



# Agenda

## City Council Work Session

Monday, November 27, 2023 at 4:00 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: 965 8631 4135 Password: 792566

<https://cityofhomer.zoom.us>  
Dial: 346-248-7799 or 669-900-6833;  
(Toll Free) 888-788-0099 or 877-853-5247

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### CALL TO ORDER, 4:00 P.M.

**AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 6)

### DISCUSSION TOPIC(S)

- a. Resolution 23-047(S) follow up Re: Strategic Financial Plan and Services Vision for Parks and Recreational Facilities and Services within the City of Homer

### COMMENTS OF THE AUDIENCE (3 minutes)

### ADJOURNMENT NO LATER THAN 4:50 P.M.

Next Regular Meeting is Monday, January 8, 2024 at 6:00 p.m. and Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.



# MEMORANDUM

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## **Resolution 23-047(S) follow up Re: Strategic Financial Plan and Services Vision for Parks and Recreational Facilities and Services within the City of Homer**

**Item Type:** Informational Memorandum

**Prepared For:** Mayor Castner and Homer City Council

**Date:** November 16, 2023

**From:** Julie Engebretsen, Economic Development Manager  
Mike Illg, Community Recreation Manager  
Chad Felice, Parks Maintenance Coordinator  
Matt Steffy, Parks and Trails Planner

**Through:** Rob Dumouchel, City Manager

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### **Introduction**

There is a lot of community interest related to the expansion of recreational opportunities in the City of Homer that revolve around programming, parks, and facilities. There is also a considerable gap in funding and staffing between our current operation and a desired future state. In May of this year, City Council adopted Resolution 23-047(S) which asked staff to develop a 10-year plan for parks and recreation. The resolution included a request for the plan to include three components and for a recommendation from the Parks, Art, Recreation and Culture Commission:

1. Full maintenance projections for existing parks and recreation facilities,
2. Two paths to a Parks and Recreation Department one of which should include a new community center,
3. An evaluation of the new Parks staffing from the 2023 summer season operations.

The staff analysis finds that there is potential for a Parks and Recreation Department to exist and create value for the City and the public, however, it is going to take some time to build up sufficient financial and human resources to get to that point.

### **Process**

Council requested the plan be presented by November, 2023. A team of City staff met with the City Manager to work on these council directives over several months: Mike Illg, Community Recreation Manager, Chad Felice, Parks Maintenance Coordinator, Matt Steffy, Parks and Trails Planner, Julie Engebretsen, Economic Development Manager.

Staff approached the first two tasks by creating a table with three scenarios; current conditions with staffing and budget, a “Homer Adequate” scenario with improved parks and staffing, and a future department and recreation facility. Budgets and staffing from other Peninsula cities are included as an attachment. Staff made a presentation to the Parks, Art Recreation and Culture Advisory Commission at their October 19, 2023 meeting. Comments of the Commission are included as an attachment to this memo and they supported the creation of a Parks and Recreation Department in the next budget cycle.

**Parks and Recreation Staffing and Budget Scenarios**

	Homer Current	Homer Adequate	Homer Adequate + Facility
<b>Parks</b>			
Staff FTE	2	2.5	
Budget	\$440,000	\$490,000	\$490,000
<b>Community Rec</b>			
Staff FTE	1.75	2.75	3.5 +
Facility O&M			\$130K (based on library)
Budget	\$265,000	\$335,000	\$660,000
<b>Total Staff</b>	3.75	5.25	6 +
<b>Total Budget</b>	\$705,000	\$825,000	\$1,150,000
<b>Difference staff</b>	NA	1.5	2.25 +
<b>Difference Budget</b>	NA	\$120,000	\$445,000 +
<b>Budget Timeline</b>	2024-2025	2026-2027	?
<b>Potential Department Timeline</b>		Possible	Desirable

## **Component 1: Full maintenance projections for existing parks and recreation facilities**

### ***“Homer Adequate” scenario***

#### **Parks Budget**

Estimate: a 20% budget increase or about \$90,000 would significantly increase the City’s ability to adequately staff and maintain parks and trails facilities. HART Funds could be used for \$50,000 of these additional expenses.

#### **Discussion**

Staff found there is generally adequate funding in the Parks budget for materials but not enough allocated for labor, however, the City Manager’s redistribution of Parks-related tasks (i.e., camping, restroom cleaning, park planning, volunteer coordination, etc.) has led to increased productivity related to parks maintenance and the current maintenance coordinator will be experimenting with new models for the use of seasonal employees.

Staff estimates the Parks budget needs to increase by about \$90,000; this would include two seasonal trail maintenance crew, to be funded out of HART (\$50,000 existing funds) as well as approximately \$40,000 in additional parks maintenance budget. This is a reflection of the variability in costs – if the City can hire labor for tasks like mowing and peony bed maintenance, the cost will be lower than \$40,000. If the city has to hire a contractor, the costs are higher. Either way, the ball fields, cemetery and City grounds need to be mowed. To adequately staff parks and trails year round, additional staffing may be needed. The winter of 2023-24 will be a test of staffing levels and the ability to maintain trails and parks through the snow and ice season.

Funding sources available: \$50,000 from HART Trails could be used to pay for existing and increased trails work. While voters approved using HART for maintenance and operations in 2017, very little to no funding has been budgeted into the Parks budget for doing this work. This could be amended at any time by Council.

Remaining funding gap: \$40,000. New revenues, or more funding from the general fund is needed. This funding could be added over time as budget allows, or through a new revenue source.

Timeframe: HART funding could be added to the budget at any time. New revenues or new funding sources will take longer (discussion continued later in this memo).

## **Community Recreation Budget**

Estimate: a 30% budget increase, 1 FTE at \$80,000 (includes overhead and benefits) would adequately staff the current Community Recreation Program.

### **Discussion**

Classes and programming will continue to be offered through non-city employees via volunteers or contracted instructors. However, volunteers and contracted instructors do not provide administrative support and are not always consistent for providing the level of supervision (and safety). One additional full time recreation employee would provide immediate improvement of services, customer service and safety for Community Recreation programs and special events. The presence of paid staff providing direct supervision instead relying on the challenging efforts to recruit and sustain volunteers to oversee programs will vastly improve the overall experience of the consumer and will decrease potential liable situations especially when operating in non-city owned facilities. The additional staff will also lead to an increase program offerings and allow for the Recreation Manager to focus on the broad administrative responsibilities relating to running municipal recreation services.

One more full time staff member is needed to adequately staff this program at a cost of about \$80,000 (includes benefits, additional office costs, etc). This would need to be funded from new revenue. Some options:

#### Funding Sources Available:

1. Dedicate a percentage of on-line sales tax to recreation. This is a growing revenue stream and could be used to fund increases in recreation programming. Timeframe: Consideration for next budget cycle.
2. When the HART program is up for renewal, ask voters if the tax revenue split between roads and trails should be changed from 90/10 to 80/20, and if the trails portion should also cover parks maintenance and all parks and recreation related staffing. The City might consider asking voters to make the program permanent at the same time, as with HAWSP. Timeframe: The current HART authorization expires in 2027.
3. **User fees will also likely play a role.** The new Community Recreation Software is planned for launch for the second half of FY 24. That data will provide information on realistic revenue projects with current usage and fees. Staff expects at least \$45,000 in user fee revenues for FY 24 – this is existing revenue, not new revenue. With software implementation and newly adopted fees, staff expects this amount to gradually increase. Timeframe for increased revenue: Happening now with the newly adopted fees, and software implementation. Fees and policies can be fine-tuned prior to the next budget cycle.

**Component #2: Two paths to a Parks and Recreation Department one of which should include a new community center.**

***Path 1:*** *With increased budget and internal staff coordination, a Parks and Recreation Department could be a consideration for the FY26/27 budget cycle. (Homer Adequate Scenario)*

The two components to move to a Parks and Recreation Department are budget and staff capacity building. The discussion of this component relies on reaching “Homer Adequate” funding levels. Beyond funding, staff had lengthy discussions about what it would take to function as a department. Staff agreed that the first step was additional labor. Without more hands to do the work, existing staff does not have time to work toward the larger goal of a combined department. Budget increase is the first step to easing this bottleneck. The second step to a department is spending the time to figure out how to work in a new department. Some of this work could occur over FY 24 if this is the direction Council wants staff to work on.

There are also some underlying tasks that also need work; the City has few Council adopted policies about parks and recreation facilities (other than basic code) and community recreation. In contrast, the library has extensive Council adopted policies (89 pages) that outline both facility and services policies. Working toward Council – approved policies for the HERC and its eventual replacement as well as general user policies are tasks that should be on the horizon.

A functional Parks and Recreation Department could begin to take shape for the next budget cycle if staff is able to focus on how the internal operations would work, and working with PARCAC and Council to have sufficient adopted policies in place.

***Path 2:*** *New Facility + Parks and Recreation Department (Homer Adequate + Facility Budget Scenario)*

Discussion of a recreation facility is ongoing and the subject of Council work sessions. The timing of Parks and Recreation or Community Recreation Department did not have consensus among staff, however, all agreed that if a new facility is constructed, at minimum Community Recreation should be elevated to a department by that time.

Funding: Significant new funding would be required to achieve this goal. Use of HART trails funds, a portion of online sales tax revenue, and new additional sales tax revenue would be required to cover the cost of a new facility. Timeframe: Council is beginning to seriously explore site selection for a new facility, and a bond measure could go to voters in two years or less, based on Council decisions.

### **Component #3: How did the 2023 season go?**

The 2023 camping and parks maintenance season had significant changes from prior years. First, the Port and Harbor took over operations of the Spit Campgrounds. The Port ramped up staffing and fee collections, and was able to offer camping to the public as has been offered in prior summers. Spit camping generated \$195,000 in revenue and there were significantly fewer management problems.

Second, Hornaday campground was closed for the 2023 camping season. Some complaints were received by Parks staff while they were at the park from Little League participants from out of town who expected to camp at the park for the weekend. City resident comments were split 50/50 on campground closure. The City is in the process of updating the park master plan and actively taking comment on whether offing camping is a land use the community would like to see continued.

#### **Chad Felice comments:**

With the transition of Matt Steffy moving over to Economic Development and then the Parks Maintenance position opening up as well as campgrounds going to the Harbor this this past summer, as all new things and changes there were a little bumps along the way. Overall I believe the summer was a success, the Parks Division got to do some ball field work along with all the other normal stuff we do. I have felt that working with the Public Works crew on some projects has helped the Parks Department out. With working in the summers the past 4 years, it has been nice to be able to work on some deferred maintenance things. I think we are one or two more seasonal staff members away from really being able to keep up on everything and start in on new projects within a timely manner.

#### **Matt Steffy comments:**

The temporary staffing arrangement for 2023 had a few interesting impacts on Parks operations. The transfer of geographic responsibility out to the Spit for Harbor Staff allowed the limited Parks Staff to focus on a few areas that had been neglected previously. Combined with the contracting of some turf maintenance and beautification, staff were able to get a lot of work done on ballfields, fences, and some special projects.

My time was partially absorbed in the transition process in bringing PW, P&H, and Economic Development up to speed on many tasks that were once in my wheelhouse. As the second half of the season continued, we all began to find a bit of a groove, though there is still some shuffling to do.

#### **Mike Illg comments:**

Community Recreation also had significant changes over the summer and into the fall. A half time, permanent employee was approved in the FY 24/25 budget, as well as registration software. The addition of a half time staff member allowed for immediate improved services by providing direct supervision/coordination for some of the regularly scheduled programs as well as providing the much needed point of contact time and communication for Community Recreation special events. Over the

winter, this additional staffing will allow for new programmatic opportunities specifically focused on youth and family related opportunities.

The software will allow Community Recreation staff to better collect fees and statistics about revenues, patron usage, trends, feedback, and assist with reservations, registration and scheduling. The majority of the improvements brought by the staffing increase and software implementation will be visible to the public in 2024, through greater program capacity and data to aid with long term financial and operational planning for the recreation program.

### **Current Conditions**

FY 24/25 brought significant changes to staffing and operations for Community Recreation and Parks. Staff consensus is at least a budget year is needed to see how this works out and where changes are needed with the exception of more trails labor (discussion continues in this memo).

### **RECOMMENDATION**

1. Hold discussion on budget options and provide direction to administration
2. Consider a HART trails budget adjustment in mid-biennium adjustment in the spring

### **ATTACHMENTS**

PARCAC Memo  
Resolution 23-047(s)  
Peninsula Recreation Budget  
Memo from Harbormaster Clark on summer 2023 campground operations





# City of Homer

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

## Community Recreation

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(f) 907-235-8933

## Memorandum

TO: Mayor Castner and City Council

FROM: Mike Illg, Recreation Manager

THROUGH: Parks, Art, Recreation and Culture Advisory Commission

DATE: November 6, 2023

SUBJECT: Resolution 23-047(s) Establishing Parks and Recreation as a Priority/10 Year Plan

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At the October 19<sup>th</sup> Parks, Art, Recreation and Culture Advisory Commission meeting, commissioners heard a draft presentation from Economic Development Manager Julie Engebretsen regarding Homer City Council's adopted Resolution 23-047(S), requesting Administration create a 10-year plan for a Parks and Recreation Department, and that PARCAC be included in the process. After much discussion, the PARCAC commissioners unanimously supported a pathway that could create a City of Homer Parks and Recreation Department as part of the FY26/27 budget cycle that would be able to attain "Homer Adequate" staffing levels as presented to PARCAC on October 19<sup>th</sup>.

Pertinent comments and considerations from PARCAC included:

- This action is a nice lead-in to where we hope to be in 10 years.
- They have been talking about this idea for a long time and they have formally proposed the creation of a parks and recreation department in the past.
- It's not a huge budget increase to become more functional, however, inflation factors are a concern.
- The creation of a parks and recreation department will coincide with the prioritization efforts to help drive the planning and construction of a new recreation facility.
- It is essential to maintain a strong collaborative partnership with Public Works in order to sustain our support and collaboration with parks maintenance.

**Recommendation:** Receive work session report on response to Resolution 23-047(S) and consider inclusion of additional funds in the FY26/27 operating budget that would make it possible to create a functional Parks & Recreation Department.



1 CITY OF HOMER  
2 HOMER, ALASKA

3 Mayor/Lord

4 RESOLUTION 23-047(S)  
5

6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA  
7 ~~ESTABLISHING A POLICY OF FUNDING IMPROVEMENTS TO~~  
8 ~~VARIOUS~~ **ESTABLISHING RECREATION AS A FUNDING PRIORITY**  
9 **IN THE FY23/24 BUDGET AND DIRECTING THE CITY MANAGER**  
10 **TO DELIVER A STRATEGIC FINANCIAL PLAN AND SERVICES**  
11 **VISION FOR PARKS & RECREATIONAL FACILITIES AND SERVICES**  
12 **WITHIN THE CITY OF HOMER TO THE CITY COUNCIL BY**  
13 **NOVEMBER 2023.**  
14

15 **WHEREAS, The City of Homer owns and maintains 17 dedicated parks and over 520**  
16 **acres of parklands; and**  
17

18 WHEREAS, The Homer City Council has identified recreational facilities within the City  
19 of Homer that need replacement or improvements; and  
20

21 WHEREAS, **With broad public support,** ~~t~~The Homer City Council has shown a  
22 willingness to provide funding commitments to meet some of those needs, or hypothecate  
23 funds for future construction; and  
24

25 **WHEREAS, While the community is still working on the plans for a multi-use**  
26 **community center and the existing HERC site, we have substantial existing assets and**  
27 **services that should be maintained with a strategic vision both financially and for the**  
28 **types and scope of Parks & Recreational services and partnerships we support in the**  
29 **community; and**  
30

31 WHEREAS, The bi-annual budget process provides ~~the best~~ **an important** opportunity  
32 for the City Council to fund improvements or hypothecate funds **within the broader scope of**  
33 **City services and long-term visions, and how they fit within projected expenses and**  
34 **revenues; and**  
35

36 WHEREAS, The Council ~~will is examine~~ **examining several** proposals of budgetary  
37 expenditures or set-asides in the 2024-2025 budget cycle for the following **parks and**  
38 **recreation** projects:

- 39 • Karen Hornaday Park
- 40 • Jack Gist Park
- 41 • A new indoor recreational facility
- 42 • **Bayview Park**



- 43 • **Recreational staffing**
- 44 • **Parks staffing; and**

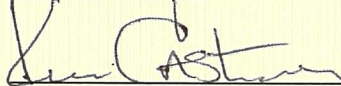
45  
46 **WHEREAS, The City Council is having to assess the current budget without a**  
47 **comprehensive long-term vision or financial plan for the City’s Parks and Recreation**  
48 **assets and services.**

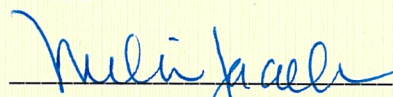
49  
50 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council **establishes parks &**  
51 **recreation as a priority within the current budget cycle, and hereby directs the City**  
52 **Manager to work with the Parks, Art, Recreation, and Culture Commission and City staff**  
53 **to develop and bring forward in the next six months a 10-year plan for Homer Parks &**  
54 **Recreation which includes:**

- 55 • **Full maintenance program projections for all existing parks and recreation**  
56 **facilities and associated assets (bathrooms, picnic tables, fire pits, etc.)**
- 57 • **At least two proposed pathways for a potential Parks & Recreation Department,**  
58 **offering different levels of services and associated one-time and long-term costs**  
59 **in operations and maintenance, with one possible pathway including the**  
60 **existence of a modest new community recreation center**
- 61 • **An evaluation of the new Parks staffing from the 2023 summer season operations**

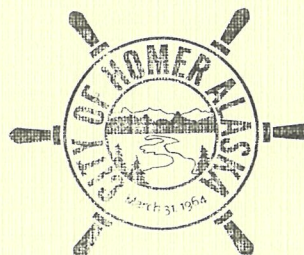
62  
63  
64 declares this resolution reflects the policy intent for the subsequent funding of the engineering  
65 and improvements at a level to be determined at the time of appropriation, whether through  
66 the budget or budget amendment.

67  
68 PASSED AND ADOPTED by the Homer City Council this 8<sup>th</sup> day of May, 2023.

69  
70 CITY OF HOMER  
71   
72 \_\_\_\_\_  
73 KEN CASTNER, MAYOR

74 ATTEST:  
75   
76 \_\_\_\_\_  
77 MELISSA JACOBSEN, MMC, CITY CLERK

78  
79 Fiscal note: N/A



## Peninsula City Recreation Budgets

Other Peninsula City budgets are included here as a quick comparison. All the Cities have some sort of change occurring and are not a straight comparison to Homer or each other; the below is provided as a snapshot only.

City	FTE	Budget	Budget Notes
Kenai	8 +15 seasonal	\$1,270,885	Unclear if this includes facility operations & maintenance
Seward	7 + 12 seasonal	\$2,055,735	Camping, parking attendants and youth center included
Soldotna	15.33	\$1,735,021	Camping and sports center included
Homer	3.75	\$705,000	No camping or facility included



## **2023 Qualitative Analysis of Parking Management on the Homer Spit**

### *Introduction*

In 2023, the Port & Harbor department acquired and implemented the UpSafety parking management software system. This marked a significant shift from manual and outdated parking management methods to a modern, cloud-based solution. The new system introduced various technological advancements, including the integration of existing Luke II pay kiosks, mobile pay & text-to-park options, wireless X-2 mobile enforcement devices, and ALPR license plate recognition technology, transforming the parking experience for customers, visitors and staff. This analysis focuses on the impact of these changes, challenges, and future trends in parking management on the Homer Spit.

### *Parking Technology Improvements*

The implementation of the UpSafety parking management software system represents a major step forward in parking management on the Homer Spit. The new system not only streamlines parking operations but also enhances the user experience. Customers can now conveniently pay for parking using various methods, including in-field Luke II pay kiosks, the flexibility mobile payment, and text-to-pay via cell phone, supporting digital permitting and phasing out tangible paper permits that were previously produced and obtained at the harbormaster's office and displayed on the vehicle. This transition to modern technology has reduced the reliance on manual record-keeping using 3-ring binders and Excel spreadsheets, increasing the efficiency and accuracy of parking management.

### *Enforcement and Compliance*

Parking enforcement on the Homer Spit has been significantly improved with the use of technology. Homer municipal code supports writing citations to vehicle license plates, phasing out previous citation methods requiring vehicle registered owner information. Parking enforcement staff equipped with X-2 mobile electronic enforcement devices can monitor vehicles in real-time, checking for compliance with daily fees and vehicle parking & camping permits. The advanced license plate recognition (ALPR) technology further enhances enforcement by scanning license plates to verify permit compliance and check for infractions. The system integrates GPS location and time-stamped photos to ensure accuracy of enforcement in parking lots with time sensitive limits or restrictions. Citations are generated on site by the parking enforcement officer using the X-2 device and its integrated thermal printer. All citation information generated in the field is automatically saved to UpSafety's cloud-based software and is immediately available to parking administration for processing. The convenience of online payment, appeals, and adjudication through a web-based portal has streamlined the citation process, reducing staff time and the need for in-person interactions at the harbormaster's office.

### *Parking Options and User Groups*

The Homer Spit accommodates a diverse range of parking user groups, including recreational boaters, commercial fishermen, commercial charter & passenger vessel crew and customers, upland businesses owners and employees, tourists, day-use recreators, across the bay residents, and regulatory entity personnel. Our variety of parking options caters to these groups' distinct needs, from short-term parking time limits to long-term parking permits without designating or reserving parking to any specific user group. In 2023, the port & harbor took over management of the Fishing Hole & Mariner Park

campgrounds which provide approximately 150 spaces for RV parking and camping. Additionally, we now manage parking enforcement and revenue collection at the Homer Airport terminal which provides parking for approximately 200 vehicles.

### *Challenges and Inefficiencies*

Several inefficiencies and challenges have been identified in the current parking management system on the Homer Spit. Maintaining sufficient parking lot space and mitigating vehicle congestion is our primary challenge. In April 2023, we created an additional “overflow” parking lot containing space for approximately 100 vehicles located at the intersection of Outer Dock Road & Homer Spit Road. This lot offers free parking for up to seven consecutive days.

One measure we currently use to deter demand and drive down congestion is the administration of daily fee parking which requires users to make cost-based decisions involving their parking needs. The affordability of daily fee parking is a financial challenge for many employees working on the Homer Spit.

A second method of congestion mitigation includes the implementation of time limits in high use areas creating greater vehicle turn over. In 2023, a section of the parking lot between the steel grid and Fish Dock Road was changed from 7-day parking to 3-hour parking in order to improve vehicle turnover and access adjacent to the businesses operating in the vicinity.

A significant inefficiency driving space availability for vehicle parking is the allowance of RV and oversized vehicles in the heavily utilized parking lots along Homer Spit Road between ramps 1 and 5. RVs and oversized vehicles require extra wide spaces and turning lanes which, in-turn, reduce available space for standard vehicle parking.

Other challenges include the inefficiencies associated with gravel parking lots. Many of our gravel parking lots have basic, above-grade, methods addressing drainage and run-off which foster potholes and puddles. Ramps 3 to 5 and the boathouse pavilion require drainage ditches bordering Homer Spit Road that consume potential usable parking space. Lack of permanent, uniform striping and delineation on gravel parking surfaces reduce efficient space utilization. Finally, some of our current parking lot time limits may not align with peak demand. All of these issues contribute to parking congestion and dissatisfaction among user groups, particularly represented among boat owners and employees of local business.

### *Revenue Generation and Budget Considerations*

The Port & Harbor generates revenue from the collection of parking and camping fees. These revenues should be used to support future parking lot improvements, growth and expansion of fee-based parking, and the required administration & enforcement. Parking and camping revenues also have the potential to support bond obligations for future capital projects. In April of 2023, the city manager assigned the port & harbor management responsibilities of the Fishing Hole, Mariner Park, and Tent Camp West campgrounds in order bolster enterprise revenues. Daily fee parking rates were increased from \$5/day to \$10/day and RV camping fees were increased from \$20/day to \$30/day. Parking revenues totaled approximately \$190,000 YTD in September. The port & harbor sold approximately 7,100 individual camping permits totaling \$195,000 YTD as of September. The assignment of Homer Spit campgrounds came quickly and without budget preparation. Campgrounds management require variety of basic operating expenses, including facilities maintenance, utilities, camp fee compliance enforcement,

general administration, grounds keeping, signage, refuse disposal and sanitation. It is imperative to strike a balance between revenue generation and sustainable management to meet these financial needs.

### *Future Trends and Diversification*

Several trends are driving the future diversification and use of parking lots on the Homer Spit. Trends in usage impacting demand for parking include the broad growth in the tourism & recreation sector, shore-based tour bus operations originating from other communities with destination on the Homer Spit, the increasing growth and presence of commercial passenger vessels in the small boat harbor, the vehicles associated with their crews and customers, and the need to streamline parking lot traffic flow involving passenger drop-off and pick-up, the multi-purpose use of the barge ramp terminal supporting cargo & passenger vessel operations and the need to accommodate cargo storage and lay-down operations combined with passenger vessel parking needs, growth in ridership and vehicle parking demand near ramp 7 associated with SVT's Kachemak Voyager, cruise ship lightering operations inside the small boat harbor, and event-based parking, such as festivals and special events.

Special consideration should be given to the east side of the Fishing Hole Campground and its dual-purpose use that includes our Marine Repair Facility supporting vessel haul-out and repair. What is the future of a campground that doubles over as a boat yard – or visa versa? Remember, there is only one place to haul-out and work on large vessels on the southern Kenai Peninsula and there are several campgrounds operating in the Homer area.

Near future improvements to parking lots to consider should include the paving of our high-use parking lots in order to improve space efficiency and the quality of the parking experience for the end-user in exchange for daily fee payments. Changes warranting reduction of boat trailer parking time limits and/or the implementation daily fee parking may be more aligned and reflective of current demand.

Finally, not-so-distant future issues to contemplate addressing congestion mitigation should include remote park & ride operations, public transit, and parking garages. These trends necessitate proactive planning and infrastructure improvements to accommodate the increasing demand for parking.

### *Conclusion*

The implementation of the UpSafety parking management software system represents a significant step forward in parking management, operations and growth on the Homer Spit. However, it also highlights various challenges and opportunities for improvement. Striking a balance between revenue generation, user satisfaction, and environmental responsibility will be crucial for the long-term success of parking management on the Homer Spit. Addressing inefficiencies, accommodating various user groups, and staying responsive to evolving trends will be essential in managing our unique parking needs.

# Business Analysis: Homer Spit Campground Operations

In 2023, the City Manager assigned the Port & Harbor responsibilities involving campground operations on the Homer Spit, including the Fishing Hole campground, Mariner Park campground, and the Tent Camp West beach site. This assignment comes with a complex array of responsibilities, staffing, equipment, budget considerations, and several challenges and concerns that need to be addressed. Let's analyze these components:

## Staffing Requirements:

1. **Parking Enforcement Officers:** Responsible for camp fee compliance, registration, servicing pay kiosks, and revenue collection.
2. **Harbor Assistants:** Responsible for grounds keeping and sanitation of the public fish cleaning station at the Fishing Hole campground.
3. **Port Maintenance:** Maintenance of gazebos, pavilions, and fish cleaning stations.
4. **Parks Staff:** Grounds keeping, brush removal, and lawn mowing.
5. **Public Works Equipment Operators:** Responsible for surface maintenance and drainage.
6. **Public Works Building Maintenance & Custodial:** Cleaning and maintenance of the Fishing Hole restroom.
7. **Campground Hosts:** Responsible for providing information to the general public.
8. **Port & Harbor Administrative Staff:** Responsible for revenue collection and expense tracking.
9. **Homer Police Department:** Enforcement as needed.
10. **Refuse & Sanitation Contractors:** Responsible for trash and sanitation services.

## Equipment Requirements:

1. **Parking Enforcement Vehicles**
2. **Pick-up Trucks & Carcass Trailers**
3. **Graders, Snow Plows & Sanders**
4. **Port Maintenance Trucks**
5. **Private Contractor Trash Dump Trucks**
6. **Luke II pay station kiosks & X-2 mobile enforcement devices**
7. **Lawn Mowers, Weed Whackers, Pressure Washers, and Paint Stripers**
8. **Signage & Delineation**
9. **Mariner Park Campground Host Trailer**
10. **Porta Potties & Handwash Stations**



11. **Trash Receptacles**
12. **Picnic Tables & Fire Rings**

### **Operating Expenses and Revenues:**

- **2023 YTD Camp Fee Revenues:** \$200,000 for RV & beach camping.
- **Estimated Total Operating Expenses:** \$63,700
- **Employee & Staffing Wages:** \$30,000
- **Utilities Expenses:** \$3,500
- **Vehicle Expenses:** \$4,000
- **Picnic Tables & Fire Rings:** \$3,000
- **Refuse, Sanitation, and Recycling:** \$5,000
- **Campground Hosts Stipends:** \$5,200
- **Cleaning Supplies:** \$2,000
- **T2 & UpSafety Software:** \$9,000
- **Signage:** \$2,000

### **Challenges and Concerns:**

1. **Land Designation:** Defining what land(s) are considered campgrounds and what land(s) are parks.
2. **Responsibilities:** Clarifying the responsibilities of Port & Harbor, Parks, and Public Works within campgrounds and parks.
3. **Tariff Updates:** Identifying campground land use, rules, and user fees/rates.

### **Budget:**

Developing a budget for Port & Harbor's campground operations, which should cover revenues, employee wages, equipment, operating and maintenance expenses, and fixed infrastructure and capital investments.

### **Capital Improvements:**

Consider the 2024 Homer Spit Campgrounds Renovations provided in the COH's capital improvement plan. This project was identified by Public Works and its Park's division.

Should future campground capital improvement projects be funded by the port & harbor enterprise?

### **Marine Repair Facility vs. Campground:**

Determining the future of the portion of the Fishing Hole (Pier 1 Theatre East) campground that also serves as the Marine Repair Facility.

### **Bottom Line Analysis:**

What is the minimum acceptable profit margin that justifies Port & Harbor's involvement in campground operations? The time and resources dedicated to campgrounds should be weighed against the core responsibilities of Port & Harbor.

In summary, the management of campgrounds on the Homer Spit involves a diverse set of interdepartmental responsibilities, resource allocation, and potential for revenue generation. To make this endeavor successful, it's crucial to address the challenges, establish clear departmental responsibilities, and determine the financial viability and impact on core Port & Harbor operations.



## Homer Spit Campground Renovations

**Project Description and Benefit:** The Mariner Park and Fishing Hole campgrounds are situated on the Homer Spit. Their waterfront locations and close proximity to recreational activities and visitor support services make the campgrounds very popular with both Alaskans and out-of-state visitors. City campgrounds are heavily used in the summer and shoulder seasons, hosting over roughly 20,000 campers annually and generating up to \$200,000 in revenue through camping fees.

The campgrounds are primitive. Campers use porta potties and have no means of hand washing. Campsites are pot holed, poorly marked and without tent pads. Many lack picnic tables and fire rings.

This renovation project greatly improves the camping experience and makes it easier to maintain the campgrounds to a higher standard of cleanliness and safety. Renovations include installing hand wash stations, grading campgrounds, delineating and labeling campsites, developing tent pads in tent camping areas and installing picnic tables and fire rings at sites that currently lack these basic amenities. Mariner Park Campground would also benefit from landscaping.

Completing these renovations bring the campgrounds to a minimum standard to keep them healthy, attractive and competitive. Visitors have a choice of where to stay on the Kenai Peninsula. We anticipate these upgrades will attract new visitors and motivate existing visitors to extend their stays or come back. Summer and shoulder season visitors contribute significantly to Homer's overall economy through their patronage of local businesses throughout their stay.

**Plans and Progress:** This project is 80% shovel ready.

**Total Project Cost:** \$95,000

Mariner Park Campground	\$50,000
Fishing Hole Campground	\$45,000

**Schedule:** 2025-2026

**Priority Level:** 2



Mariner Campground at the base of the Homer Spit.