Station (built in 1963)	\$25M	Clinton Crites	ccrites@cityofseward.net
Sitka, City	Sitka Fire Department Fire Training Facility	Fire Training Facility	TBD	Craig Warren	craig.warren@cityofsitka.org
Unalaska, City	Unalaska Fire Department New Fire Station & Training Facility	New fire station and training facility	\$20M	Ben Knowles	bknowles@ci.unalaska.ak.us
Valdez, City	City of Valdez Fire Department Replacement Station 4	Relocate and Replace Station 4	\$5M	Tracy Raynor	TRaynor@valdezak.gov
		<b>Total</b>	<b>\$354M</b>		
		<b>RENOVATED FIRE STATION PROJECTS</b>			
<b>Community:</b>	<b>Project Name:</b>	<b>Scope:</b>	<b>Cost:</b>	<b>POC:</b>	<b>Email:</b>
Anchorage, Municipality	Anchorage Fire Department Regional Preparatory Training Facility	Training facility for explorer post	\$5M	Douglas Schrage	Douglas.Schrage@anchorage.gov
Kodiak Island Borough	Bayside Fire Department Station Expansion	Expand station and dorms for volunteers	\$1.7M	Scott Ellis	sellis@kodiakak.us
Fairbanks North Star Borough	Chena Goldstream Fire Station(s) renovations	Stations 41 & 42 Expansion/renovations	\$5M	Frank Bracken	frank.bracken@cgfr.com
Kenai Peninsula Borough	Kachemack Emergency Services Renovations	Renovations and additions to St. 1 & 2	\$1.65M	Eric Schultz	ESchultz@kpb.us
	Western Emergency Services Renovations	Expansion and Renovations of Station 3	\$3.75M	Robert Mathis	RMathis@kpb.us
	Bear Creek Fire Renovations	Asphalt paving & Living Quarters	\$1.05M	Richard Brackin	RBrackin@kpb.us
	Cooper Landing Emergency Services Repairs & Maintenance	Building Maintenance and Repairs	\$93,000	Mitchel Dickinson	mitchel_dickinson@live.com
	Moose Pass Volunteer Fire Company Clean Water/Renewable	Clean water and renewable power study	\$60,000	Judy Ingersol	merrittpscooper@gmail.com
Ketchikan Gateway Borough	South Tongass Volunteer Fire Department Renovations	Station addition and foundation repairs.	\$74,000	Steve Rydeen	stever@kgbak.us
		<b>Total</b>	<b>\$16.7M</b>		



# MEMORANDUM

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## January Employee Anniversaries

**Item Type:** Informational  
**Prepared For:** Mayor Lord and City Council  
**Date:** January 27, 2025  
**From:** Andrea Browning, HR Director  
**Through:** Melissa Jacobsen, City Manager

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I would like to take the time to thank the following employees for the dedication, commitment and service they have provided the City and taxpayers of Homer over the years.

<b>Teresa Sundmark</b>	<b>Library</b>	<b>18</b>	<b>Years</b>
<b>Tomasz Sulczynski</b>	<b>IT</b>	<b>17</b>	<b>Years</b>
<b>Andrea Browning</b>	<b>Admin</b>	<b>13</b>	<b>Years</b>
<b>Brody Jones</b>	<b>Public Works</b>	<b>11</b>	<b>Years</b>
<b>Jona Focht</b>	<b>Dispatch</b>	<b>10</b>	<b>Years</b>
<b>Lynda Gilliland</b>	<b>Finance</b>	<b>7</b>	<b>Years</b>
<b>Amy Woodruff</b>	<b>Port</b>	<b>4</b>	<b>Years</b>
<b>Rose Benson</b>	<b>Port</b>	<b>3</b>	<b>Years</b>
<b>Ed Gross</b>	<b>Planning</b>	<b>1</b>	<b>Year</b>
<b>Kaleb Harvey</b>	<b>Police</b>	<b>1</b>	<b>Year</b>

# VISTORS

## AGENDA CALENDAR 2025

<b>Council Meeting Dates</b>	<b>Visitor Scheduled</b>
<i>Monday, January 13</i>	<i>Senator Stevens</i>
<i>Monday, January 27</i>	
<i>Monday, February 10</i>	<i>Patty Relay Pratt Museum – Budget Appropriation Request</i>
<i>Monday, February 24</i>	
<i>Monday, March 10</i>	
<i>Monday, March 24</i>	
<i>Monday, April 14</i>	
<i>Monday, April 28</i>	
<i>Monday, May 12</i>	
<i>Tuesday, May 27</i>	
<i>Monday, June 9</i>	
<i>Monday, June 23</i>	
<i>Monday, July 28</i>	
<i>Monday, August 11</i>	
<i>Monday, August 25</i>	
<i>Monday, September 8</i>	
<i>Monday, October 13</i>	
<i>Monday, November 10</i>	
<i>Monday, November 24</i>	



# WORKSESSION SCHEDULE

## AGENDA CALENDAR 2025

<b>Council Meeting Dates</b>	<b>WORKSESSION/MEETING TOPICS</b>
<b>Monday, January 13</b>	<i>Worksession, HART Fund 3:30 p.m.</i>
<b>Saturday, January 18</b>	<i>Strategic Planning Worksession 9 am – 1pm</i>
<b>Monday, January 20 Off Cycle</b>	<i>Worksession Budget – Department Budget Discussions 4-7pm</i>
<b>Monday, January 27</b>	<i>Special Meeting 3:30 p.m. CM 6 month review</i>
<b>Monday, February 3</b>	<i>Worksession Budget – Department Budget Discussions 4-7pm</i>
<b>Wednesday, February 5 Off Cycle</b>	<del><i>Joint Worksession with Planning Commission and Comp Plan Steering Committee at 5:00 p.m.-6:30</i></del>
<b>Monday, February 10</b>	<i>Worksession – Utility Rate Model Discussion COW – Draft Comp Plan</i>
<b>Tuesday, February 11</b>	<i>Draft Comp Plan Open House Event Islands &amp; Ocean Visitor Center 5:30 – 7:30 pm</i>
<b>Monday, February 24</b>	<i>Worksession – Utility Rate Model Discussion (If Needed)</i>
<b>Monday, March 10</b>	<i>4:00 Kachemak City Worksession</i>
<b>Monday, March 24</b>	<i>Worksession Reserved for Budget Discussion</i>
<b>Monday, April 14</b>	<i>City Manager's Proposed Budget and Utility Rate Model to City Council</i>
	<i>Committee of the Whole – Council to Discuss Budget</i>
	<i>Regular Meeting – Public Hearing on Budget</i>
<b>Monday, April 28</b>	<i>Committee of the Whole – Council Discussion on Budget</i>
	<i>Regular Meeting – Introduction of Budget Ordinance, Fee/Tariff Ordinances</i>
<b>Monday, May 12</b>	<i>Committee of the Whole – Council Budget Discussion</i>
<b>Tuesday, May 27</b>	<i>Committee of the Whole – Council Budget Discussion</i>
	<i>Regular Meeting – Public Hearing</i>
<b>Monday, June 9</b>	<i>Regular Meeting Public Hearing &amp; FY26/FY27 Budget Ordinance Adoption</i>
<b>Monday, June 23</b>	

<b>Monday, July 21</b>	
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<b>Council Meeting Dates</b>	<b>WORKSESSION/MEETING TOPICS</b>
<b>Monday, August 11</b>	
<b>Monday, August 25</b>	
<b>Monday, September 8</b>	
<b>Monday, September 22</b>	
<b>Monday, October 13</b>	
<b>Monday, October 27</b>	
<b>Monday, November 10</b>	
<b>Monday, November 24</b>	

**City of Homer**  
**Financial Reporting Schedule**  
**for Calendar Year 2025**

<b>Dates</b>	<b>Event</b>
1/13/2025	
1/27/2025	Monthly FY25 Year-To-Date (YTD) Report
2/10/2025	FY25 2nd Quarter Report
2/24/2025	Monthly FY25 YTD Report
3/10/2025	
3/24/2025	Monthly FY25 YTD Report
4/14/2025	
4/28/2025	Monthly FY25 YTD Report
5/12/2025	FY25 3rd Quarter Report
5/27/2025	Monthly FY25 YTD Report
6/9/2025	
6/23/2025	Monthly FY25 YTD Report
7/28/2025	Monthly FY25 Year-End Report - Preliminary
8/11/2025	FY25 4th Quarter Report
8/25/2025	Monthly FY25 YTD Report
9/8/2025	
9/22/2025	Monthly FY25 YTD Report
10/13/2025	
10/27/2025	Monthly FY25 YTD Report
11/10/2025	FY25 1st Quarter Report
11/24/2025	Monthly FY25 YTD Report

General Fund  
Expenditure Report  
Actuals through December 2024  
50% Fiscal Year Elapsed

**Current Fiscal Analysis**

	FY25	FY25 YTD	
	ADOPTED	ACTUAL	
	BUDGET	\$	%
<b>Revenues</b>			
Property Taxes	\$ 4,225,672	\$ 5,180,838	123%
Sales and Use Taxes	9,296,032	5,592,604	60%
Permits and Licenses	41,723	19,232	46%
Fines and Forfeitures	8,381	1,806	22%
Intergovernmental	746,338	405,162	54%
Charges for Services	445,762	325,705	73%
Other Revenues	-	81,281	
Airport	202,406	99,242	49%
Operating Transfers	1,568,082	20,710	1%
<b>Total Revenues</b>	<b>\$ 16,534,397</b>	<b>\$ 11,726,580</b>	<b>71%</b>
<b>Expenditures &amp; Transfers</b>			
Administration	\$ 2,201,751	\$ 997,975	45%
Clerks/Council	942,104	366,284	39%
Planning	446,281	183,868	41%
Library	1,126,251	532,417	47%
Finance	948,850	386,136	41%
Fire	1,973,062	909,690	46%
Police	4,416,940	2,313,869	52%
Public Works	3,663,001	1,565,078	43%
Airport	239,580	85,061	36%
City Hall, HERC	190,449	75,644	40%
Non-Departmental	191,000	166,000	87%
Total Operating Expenditures	\$ 16,339,269	\$ 7,582,022	46%
Transfer to Other Funds			
Leave Cash Out	\$ 178,375	\$ -	0%
Other	6,752	-	0%
Total Transfer to Other Funds	\$ 185,128	\$ -	0%
Transfer to CARMA			
General Fund Fleet CARMA	\$ -	\$ -	0%
General Fund CARMA	-	-	0%
Seawall CARMA	10,000	-	0%
Total Transfer to CARMA Funds	\$ 10,000	\$ -	0%
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 16,534,397</b>	<b>\$ 7,582,022</b>	<b>46%</b>
<b>Net Revenues Over (Under) Expenditures</b>	<b>\$ 0</b>	<b>\$ 4,144,558</b>	

These numbers are preliminary and are subject change

Water and Sewer Fund  
Expenditure Report  
Actuals through December 2024  
50% Fiscal Year Elapsed

**Current Fiscal Analysis**

	<b>FY25</b>		<b>FY25 YTD</b>	
	<b>ADOPTED</b>		<b>ACTUAL</b>	
	<b>BUDGET</b>		<b>\$</b>	<b>%</b>
<b><u>Revenues</u></b>				
Water Fund	\$ 2,494,551		\$ 1,410,036	57%
Sewer Fund	2,213,812		1,121,332	51%
<b>Total Revenues</b>	<b>\$ 4,708,362</b>		<b>\$ 2,531,367</b>	<b>54%</b>
<b><u>Expenditures &amp; Transfers</u></b>				
<b><u>Water</u></b>				
Administration	\$ 350,977		\$ 191,049	54%
Treatment Plant	726,654		321,550	44%
System Testing	36,000		11,359	32%
Pump Stations	123,793		43,047	35%
Distribution System	393,195		210,438	54%
Reservoir	19,191		6,042	31%
Meters	288,507		28,510	10%
Hydrants	214,868		87,926	41%
<b><u>Sewer</u></b>				
Administration	\$ 348,160		\$ 187,290	54%
Plant Operations	938,779		344,503	37%
System Testing	18,000		9,044	50%
Lift Stations	230,206		96,074	42%
Collection System	378,085		176,407	47%
<b>Total Operating Expenditures</b>	<b>\$ 4,066,415</b>		<b>\$ 1,713,240</b>	<b>42%</b>
<b>Transfer to Other Funds</b>				
Leave Cash Out	\$ 12,216		\$ -	0%
GF Admin Fees	-		-	0%
Other	15,597		-	0%
<b>Total Transfer to Other Funds</b>	<b>\$ 27,813</b>		<b>\$ -</b>	<b>0%</b>
<b>Transfers to CARMA</b>				
Water	\$ 325,376		\$ -	0%
Sewer	288,758		-	0%
<b>Total Transfer to CARMA Funds</b>	<b>\$ 614,134</b>		<b>\$ -</b>	<b>0%</b>
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 4,708,362</b>		<b>\$ 1,713,240</b>	<b>36%</b>
<b>Net Revenues Over(Under) Expenditures</b>	<b>\$ 0</b>		<b>\$ 818,127</b>	

Port and Harbor Fund  
Expenditure Report  
Actuals through December 2024  
50% Fiscal Year Elapsed

**Current Fiscal Analysis**

	<b>FY25</b>	<b>FY25 YTD</b>	
	<b>ADOPTED BUDGET</b>	<b>ACTUAL</b>	
		<b>\$</b>	<b>%</b>
<b><u>Revenues</u></b>			
Administration	\$ 640,736	\$ 396,179	62%
Harbor	4,045,337	3,231,565	80%
Pioneer Dock	302,106	173,958	58%
Fish Dock	578,477	430,093	74%
Deep Water Dock	188,651	128,682	68%
Outfall Line	4,800	-	0%
Fish Grinder	7,390	6,460	87%
Load and Launch Ramp	130,000	57,814	44%
<b>Total Revenues</b>	<b>\$ 5,897,497</b>	<b>\$ 4,424,750</b>	<b>75%</b>
<b><u>Expenditures &amp; Transfers</u></b>			
Administration	\$ 1,227,954	\$ 677,937	55%
Harbor	1,658,848	709,706	43%
Pioneer Dock	89,120	44,665	50%
Fish Dock	817,052	336,034	41%
Deep Water Dock	107,656	68,960	64%
Outfall Line	13,500	3,140	23%
Fish Grinder	45,150	13,881	31%
Harbor Maintenance	558,501	265,829	48%
Main Dock Maintenance	54,546	22,386	41%
Deep Water Dock Maintenance	65,046	24,930	38%
Load and Launch Ramp	141,549	67,716	48%
<b>Total Operating Expenditures</b>	<b>\$ 4,778,920</b>	<b>\$ 2,235,183</b>	<b>47%</b>
<b>Transfer to Other Funds</b>			
Leave Cash Out	\$ 49,513	\$ -	0%
GF Admin Fees	-	-	0%
Debt Service	0	-	0%
Other	380,573	-	0%
<b>Total Transfer to Other Funds</b>	<b>\$ 430,086</b>	<b>\$ -</b>	<b>0%</b>
<b>Transfers to Reserves</b>			
Harbor	\$ 688,491	\$ -	0%
Load and Launch Ramp	-	-	0%
<b>Total Transfer to Reserves</b>	<b>\$ 688,491</b>	<b>\$ -</b>	<b>0%</b>
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 5,897,496</b>	<b>\$ 2,235,183</b>	<b>38%</b>
<b>Net Revenues Over(Under) Expenditures</b>	<b>\$ 0</b>	<b>\$ 2,189,567</b>	

These numbers are preliminary are subject change



# City of Homer

[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

## Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

[citymanager@cityofhomer-ak.gov](mailto:citymanager@cityofhomer-ak.gov)  
(p) 907-235-8121 x2222  
(f) 907-235-3148

## Memorandum

TO: Mayor Lord and Homer City Council  
FROM: Melissa Jacobsen, City Manager  
DATE: February 5, 2025  
SUBJECT: City Manager's Report for February 10, 2025 Council Meeting

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### City Property on Main Street

I've received an inquiry about the City's interest in selling the property the City owns at 3713 Main Street. To share a little history, this property was designated as land for sale in the Land Allocation Plan and listed for sale with our contracted realtor in 2016. Due to lack of interest it was taken off the market in 2018. In 2019 a local business owner made an attempt at purchasing the property and Ordinances 19-25 and 19-59 to move forward with the land sale failed. When Council adopted the 2020 Land Allocation Plan, this property was re-designated from land for sale to City Facility and other lands. There has been some conversation about uses for this lot, including a parking area but no definitive use has been determined. Homer City Code 18.12 provides direction for the disposal of real property and if Council has interest in selling this property, a proposal can be initiated by ordinance.



### Continued Efforts on Homer Spit protection

City Staff met with AKDOT Deputy Commissioner Keith and had a productive hour of conversation. We are particularly encouraged to learn that PROTECT formula funds are included in the upcoming STIP amendment, and we look forward to working with the State through the planning process to maximize benefits for protecting the Spit Road, vulnerable areas of road right-of-way and the long-term future of the Homer Spit. As a result of this meeting Resolution 25-012 was drafted to formalize the City's support for the State's application for to the PROTECT Grant Program Planning Grant for the Homer Spit Transportation Resiliency Project. In addition to this meeting Special Projects and Communications Coordinator Jenny Carroll has been reaching out for letters of support from our State delegation and other partners for this grant application and for a Congressional Directed Spending (CDS) request for the Homer Spit Revetment General Investigation, a project currently listed in the Alaska District's Work Plan.



### **Joint Worksession with Kachemak City Council**

At our January 13<sup>th</sup> Homer City Council meeting Council suggested holding a joint worksession with the Kachemak City Council, and I reached out to Mayor Fry and their City Clerk with an invitation. The Kachemak City Clerk let me know they'll confirm after their February 12<sup>th</sup> Council meeting.

### **Join the City of Homer to discuss the draft Comprehensive Plan**

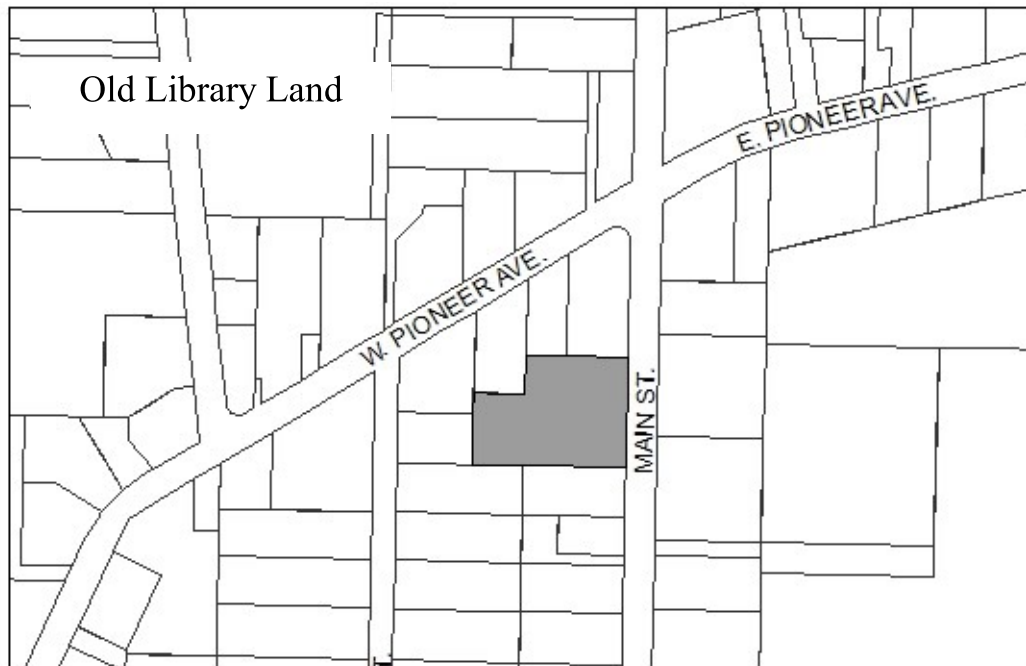
Come check out and be a part of Comprehensive Plan to explore how Homer could change over the next twenty years. Review the draft plan, add your input, and be a part of the conversation at the Open House on Tuesday, February 11 from 5:30 – 7:30 pm at Islands and Oceans, 95 Sterling Highway #1, Homer, AK. Learn more at [www.homercompplanupdate.com](http://www.homercompplanupdate.com)

### **City Manager Meetings and Events:**

- January 27 thru February 7 - Departmental Budget meetings
- January 29 – KPB Tourism Industry Working Group meeting
- January 31 – Planning meeting with staff and Lobbyists for upcoming Juneau AML Winter Conference trip
- February 3 – Meeting with City Staff and AKDOT Deputy Commissioner Keith
- February 4 – Homer Chamber of Commerce Annual Meeting
- February 5 – AML Public Surplus Program presentation; KPEDD Executive Director Cassidi Cameron
- Ongoing weekly meetings with Departments, Mayor, and Councilmembers

### **Attachments:**

- Land Allocation Plan Old Library Land page



**Designated Use:** City Facility and Other Lands (Resolution 20-019)

**Acquisition History:** Deed: Jewel July 1982 (back lot portion) Deed: Watson 1978 (library/Pioneer area)

**Area:** 1.31 acres

**Parcel Number:** 17514416

**2019 Assessed Value:** \$69,400

**Legal Description:** T 6S R 13W SEC 19 SEWARD MERIDIAN HM 2008016 HOMER PUBLIC LIBRARY NO 2 LOT 2

**Zoning:** Central Business District

**Wetlands:** Drainage and wetlands may be present

**Infrastructure:** Paved road, water, sewer, natural gas

**Notes:** This land was part of the former library site. The library building was subdivided onto its own lot, and sold.

The land has a nice bay view, but would require stumping. Driveway access off of Main Street is very steep. It is likely significant dirt work would be needed to make this lot viable for commercial or multifamily development.

**Finance Dept. Code:**



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## Memorandum

TO: Mayor Lord and Homer City Council  
FROM: Melissa Jacobsen, City Manager  
DATE: February 20, 2025  
SUBJECT: City Manager's Report for February 24, 2025 Council Meeting

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### Comprehensive Plan

The Draft Comprehensive Plan was posted for public review on February 7, 2025. On February 11, City Staff, in collaboration with our consultant firm Agnew Beck, held an Open House at the Islands & Ocean Visitors Center to invite members of the community to review, discuss, and provide their thoughts on the draft plan. Public comments on the Draft Comprehensive Plan will be accepted until March 14th. In February and March, Homer Commission and Committees will be encouraged to review the draft plan and provide comments on their area of expertise. Review the Draft Comprehensive Plan and provide your comments here:

<https://homercompplanupdate.com/>



### Library News

The western lot committee is ramping up again. The Friends of the Homer Library placed an order for a wraparound tree bench and Public Works will acquire a standard bench for the western end of the trail, identical with the other benches they're ordering for Pioneer Avenue, and there is a plan for stump seating and storywalk posts. The goal is to have these project elements in place by the end of April. Also renovations in study room 6 have begun. All the built-in furniture has been removed, the carpet repaired and the walls painted. The next step is replacing part of the baseboard, then putting up sound-absorbent panels on the walls. The renovations in study room 5 seem to have paid off, as use of that room more than doubled

afterwards. Attached to this report is a copy of the Library's Annual report that reinforces the importance of the library to our community through their services and programs.

### **Juneau Visit**

As I finish up this brief report, I'm in Juneau with Mayor Lord, Councilmembers Aderhold and Hansen, Port Director Hawkins and Special Projects & Communications Coordinator Carroll wrapping up meetings with Legislators, Legislative Staff, US Coast Guard, Alaska Department of Transportation & Public Facilities, and Alaska Department of Environmental Conservation. It's been a fabulous opportunity to spend time at our State Capitol meeting with these folks who serve our great state and to work with our lobbyists, J&H Consulting in thanking our Legislators for their support in successful funding of our Harbor Expansion General Investigation, sharing our need for coordinated, multi-agency, long term sustainability planning for Homer Spit erosion and resiliency, and sharing the City's legislative priorities and positions. After we return, I'll follow up with a more complete report and photos.

### **City Manager Meetings and Events:**

- February 11 – Conversations with a Council Member with Councilmember Venuti
- January 13 – Planning Meeting for public outreach for the City lots proposed as a location for the new multi-use community center
- February 17-21 – Travel to Juneau for meetings with J&H Consulting, 20 different State Legislators and their staff, US Coast Guard, and State agencies on behalf of the City.
- Ongoing weekly meetings with Departments, Mayor, and Councilmembers

### **Attachments:**

- Library Annual Report
- February Employee Anniversaries
- Inactive Records Destruction Report



# City of Homer

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(p) 907-235-8121 x2222

(f) 907-235-3148

## Memorandum

TO: Mayor Lord and Homer City Council  
FROM: Melissa Jacobsen, City Manager  
DATE: February 21, 2025  
SUBJECT: City Manager's Report for February 24, 2025 Council Meeting

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### Statewide Transportation Improvement Program (STIP) Amendment #2

The Alaska Department of Transportation & Public Facilities (DOT&PF) has released Amendment #2 to the 2024-2027 Statewide Transportation Improvement Program (STIP) for public review and they are welcoming public comment through Thursday, March 20, 2025. The STIP is a four-year state blueprint for federal surface transportation investments in key infrastructure projects that enhance safety, mobility, and economic growth.

**Project # 34708, Sterling Highway Erosion Mitigation Study** is a new project in the amended STIP. This planning study will evaluate needed improvements to protect the Sterling Highway from erosion along the Homer Spit. Improvements may include excavation, coastal erosion protection, paving, signing and striping, and utility relocation. The State has programmed \$800,000 for the study. The City has been in discussion with AK DOT about cooperating with them on this erosion mitigation effort on the Homer Spit. We are excited to see this project funding come forward and encourage the public to support this important project.

The STIP Amendment #2 is available at [dot.alaska.gov/links/pdp](https://dot.alaska.gov/links/pdp). There are a variety of ways to submit comments directly on the dashboard using the blue comment buttons available throughout the website. For other ways to comment, please go to the City's webpage at [www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov).

### Planning for the Future of the Alaska Marine Highway: Public Comment Invited

The Alaska Department of Transportation & Public Facilities also recently released a draft of the AMHS 2045 Long-Range Plan for public review. The plan outlines a 20-year vision for the future of Alaska's marine transportation network to meet the evolving needs of Alaska's coastal communities and covers the following key focus areas:

- Safe, reliable service to connect Alaska's communities
- Updating the Marine Highway fleet and terminal assets for resiliency and standardization
- Build and support a skilled, reliable workforce
- Promote financial efficiency and sustainability.

The Department invites the public to a Zoom webinar on Wednesday, March 19, at 12 p.m. to hear an overview of the plan. Information on how to join the webinar is available at <https://publicinput.com/i56446>.

The Department invites residents, business owners, public officials, and stakeholders to review [the plan](#) and submit comments at <https://publicinput.com/i56446> through Sunday, March 30, 2025.

## **Staff Submits FY26 Congressionally Designated Spending Requests**

Congressionally designated funding, also known as appropriations, allows individual members of Congress to request specific spending allocations for local projects in their states from a handful of appropriation committees' bills. The City's requests were based on (1) guidance from Senator Lisa Murkowski's office to resubmit any committee-approved requests from FY25 that are not yet funded and any additional projects for FY26 for a total of up to five requests; (2) meeting eligibility requirements of the various appropriation committees; and (3) priority projects in the City's Capital Improvement Plan with a developed budget. They include:

1. A-Frame Water Transmission Line Replacement (a project approved in FY25, but not yet funded through the Federal FY25 budget process).
2. Design and Permitting funds for the Homer Harbor Critical Float Systems 4 & 1 Replacement Project (a project approved in FY25, but not yet funded through the Federal FY25 budget process).
3. Homer Spit Erosion Mitigation to fund the first fiscal year of US Army Corps of Engineers' work on a reauthorized 1987 US Army Corps of Engineers Homer Spit Road Revetment General Investigation which has been listed for several years, but unfunded, in the Alaska District work plan.
4. Homer Spit Erosion Mitigation for funds to undertake a Homer Spit Storm Damage Reduction Feasibility Study under WRDA Section 203, which allows local entities to advance studies without waiting for federal funding or prioritization to expedite project timelines.
5. Homer Fire Department Fleet Management for funds to procure Wildland Urban Interface Fire Response Vehicles: A Type-3 Wildland-Urban Interface Pumper truck and a Type-6 Brush / Attack Unit. These complementary apparatuses enable a tiered response system where the Type-6 serves as a rapid scout and initial attack vehicle, while the Type-3 follows with additional water, equipment and personnel when/for escalating incidents or direct structure protection.

The Senator will review submissions and advance a selection to Appropriations Committees for thorough review, project scoring and prioritization based on merit and community impact. Successful projects will be included in the overall appropriations bill and will require approval by both House and Senate Appropriations Committees. Final funding is dependent on the overall federal budget process.

## **City of Homer Hosting Public Meeting on Homer Harbor Expansion Study**

Join us and the U.S. Army Corps of Engineers to learn more about the work accomplished to date on the Homer Harbor Expansion Study and how that work is informing refined alternative designs. There will be a Study update, Study team members will be there to take questions and share feedback. The public meeting will be held Saturday, March 15<sup>th</sup> from 10:00 am to noon at the Kachemak Bay Campus, Room 201, 533 Pioneer Avenue, Homer, AK. Visit [www.homerharborexansion.com](http://www.homerharborexansion.com) for more information.

## **Diamond Creek Recreation Area Trails Study**

In January 2024 Council authorized \$25,000 of HART Trails funds to contract engineering services for preliminary design of non-motorized trails and trail head connecting City property to the AKDOT proposed highway underpass and later that year, a contract was awarded to Kinney Engineering to complete the work. Attached to this report you'll find a memo from City Engineer Galbraith updating Council on the work and anticipated next steps. Attached to his memo are the completed, with preliminary design, studies for the Diamond Creek Recreation Area (DCRA) Trails and a Sterling Highway Pedestrian Underpass.

## **High Speed Alerts on West Fairview Radar Shield speed sign**

In response to public complaints about speeding on West Fairview the City purchased and installed a traffic monitoring device on the road to help remind drivers to slow down and to capture speed data for daily traffic



on the road. There have been reports of folks flying RC planes and/or drones at the sign which create high speed alerts. The Radar Shield recently snapped the following image. It's possible that a number of the 40 mph and above "high speed alerts" are these RC devices being flown at the speed sign. It's disappointing that all this effort on one road for the benefit of Public Safety is getting skewed data used for traffic control.



#### **City Manager Meetings and Events:**

- February 26 – KPB Tourism Working Group meeting
- Ongoing weekly meetings with Departments, Mayor and Councilmembers, and City Attorney

#### **Attachments:**

- Homer Harbor Expansion Study Monthly Written Update
- Homer Harbor Expansion Study Charter Document
- Homer Harbor Expansion Study Public Meeting Flyer
- Memorandum from City Engineer Re: DCRA Trails Study
- DCRA Trail Design Final Study Consultant Memo
- DCRA Trails Study
- Employee Anniversaries for March
- Homer Spit Erosion Update