Homer City Hall



491 E. Pioneer Avenue Homer, Alaska 99603 www.cityofhomer-ak.gov

City of Homer Agenda

City Council Regular Meeting Monday, May 24, 2021 at 6:00 PM

City Hall Cowles Council Chambers via Zoom Webinar

Dial: +1 669 900 6833 or +1 253 215 8782 or Toll Free 877 853 5247 or 888 788 0099 Webinar ID: 205 093 973 Password: 610853

CALL TO ORDER, PLEDGE OF ALLEGIANCE

Councilmember Evensen requests excusal, timely notice was given.

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

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- <u>a.</u> Homer City Council Unapproved Meeting Minutes for May 10, 2021. City Clerk. Recommend adoption.
- <u>b.</u> Memorandum 21-078 from Mayor Re: Appointment to the Economic Development Advisory Commission. Recommend approval.
- <u>c.</u> Memorandum 21-079 from Special Projects and Communications Coordinator Re: 2022-2027 Capital Improvement Plan and FY23 Legislative Request Development Schedule. Recommend approval.
- d. Ordinance 21-29, An Ordinance of the City Council of Homer, Alaska Amending HCC 2.08.030 to Designate Seats for Council Members Elected at Large from within the Boundaries of the City, and HCC 4.35.020 Votes Required to Amend the Percentages of Votes Required to be Elected. Smith/Hansen-Cavasos. Recommended dates Introduction May 24, 2021, Public Hearing and Second Reading June 14, 2021.

Memorandum 21-080 from Councilmembers as backup

- e. Ordinance 21-30, An Ordinance of the City Council of Homer, Alaska Transferring Account Allowances within Fund 156 Capital Asset Repair and Maintenance Allowance Fund. Mayor/City Manager. Recommended dates Introduction May 24, 2021 Public Hearing and Second Reading June 14, 2012.
- f. Ordinance 21-31, An Ordinance of the City Council of Homer, Alaska Removing the Homer Water and Sewer Program Funds from the Special Utility Fund and Creating a new Fund Account. Mayor. Recommended dates Introduction May 24, 2021 Public Hearing and Second Reading June 14, 2021
- g. Ordinance 21-32, An Ordinance of the Homer City Council Appropriating Funds for the Fiscal Years 2022 and 2023 for the General Fund, the Water Fund, the Sewer Fund, the Port/Harbor Fund, and Internal Service Funds. City Manager. Recommended dates Introduction May 24, 2021, Public Hearing June 14 and 28, Second Reading June 28, 2021. To be included in supplemental packet
- h. Resolution 21-035, A Resolution of the City Council of Homer, Alaska Approving a Lease Assignment from Harbor Enterprises LLC to Tackle Shack Co. LLC and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents for a 20 year Lease with Options for Two Consecutive Five Year Renewals for a Portion of Lot 5, as shown on the Subdivision Plat Entitled Homer Spit Field as Amended, Plat Number 89-34 at an Initial Rate of \$4925.46. City Manager. Recommend adoption.

Memorandum 21-081 from Port Commission as backup

- <u>i.</u> Resolution 21-036, A Resolution of the City Council of Homer, Alaska Establishing the City of Homer Property Tax Mill Levy at 4.5 Mills for 2021. City Clerk. Recommend adoption.
- j. Resolution 21-037, A Resolution of the City Council of Homer, Alaska Establishing the Ocean Drive Loop Special Service District Mill Rate of 9.962541 Mills for 2021. City Manager. Recommend adoption.

Memorandum 21-082 from City Manager as backup

<u>k.</u> Resolution 21-038, A Resolution of the City Council of Homer, Alaska Amending the Homer Fee Schedule Under City Clerk Fees and Planning and Zoning Fees. City Clerk. Follows Ordinance 21-32.

Memorandum 21-083 from City Clerk as backup

Resolution 21-039, A Resolution of the City Council of Homer, Alaska Amending the Homer Tariff No. 1 under Rule 26-Fish Dock Rates, Rule 35-Upland Storage, and Rule 35-Fish Disposal/Grinding and Fees. City Manager/Port Director. Follows Ordinance 21-32.

Memorandum 21-084 from City Clerk as backup

VISITORS

a. Unified Command Report (20 minutes)

ANNOUNCEMENTS / PRESENTATIONS / REPORTS (5 Minute limit per report)

- a. Committee of the Whole Report
- b. Mayor's Report
- c. Borough Report
- d. Planning Commission
- e. Economic Development Advisory Commission
- f. Parks Art Recreation and Culture Advisory Commission
- g. Americans with Disabilities Act Compliance Committee
- h. Public Safety Task Force

PUBLIC HEARING(S)

<u>a.</u> Tasmania Court Sewer Special Assessment District

Memorandum 21-085 from Public Works Director as backup

ORDINANCE(S)

CITY MANAGER'S REPORT

<u>a.</u> City Manager's Report

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

COMMENTS OF THE CITY CLERK

COMMENTS OF THE CITY MANAGER

COMMENTS OF THE MAYOR

COMMENTS OF THE CITY COUNCIL

ADJOURNMENT

Next Regular Meeting is Monday, June 14, 2021 at 6:00 p.m., 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.

Session 21-012 a Regular Meeting of the Homer City Council was called to order on May 10, 2021 by Mayor Ken Castner at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBER ADERHOLD, HANSEN-CAVASOS, LORD, SMITH, VENUTI

ABSENT: COUNCILMEMBER EVENSEN (excused)

STAFF: CITY MANAGER DUMOUCHEL

CITY CLERK JACOBSEN

PUBLIC WORKS DIRECTOR KEISER FINANCE DIRECTOR WALTON HARBORMASTER HAWKINS

PERSONNEL DIRECTOR BROWNING

CITY ATTORNEY GATTI

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

Mayor Castner announced Supplemental items including Memorandum 21-076 from the City Manager provided as backup to Ordinance 21-28 authorizing a transfer from the general fund fund balance to the general account within the CARMA Fund and Resolution 21-034 consolidating the CARMA and Reserve fund accounts, and Resolution 21-033(S) acknowledging the Surplus Equipment Bid Results for the Sale of Homer Harbor Surplus Equipment from the Derelict Vessel North Pacific.

LORD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED AND TO PULL RESOLUTION 21-034 FROM THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

MAYORAL PROCLAMATIONS AND RECOGNITIONS

PUBLIC COMMENT ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA (Items listed below will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- a. Homer City Council Unapproved Meeting Minutes for April 26, 2021. City Clerk. Recommend adoption.
- b. Memorandum 21-072 from Deputy City Clerk Re: Liquor License Renewal for Wild Honey Bistro. Recommend approval.
- c. Memorandum 21-073 from City Clerk Re: Vacation of a Portion of Hough Road, a 60 foot right-of-way including adjoining utility easements, as dedicated on Stream Hill Park Unit 1 Plan HM 2006-54 and Christensen Tracts No. 3, Phat HM 2003-90. Recommend approval.
- d. Ordinance 21-28, An Ordinance of the City Council of Homer, Alaska Amending the FY21 Capital Budget Authorizing a Transfer of \$247,181 from General Fund Fund Balance to the "General" Account within the General Fund Capital Asset and Maintenance Allowance Fund. City Manager/Finance Director. Recommended dates Introduction May 10, 2021 Public Hearing and Second Reading May 24, 2021

Memorandum 21-076 from Finance Director as backup

Moved to Ordinances a. Aderhold.

e. Resolution 21-030, A Resolution of the City Council of Homer, Alaska Initiating a Special Assessment District for the Charles Way/Bunnell Avenue Water and Sewer Improvements. Recommend adoption.

Memorandum 21-070 from Public Works Director as backup

f. Resolution 21-031, A Resolution of the City Council of Homer, Alaska Awarding the Contract for Prisoner Meals at the Homer Jail to Homer Senior Citizens, Inc. of Homer, Alaska in the amount of \$8.50 for Breakfast, \$8.50 for Lunch, and \$8.50 for Dinner per day/per inmate, with a Delivery Fee of \$5 per Trip, and Authorizing the City Manager to Execute and Negotiate the Appropriate Documents. City Clerk. Recommend adoption.

Memorandum 21-074 from Police Chief as backup

g. Resolution 21-032, A Resolution of the City Council of Homer, Alaska Awarding the 2021 Septic Pumping Contract to the firm of Alaska Quality Septic, LLC, of Eagle River, Alaska in the amount of \$29,876 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Clerk. Recommend adoption.

Memorandum 21-075 from Public Works Inspector as backup

Item d. moved to Ordinances item a. Aderhold.

City Clerk Jacobsen read the consent agenda and its recommendations.

LORD/VENUTI MOVED TO ADOPT THE CONSENT AGENDA AS READ

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

a. Unified Command Report (20 minutes)

Public Health Nurse Lorne Carroll reported statewide rates are down a little bit as compared to last month. Alaska is close to about 600,000 dosed of vaccine administered, so were doing well, 48% of Alaskans have completed the vaccine series. Juneau is over 70% vaccinated, Kenia Peninsula Borough is at about 41% vaccinated. The positivity rate is 1.76% over the past few weeks, the goal is below 5% so we're doing well. There's and emergency use authorization for Pfizer vaccine for kids 12-15, the CDC will vote next week whether this is a good idea for the age range. He reviewed what is considered in making the determination. An implication of the authorization could be an overnight immediate demand for the vaccine, and it's about 4% of the peninsula. The Sleeves Up campaign is going great and Public Health Nurses are teaming up two South Peninsula Hospital Nurses to travel to Seldovia and give vaccinations to some of the residents who haven't been able to get to other venues.

South Peninsula Hospital (SPH) Public Information Officer (PIO) Derotha Ferraro reported the hospital testing site is at 1.8% positivity rate since May 1st. On the Southern Kenai Peninsula there's been 14 positive cases in the last 14 days. There have been no COVID hospitalizations since early March and Long Term Care Visitation has relaxed even more due to low rates on the peninsula. They've administered 6847 vaccine doses. She reviewed the most recent pop up event at the Harbor and upcoming events at the high school. She also reviewed vaccination opportunities available daily from noon to 5:00 p.m. at the SPH Vaccination and Testing Clinic, and testing from 10:00 a.mm to 5:00 p.m. no appoint needed for either service. She shared that it's National Hospital week and gave a shout out to all of her co-workers and volunteers at the hospital. In addition to pandemic response these wonderful people have managed to assist with birthing babies, surgeries, PT visits, family care, sleep studies, and all kinds of things over the last year.

City of Homer PIO Jenny Carroll shared her appreciation for all the nurses and hospital staff who have gone above and beyond this year to be there for the community. The Sleeves Up campaign goal is to increase the number of people fully vaccinated against COVID-19 by 25% statewide by the end of May, and the idea is to put the pandemic behind us as far as we can so

we can go into a strong active summer. Since the campaign began statewide the percentage of Alaskan's vaccinate has increased to 52%, a 13% progress toward the state's goal. We don't have numbers specific to the Southern Kenai Peninsula or Homer, but the peninsula as a whole has progressed 11% toward the goal. She thanked the state for their support in increasing local outreach, and reviewed what that will entail.

b. Alaska Redistricting Process and Status - Peter Torkelson, Executive Director, Alaska Redistricting Board (15 minutes)

Peter Torkelson, Executive Director of the Alaska Redistricting Board, provided a brief overview of the 1998 ballot initiative that changed the Constitutional and the way lines are drawn for voting districts. The Governor, Speaker of the House, Senate President, and Chief Justice each appoint one member to an independent board and anyone who serves on the board and draws new lines, cannot run for legislative office in the following election. Board members are Melanie Bahnke, John Binkley, Nicole Borromeo, Bethany Marcum, and Budd Simpson. Mr. Torkelson reviewed the reason for redistricting, the process by which it's done, public noticing, and the challenges they're facing with the delays in receiving the data from the Census. More information is available at www.akredistrict.org

ANNOUNCEMENTS / PRESENTATIONS / REPORTS (5 Minute limit per report)

a. Committee of the Whole Report

Councilmember Lord reported Council discussed Ordinance 21-28 and Resolution 21-034 both regarding the city's CARMA funds and different paths forward for dealing negative balances within the fund. They also discussed the draft operating budget that was provided in the supplemental packet.

b. Mayor's Report

Mayor Castner shared about his help in dealing with an issue at the Second Star that received a cease and desist notice from the Fire Marshall after being incorrectly classified as a hotel. They had to send cancellations out to parties who had booked weddings and family reunions. People started calling the Governor, who referred them to him, as the Mayor. He was able to work with an architect to get appropriate information to the Fire Marshall and Second Star was able to re-open.

c. Borough Report

Assembly member Lane Chesley reported on progress being made between Mayor Pierce and the School District on getting the funding issues surrounding the new Kachemak Silo School resolved. Mayor Pierce and administration are working on a coordinated response to address Spruce Bark Beetle problems on the Kenai Peninsula, they've reached out to Congressman Young and Senators Murkowski and Sullivan about a \$35 billion request to help address

mitigation efforts. The Assembly's budget process is underway and they considered the school board funding floor that's starting at \$45 million, and they'll be working toward \$48 million through the budget process. He reviewed their budget process and noted he's still looking for guidance from the Council regarding funding requests for assistance with the cost of dumpsters around the harbor. There was brief discussion with the City Manager and Councilmembers and no direct was given.

d. Library Advisory Board

Library Advisory Board Chair Marcia Kuszmaul reported on the Library's updated hours and recognized Claudia Haines for her work as the Children's Librarian. The new security cameras are installed and the Friends of the Homer Library have been awarded a grant to assist with planning trail upgrades on the western lot. Registration for the summer reading program opens May 15th. The Fish Wall outside the Library will be reactivated to recognize donors, she thanked Moose Run Metal Smiths for producing more fish. They updated their 2021 goals and are focusing on the planned giving program, advocating for the library budget locally and through the state for the Statewide Library Electronic Doorway (SLED) program, and to work with Director Berry to improve services to remote parts of our library service area. They welcomed new member Mike McKinney and Student Representative Frida Renner has completed her term.

- e. Planning Commission
 - i. Report for the Worksession & Regular Meeting on May 5, 2021
- f. Port & Harbor Advisory Commission

A written report in the supplemental packet.

- g. Public Works Campus Task Force
 - i. Memorandum Re: Risk Catalogue and Evaluation

Councilmember Venuti reported the Task Force reviewed the draft memorandum to the council and discussed the risk evaluation and mitigation table that are in tonight's council packet. There was great discussion about the struggle to relay the cost of mitigation and how best to present it. It was explained the urgent issue if there was a tsunami would be the destruction of the equipment and what's needed to repair the equipment. At their next meeting they'll be presented with information about criteria necessary for a suitable public works campus. It was approved for Public Works Director Keiser to seek assistance to determine the variables for a Public Works Campus.

Council addressed concerns that were raised about spending being done at the request of the task force without council approval. It was explained that the funds being used for determining variables are existing funds in the Public Works professional services account.

PUBLIC HEARING(S)

a. Ordinance 21-24, An Ordinance of the City Council of Homer, Alaska Accepting Grant Funds from the State of Alaska Department of Health and Social Services for Distribution of COVID-19 Vaccines, as well as other COVID-19 Related Recovery and Prevention Strategies and Approving a Memorandum of Agreement. City Manager. Introduction April 26, 2021 Public Hearing and Second Reading May 10, 2021

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-24 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

In response to questions, Special Projects and Communications Director Carroll explained the funding will be used to support personnel, supplies, and equipment for the point of dispensing vaccination events. It's also being used for a contract for assistance for PIO assistance regarding vaccine opportunities. It's available for expenses from March 15, 2021 through March 30, 2022.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

b. Ordinance 21-25, An Ordinance of the City Council of Homer, Alaska Amending the FY21 Capital Budget by Accepting and Appropriating the FY21 State of Alaska Community Assistance Program Payment in the Amount of \$76,842.94 to the Fire Capital Asset Repair and Maintenance Allowance (CARMA) Fund and Authorizing the Expenditure of up to \$260,000 from the Fire CARMA fund to Replace the Fire Department's Self Contained Breathing Apparatus System. Introduction April 26, 2021 Public Hearing and Second Reading May 10, 2021

Memorandum 21-069 from Fire Chief as backup

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-25 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was discussion confirming the expenditure is additional funds to what's been appropriated. The funding is for SCBA 34 units, one for every riding position on a fire truck.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

c. Ordinance 21-27, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code Title 14.08.040 to create a Process for Waiving the Requirement that Property be connected to City Sewer as a Condition Precedent to be connected to City Water. City Manager. Introduction April 26, 2021 Public Hearing and Second Reading May 10, 2021

Memorandum 21-071 from Public Works Director as backup

Mayor Castner opened the public hearing. There were no comments and the hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 21-27 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There were comments in support of this amendment to code. It's a well thought out approach to doing things like this.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Castner called for a break at 7:33 p.m. and called the meeting back to order at 7:43 p.m.

ORDINANCE(S)

a. Ordinance 21-28, An Ordinance of the City Council of Homer, Alaska Amending the FY21 Capital Budget Authorizing a Transfer of \$247,181 from General Fund Fund Balance to the "General" Account within the General Fund Capital Asset and Maintenance Allowance Fund. City Manager/Finance Director. Recommended dates Introduction May 10, 2021 Public Hearing and Second Reading May 24, 2021

Memorandum 21-076 from Finance Director as backup

LORD/VENUTI MOVED TO INTRODUCE ORDINANCE 21-28 BY READING OF TITLE ONLY.

Councilmember Lord noted Council discussed this at Committee of the Whole and expressed support for introducing tonight and having further discussion on option 1 in the manager's Memorandum 21-076.

Councilmember Smith doesn't support taking the funds out of the general account and would prefer seeing transfers made within the CARMA account to get rid of the negative number instead.

Councilmember Aderhold shared her preference toward alternative 3 in the memorandum as it takes a slower approach to looking at overall CARMA policy and making changes that way. She's struggling with a path forward and if it's introduced tonight she requests another memorandum that outlines what that path might look like for alternative 3. She doesn't support the ordinance as written but does see it as a pathway to where they want to go.

Mayor Castner doesn't think this ordinance can be easily amended and is willing to introduce an ordinance that would ask for pro-rata deductions from the exiting accounts to bring it into balance and remove the negative number. By reducing each of them a commensurate amount, depending on their balance, we can eliminate the negative number and still leave all the little accounts in place. It accomplishes the CARMA funds pay for the CARMA deficit and we don't take it out of the general fund.

Council continued discussion of the ordinance, needs in dealing with the CARMA account, and the alternatives proposed in Memorandum 21-076.

VOTE: NO: VENUTI, SMITH, ADERHOLD, LORD, HANSEN-CAVASOS

Motion failed.

CITY MANAGER'S REPORT

a. City Manager's Report

City Manager Dumouchel welcomed new Assistant to the City Manager Christine Drais to the team and thanked Deputy Clerk Tussey for picking up some of the duties in the interim. He noted the draft Technology Plan and efforts toward promoting five year planning and institutionalize the transparency of thought throughout all departments.

Councilmember Lord shared she's been receiving a lot comments about the Skate Park and encouraged continued work on an MOU for improvements. She also noted Karen Hornaday Park Road is in really bad shape and it's a concern that's also been expressed to her. City Manager Dumouchel responded he's also heard about the road and it's on Public Work's radar.

Regarding the Skate Park, the Parks Superintendent has done some outreach and he thinks they're getting close.

Councilmember Venuti asked if there's a phone number for people to call since several of the roads aren't city roads. City Manager Dumouchel said he'd check into that.

PENDING BUSINESS NEW BUSINESS

RESOLUTIONS

a. Resolution 21-033, A Resolution of the City Council of Homer, Alaska Acknowledging the Surplus Equipment Bid Results for the Sale of Homer Harbor Surplus Equipment from the Derelict Vessel North Pacific. City Clerk.

Resolution 21-033(S), A Resolution of the City Council of Homer, Alaska Acknowledging the Surplus Equipment Bid Results for the Sale of Homer Harbor Surplus Equipment from the Derelict Vessel North Pacific. City Clerk.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 21-033 BY READING OF TITLE ONLY.

LORD/ADERHOLD MOVED TO SUBSTITUTE RESOLUTION 21-033(S) FOR 21-033.

There was no discussion on the motion to substitute.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT.

There was no discussion on Resolution 21-033(S)

VOTE (main motion): NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

b. Resolution 21-034, A Resolution of the City Council of Home, Alaska Consolidating the Capital Asset Repair and Maintenance Allowance/Reserve Fund Accounts. Mayor.

Pulled under agenda approval.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY ATTORNEY

City Attorney Gatti commented the Department of Transportation has a pothole reporting number on its website that he sent to the City Manager and Public Works Director.

COMMENTS OF THE CITY CLERK

City Clerk Jacobsen had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Dumouchel had no comment.

COMMENTS OF THE MAYOR

Mayor Castner had no comment.

COMMENTS OF THE CITY COUNCIL

Councilmember Venuti commented she won the CSA box in the Homer Council on the Arts (HCOA) raffle and she'll be sharing it with friends. She shared that HCOA also has plans for Mary Epperson Week in June, and congratulated Kenai Peninsula College Graduates and Homer High Class of 2021 at their graduation next week. She encouraged Homer to continue to mask up and get vaccinated. Anyone who has a private question about vaccinations can call the Public Health Nurses at 2352-8857 or 235-0235 to talk to a nurse at the hospital.

Councilmember Hansen-Cavasos agreed it's a short window of time at the Skate Park and it's sorely in need of help and updates. She's on board with whatever it takes to support it.

Councilmember Lord commented that next time we meet, along with both graduations being done, all the kids will be out of school for the summer. Great job to students, parents, teachers, and staff everywhere, it's been a heck of a year. She said a huge personal thank you to Claudia Haines as the Children's library, she's been amazing with children's programs, and a treasure at the library.

Councilmember Aderhold reminded listeners if they're interested in getting involved with how the city works, being on a commission, committee, or task force is a great way to do that. There's a vacancy on the ADA Compliance Committee, it's a fun committee to work on because we're starting to affect change related to ADA compliance within the city. There's also a vacancy on the Public Works Building Task Force.

Councilmember Smith wished everyone a great evening.

ADJOURNMENT

There being no further business to come before the Council Mayor Castner adjourned the meeting at 6:00 p.m. The next Regular Meeting is Monday, May 24, 2021, at 6:00 p.m. Committee of the Whole at 5:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

HOMER CITY COUNCIL REGULAR MEETING MAY 10, 2021
Melissa Jacobsen, MMC, City Clerk

Approved:



Office of the Mayor 491 East Pioneer Avenue

491 East Pioneer Avenue Homer, Alaska 99603

mayor@ci.homer.ak.us (p) 907-235-3130 (f) 907-235-3143

Memorandum 21-078

TO: HOMER CITY COUNCIL

FROM: MAYOR CASTNER

DATE: MAY 19, 2021

SUBJECT: APPOINTMENT OF GEORGE HALL TO THE ECONOMIC DEVELOPMENT

ADVISORY COMMISSION

George Hall is appointed to the Economic Development Advisory Commission to fill the seat vacated by William Richardson. Mr. Hall's term will expire April 1, 2024.

Recommendation

Confirm the appointments of George Hall to the Economic Development Advisory Commission.





Office of the City Clerk

MAY 10 2021 PM04:00

491 East Pioneer Avenue Homer, Alaska 99603

clerk@cityofhomer-ak.gov Phone: (907) 235-3130

Fax: (907) 235-3143



Applicant Information

Advisory Body Application For Appointment to **Committees, Commissions, Board** & Task Forces

The Information provided on this form will provide the basic information to the Mayor and City Council on your interest in serving on the selected Advisory Body. It is considered public and will be included in the City Council meeting packet. This information will be published in the City Directory and within city web pages if you are appointed by the Mayor and your appointment is confirmed by the City Council.

Corner 1/11
Full Name: OEORGE HALL
Physical Address Where you Claim Residency: 370 Crestwood Civale
Mailing Address: POBOX 90Z
City: HOMEIZ State: AK Zip: 99603
Phone Number(s): 907-435-0421
Email: GHALLIIR @ GMAIL-COM
Advisory Body You Are Requesting Appointment To
☐ Planning Commission – Held on the first and third Wednesday of each month at 6:30 p.m. and Worksessions at 5:30 p.m. prior to each meeting. There is no first Regular Meeting in July or second Regular Meetings in November and December ☐ Parks, Art, Recreation & Culture Advisory Commission – Held on the third Thursday February through June and August through November at 5:30 p.m. ☐ Port & Harbor Advisory Commission – Held on the fourth Wednesday of the following months: January, February, March, April, September, October, and December at 5:00 p.m.; and May, June, July, and August at 6:00 p.m. ☐ Economic Development Advisory Commission – Held on the second Tuesday of each month at 6:00 p.m.
September, October, November, and December at 5:30 p.m.
□ Other – Please Indicate
Please Answer the Following
Are you a City Resident? Resident? No If yes, how long have you been a City resident? 3+ yrs
How long have you been a resident of the South Penin: 17 rea?

Background Information
Have you ever served on a similar advisory body? If so please list when, where, and how long:
Homer Chamber Of Commerce Board of Director
Please list any current memberships or organizations you belong to related to your selection(s):
Please list any special training, education, or background you may have which is related to your selection(s):
Mastos in Business Admin
Chief Executive of several High Tech Companies
Why are you interested in serving on the selected Advisory Body? This may include information on future goals or projects you wish to see accomplished or any additional information that may assist the Mayor in the decision making process. You may attach an additional page if needed.
The economic health and growth of Home
Lam an and proponent of the movine trace and the Honer part expansion
and the Honer part expansion
,
FOR PLANNING COMMISSION ONLY:
Have you ever developed real property other than a personal residence? If yes, briefly explain:
FOR PORT & HARBOR ADVISORY COMMISSION ONLY:
Do you use the Homer Port and/or Harbor on a regular basis?
If yes, what is your primary use?



(p) 907-235-8121

(f) 907-235-3140

Memorandum 21-079

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: JENNY CARROLL, SPECIAL PROJECTS AND COMMUNICATIONS COORDINATOR

DATE: MAY 12, 2021

SUBJECT: 2022-2027 CIP; FY2023 LEGISLATIVE REQUEST DEVELOPMENT SCHEDULE

Please see the attached schedule for developing the 2022-2027 Capital Improvement Plan (CIP). The schedule is set up to engage Department heads, advisory commissions, local non-profit organizations and agencies in the process of recommending, updating and prioritizing projects for inclusion in the 2022-2027 CIP.

Afterward, I will compile the public's recommendations into a draft CIP for your consideration at an August 23, 2021 worksession and eventual approval at the September 27, 2021 City Council meeting.

City Council approval of the CIP development schedule is the first step in the process.

Recommendation: Approve 2022-2027 CIP Schedule and FY2023 Legislative Request Development Schedule.



FY 2023 LEGISLATIVE REQUEST DEVELOPMENT SCHEDULE

ACTION TIMEFRAME

City Council Approval of CIP Schedule	May 24, 2021
Solicit New/Revised Project Information from City Departments, Local Agencies and Non-profits	May 27, 2021
Input for New Draft Requested By	June 30, 2020
Prepare and Distribute Draft CIP to City Advisory Groups for Review and Input:	Meeting Dates:
Planning Commission	August 4 & 18
Parks, Art, Recreation & Culture Advisory Commission	August 19
Port & Harbor Advisory Commission	July 28, August 25
Economic Development Advisory Commission	August 10
ADA Compliance Committee	July 8
Administrative Review and Compilation	August 12 - August 19
City Council Worksession to Review Proposed Projects	August 23
Introduction of Resolution on CIP-Legislative Request Public Hearing on CIP-Legislative Request	September 13
Public Hearing on CIP-Legislative Request Adoption of Resolution by City Council	September 27
Administration Forwards Requests for Governor's Budget	October 8
Distribution of CIP & State Legislative Request	October 8
Compilation/Distribution of Federal Request	October 2021 & January 2022

ORDINANCE REFERENCE SHEET 2021 ORDINANCE ORDINANCE 21-29

An Ordinance of the City Council of Homer, Alaska Amending HCC 2.08.030 to Designate Seats for Council Members Elected at Large from within the Boundaries of the City, and HCC 4.35.020 Votes Required to Amend Percentages of Votes Required to be Elected.

Sponsor: Smith/Hansen-Cavasos

1. City Council Regular Meeting May 24, 2021 Introduction

Memorandum 21-080 from Councilmembers as backup

1 2	CITY OF HOMER HOMER, ALASKA
3	Smith/
4	Hansen-Cavasos
5	ORDINANCE 21-29
6	
7	AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
8	AMENDING HCC 2.08.030 TO DESIGNATE SEATS FOR COUNCIL
9	MEMBERS ELECTED AT LARGE FROM WITHIN THE BOUNDARIES
10	OF THE CITY; AND HCC 4.35.020 VOTES REQUIRED TO BE ELECTED
11	TO AMEND THE PERCENTAGE OF VOTES REQUIRED TO BE
12	ELECTED.
13	
14	WHEREAS, Elections are the bedrock of our Representative Republic; and
15	
16	WHEREAS, Recent efforts by the State of Alaska, the Kenai Peninsula Borough and the
17	City of Homer have been made to improve elections; and
18	WIEDERG TILL III III III III III III III III II
19	WHEREAS, The election process should promote that the electorate cast every vote
20	afforded them; and
21	WITEDEAC Fook yets cost at the hellet should count the same in year act to the cost it
22	WHEREAS, Each vote cast at the ballot should count the same in respect to the seat it is cast to fill; and
23 24	is cast to fill, and
2 4 25	Whereas, By providing more choice to Homer residents there may be more interest in
26 26	seeking public office.
27	Seeking public office.
28	NOW, THEREFORE, THE CITY OF HOMER ORDAINS:
29	,,
30	Section 1. Homer City Code 2.08.030 is hereby amended as follows:
31	
32	2.08.030 Composition of governing body – Terms of office.
33	
34	a. The governing body of the City of Homer shall consist of six Council members, two of whom
35	are elected at large each year for three-year terms and until a successor qualifies.
36	
37	b. Each council seat shall be a specifically designated seat, i.e., A, B, C, D, E and F. Initially,
38	designated seats shall be assigned by means of a drawing to be held following the
39	adoption of this section.
40	
41	c. Thereafter, each candidate for the office of council member shall file for, and if elected,
42	occupy a specifically designated seat as listed in subsection B of this section.

b d. The Mayor shall be elected for a two-year term and until a successor qualifies.

 $\epsilon \underline{\mathbf{e}}$. A person so elected to office under this chapter shall take office at the first regular Council meeting following the election, immediately after the final certification of that election, except that when HCC 4.40.010(c)(3) applies, the person shall take office at the first regular Council meeting following the runoff election, immediately after the certification of that election. [Ord. 16-01(A)(S) § 1, 2016; Ord. 90-22, 1990. Code 1981 § 1.24.030].

Section 2. Homer City Code 4.35.020 is hereby amended as follows:

4.35.020 Votes required to be elected.

The number of candidates for an office equal to the number of vacancies to be filled who receive the highest number of votes for the office shall be elected; provided, that:

a. To be elected to the office of Mayor or <u>and</u> to fill a specific vacant council seat, a candidate must receive at least the plurality of the votes cast for that seat. The plurality of the vote that is required for a candidate to be elected to the office of Mayor or to fill a specific vacant council seat shall be based on the number of qualified candidates who filed declarations of candidacy that remain in effect on the date of the election as follows:

Number of <u>Mayoral</u>		
or Council	Percentage of	
candidates	vote	
Less than five	40%	
Five or more	35%	

b. To be elected to the Council, a candidate must receive at least the plurality of the total votes cast for all candidates for Council. The plurality of the vote that is required for a candidate to be elected to the Council shall be based on the number of qualified candidates who filed declarations of candidacy that remain in effect on the date of the election as follows:

Number of candidates	Percentage of vote
Less than five	20%
Five or more	17.5%

74 75	c. When filling a vacancy under HCC 2.0	8.050 the following sections will apply:
76	1. For a single vacant Council se	at or a vacancy in the office of Mayor, votes will be
77	counted according to subsection	
78	G	
79	2. For two vacant Council seats t	that are vacated with different terms, votes will be
80	counted according to subsection	n (a) of this section.
81	-	
82	3. For two vacant Council seats t	that are vacated with the same term, votes will be
83	counted according to subsection	n (b) of this section.
84		
85	Section 3. This Ordinance is of a	permanent and general character and shall be included
86	in the City Code.	
87		
88	ENACTED BY THE CITY COUNCIL	OF HOMER, ALASKA, this 14 th day of June, 2021.
89		
90		CITY OF HOMER
91		
92		
93		KEN CASTNER, MAYOR
94	ATTEST:	
95		
96		
97	MELISSA JACOBSEN, MMC, CITY CLERK	
98	VEC.	
99	YES:	
100	NO:	
101	ABSTAIN:	
102	ABSENT:	
103 104	First Reading:	
104	Public Hearing:	
105	Second Reading:	
100	Effective Date:	
	LIICCLIVE DULE.	



Homer City Council

491 East Pioneer Avenue Homer, Alaska 99603

(p) 907-235-3130

(f) 907-235-3143

Memorandum 21-080

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: COUNCILMEMBERS SMITH AND HANSEN-CAVASOS

DATE: MAY 19, 2021

SUBJECT: DESIGNATED COUNCIL SEATS

There have been a number of recent efforts to improve all facets of elections here within the State of Alaska. We bring forward a proposal that has surfaced among various circles of the community that believe this change will enhance our council election process.

In past elections, some factions have sought to game the system by advocating "Vote for One" when two seats were up for election and multiple candidates were on the ballot. The idea being that by withholding a second vote it increases the electoral chance of the candidate favored by their voting block.

In the 'all candidates for any seat' type elections we now have, there is always a chance that your second vote will supersede your vote for your most preferred candidate.

By having choices between candidates for a specific council seat, the electorate will have a clear focus on the choices before them and can cast votes for each open seat without fear their 'second' vote will hinder their first.

From a candidates perspective, there will be a clear choice reflecting who they may prefer to serve with, rather than taking a chance their candidacy could work against someone they believe well serves the community.

This proposed change also alleviates any potential confusion on who fills what seat should there be a runoff, or contested, election for one of the seats to be filled.

This would follow the process that the City of Soldotna uses. There are no areas or districts associated with the seats and will continue on the same three year cycle as we currently have adopted.

ORDINANCE REFERENCE SHEET 2021 ORDINANCE ORDINANCE 21-30

An Ordinance of the City Council of Homer, Alaska Transferring Account Allowances within Fund 156 Capital Asset Repair and Maintenance Allowance Fund.

Sponsor: Mayor/City Manager

1. City Council Regular Meeting May 24, 2021 Introduction

1 2 3		CITY OF H HOMER, A		Mayor/City Manager
4	ORDINANCE 21-30			
5				
6			OUNCIL OF HOMER, WANCES WITHIN FU	•
7 8			ENANCE ALLOWANCE	
9	CHITTLETIO		EIV/IIVCE / IEEO V// IIVCE	10110.
10	WHEREAS, The Cap	ital Asset Repair and	Maintenance Allowanc	e Fund (CARMA) Fund
11	(Fund 156) contains an acc	ount that has a negati	ve value; and	
12				
13	,	the negative balance re	equires a reapportionm	ent of accounts within
14 15	the Fund.			
16	NOW, THEREFORE, THE CIT	TY OF HOMER ORDAINS	S:	
17	,		•	
18	Section 1. The follo	wing transfers be made	e into Fund 156-0375, (General:
19				
20	Transfer from:			
21	<u>Account No.</u>	<u>Description</u>	<u>Amount</u>	
22	156 0267	Public Art	¢172	
23 24	156-0367 156-0370	Animal Shelter	\$172 \$19,400	
25	156-0384	City Hall	\$35,370	
26	156-0385	Parks & Recreation	\$70,230	
27	156-0388	Airport	\$56,295	
28	156-0390	Library	\$173,163	
29	156-0393	Fire	\$9,100	
30	156-0394	Police	\$39,753	
31	156-0395	Public Works	\$176,720	
32	156-0398	IT	\$62,749	
33	156-0399	Sister City	\$18,197	
34	156-0400	ADA	\$51,419	
35	_			
36	Transfer to:			
37	Account No.	<u>Description</u>	Amount	
38	156-0375	General	\$712,568	
39 40	Section 2 This is a	oudget amendment or	dinance and shall not b	ne codified
40 41	<u> </u>	Juuget amenument on	umance and shall hol l	oe counieu.
42	ENACTED BY THE C	TY COUNCIL OF HOME	R, ALASKA, this 14 th da	y of June, 2021.

Page 2 of 2 ORDINANCE 21-CITY OF HOMER

43			
44		CITY OF HOMER	
45			
46			_
47		KEN CASTNER, MAYOR	
48	ATTEST:		
49			
50			
51	MELISSA JACOBSEN, MMC, CITY CLERK		
52			
53	YES:		
54	NO:		
55	ABSTAIN:		
56	ABSENT:		
57			
58	First Reading:		
59	Public Hearing:		
60	Second Reading:		
61	Effective Date:		

ORDINANCE REFERENCE SHEET 2021 ORDINANCE ORDINANCE 21-31

An Ordinance of the City Council of Homer, Alaska Removing the Homer Water and Sewer Program Funds from the Special Utility Fund and Creating a new Fund Account.

Sponsor: City Manager

1. City Council Regular Meeting May 24, 2021 Introduction

1 2	CITY OF HOMER HOMER, ALASKA
3	Mayor
4	ORDINANCE 21-31
5	
6	AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
7	REMOVING THE HOMER WATER AND SEWER PROGRAM FUNDS
8	FROM THE SPECIAL UTILITY FUND AND CREATING A NEW FUND
9	ACCOUNT.
10	
11	WHEREAS, The Homer Accelerated Water and Sewer Program (HAWSP) was established
12	by the voters to provide a dedicated source of revenue that shall be used to secure and retire
13 14	financing for the construction of new water and sewer infrastructure; and
15	WHEREAS, The 2019 audit indicated there was a fund balance of \$2,175,750, and
16	receivable assessments of \$3,393,907; and
17	
18	WHEREAS, The Water and Sewer Fund is derived from the tariff and surcharge receipts
19	from the water and sewer utility operations and sales; and
20	
21	WHEREAS, The 2019 audit indicated an operational surplus of \$673,603, an
22	accumulated surcharge of \$4,680,390 and capital appropriations of \$1,498,302; and
23	
24	WHEREAS, The combination of the two disparate multi-million dollar activities into a
25 26	single account has not provided reporting clarity and transparency to the public.
27	NOW THEREFORE BE IT ORDAINED:
28	
29	Section 1. The HAWSP Fund shall be removed from the Special Utility Fund and be
30	established as its own major fund, benefitting from the annual income from sales tax and
31	assessments collected.
32	
33	Section 2. This is a budget amendment ordinance and shall not be codified.
34	ENACTED BY THE CITY COUNCIL OF HOMED, ALACKA this 14th day of huma 2021
35	ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 14 th day of June, 2021.
36 37	CITY OF HOMER
38	CITIOITOMER
39	
40	KEN CASTNER, MAYOR
41	······································

Page 2 of 2 ORDINANCE 21-31 CITY OF HOMER

Effective Date:

56

43	ATTEST:
44	
45	
46	MELISSA JACOBSEN, MMC, CITY CLERK
47	
48	YES:
49	NO:
50	ABSTAIN:
51	ABSENT:
52	
53	First Reading:
54	Public Hearing:
55	Second Reading:

1	CITY OF HOMER	
2	HOMER, ALASKA	
3		City Manager
4	RESOLUTION 21-035	
5		
6	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,	
7	APPROVING A LEASE ASSIGNMENT FROM HARBOR ENTERPRISES	
8	LLC TO TACKLE SHACK CO. LLC, AND AUTHORIZING THE CITY	
9	MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS FOR A 20	
10	YEAR LEASE WITH OPTIONS FOR TWO CONSECUTIVE FIVE YEAR	
11	RENEWALS FOR A PORTION OF LOT 5, AS SHOWN ON THE	
12	SUBDIVISION PLAT ENTITLED HOMER SPIT FILED AS AMENDED	
13	PLAT NUMBER 89-34, AT AN INITIAL ANNUAL RATE OF \$4,925.46.	
14		
15	WHEREAS, Harbor Enterprises LLC requested approval to transfer their lo	ease to Tackle
16	Shack Co. LLC as part of Tackle Shack Co. LLC's purchase of their business; and	
17	WUIEDEAG T. H. CL. L. C. L. C. L. W. L. L. L. L. W. L.	
18	WHEREAS, Tackle Shack Co. LLC submitted a complete application pursu	iant to Homer
19	City Code (HCC) Title 18; and	
20	WHEREAC Toolds Chool Co. H. Choolindinated in the independention of	
21	WHEREAS, Tackle Shack Co. LLC has indicated in their lease application to	
22	of continuing the business previously listed in the lease between the City	and Harbor
23	Enterprises LLC without change to the purpose of use; and	
2425	WHEREAS, Per HCC 18.08.110 the lease is in compliance and the past lea	so history has
26	shown contractual obligations are satisfactorily met; and	se mstory mas
27	shown contractual obligations are satisfactority met, and	
28	WHEREAS, The lease assignment will be based on the City's updated le	ase template
29	which reflects the new and current code requirements; and	ase temptate
30	which reflects the new and carrent code requirements, and	
31	WHEREAS, The City Administration and the Port and Harbor Advisory Co	ommission on
32	April 28, 2021 reviewed the application pursuant to HCC 18.08.060 and recomm	
33	of the lease assignment from Harbor Enterprises to Tackle Shack Co. LLC; and	iena appiovat
34	or the rease assignment from than sor Enterprises to Trackie Shack Sor EEs, and	
35	WHEREAS, HCC 18.08.160 (4) states the Council shall approve or deny t	ne request for
36	lease assignment via resolution.	
37		
38	NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby	approves the
39	lease assignment from Harbor Enterprises LLC to Tackle Shack Co. LLC, and auth	• •
40	Manager to execute the appropriate documents for a 20 year lease with op-	•
41	consecutive five year renewals for a portion of Lot 5, as shown on the subdivisio	
42	Homer Spit filed as amended plat number 89-34, at an initial annual rate of \$4,9	•
43		
44	PASSED AND ADOPTED by the Homer City Council this 24th day of May, 20	21.

CITY OF HOMER KEN CASTNER, MAYOR ATTEST: MELISSA JACOBSEN, MMC, CITY CLERK Fiscal note: \$4,925.46 annually

Page 2 of 2 RESOLUTION 21-035 CITY OF HOMER



Port and Harbor

4311 Freight Dock Road Homer, AK 99603

port@cityofhomer-ak.gov (p) 907-235-3160 (f) 907-235-3152

Memorandum 21-081

TO: HOMER CITY COUNCIL

THRU: ROB DUMOUCHEL, CITY MANAGER

FROM: PORT AND HARBOR ADVISORY COMMISSION

DATE: MAY 11, 2021

SUBJECT: LEASE ASSIGNMENT TO TACKLE SHACK CO. LLC

Tabor Ashment of Harbor Enterprises LLC, the current lessee for the Sport Shed lot, has requested a lease transfer to Tackle Shack Co. LLC as part of a purchase of the business. Tackle Shack Co. LLC has indicated in their application that they intend to continue to conduct the business under the current use of a bait and tackle general retail store, short term vacation lodging rooms (2nd floor), and storage. They have requested a 20 year lease with (2) 5 years extensions. The current lease had 18 years of the original term plus the possibility of (2) 5 year extensions left. The new lease transfer would be a change of 2 years in term length. All other conditions of the lease would remain the same with no changes and be updated to new city language and code requirements. Per HCC 18.08.110 the current lease is in in compliance and the past lease history has shown contractual obligations are satisfactorily met.

The submitted application from Tackle Shack Co. LLC and a draft lease were put before the Port and Harbor Advisory Commission for review at their April 28 2021 meeting. Upon review, the commission made a motion to recommend to City Council the approval of the lease transfer from the current tenant, Harbor Enterprises LLC to Tackle Shack Co. LLC that was passed by unanimous consent.

Recommendation

The Port and Harbor Advisory Commission move to recommend that City Council approve the lease transfer from Harbor Enterprises LLC to Tackle Shack Co. LLC and authorize the City Manager to execute the appropriate documents.

Attached Tackle Shack Co. LLC Lease Application Tackle Shack Co. LLC Draft Lease.

CITY OF HOMER LEASE APPLICATION CHECKLIST

Applicant Name: Shawn & Virginia Grimes - Tackle Shack Co. LLC

Synopsis: New management- Shawn & Virginia Grimes of Tackle Shack Co. LLC are assuming ownership from the Sport Shed's current owner Tabor Ashment as part of the sale of the business& buildings. Tackle Shack Co. LLC has stated their intention to continue the current business, providing the same services as goods, which include a bait & tackle fishing retail establishment on the first floor complemented by short term vacation room rentals on the floor above. General purposes of use for the buildings are listed as Retail, Lodging, and Storage.

Action:

*	Lease approval.
	Lease approval with conditions. Explain.

Lease application incomplete.

Rob Dumouchel, City Manager

Lease denial. Explain.

Date

A. A responsive lease application / proposal shall include:

1. A completed application form provided by the City

YES	NO	N/A	INCOMPLETE	
NOTEC	-		1.1	

NOTES: Current insurance provided, expires 5/6/2022

2. Any applicable fees. \$30. Application fee paid. \$300 lease fee due.

YES	NO	N/A	INCOMPLETE
		,	

NOTES: \$30.00 lease application fee paid. \$300.00 lease fee due at time of lease signing

3. A description of the proposed use of the property

YES	NO	N/A	INCOMPLETE
Contract.	'''	'',''	

<u>NOTES:</u> Applicant indicated they plan to use the property in the same capacity as the previous owner: A bait and tackle general store down below, with vacation room rentals on the second floor. General proposed use categories for buildings listed as Retail, Lodging, and Storage.

4. A specific time schedule and benchmarks for development

	YES	NO	N/A	INCOMPLETE
1		l		1

NOTES: Applicants have indicated they intend to refurbish the building with a fresh coat of paint and update the upstairs vacation rental rooms. No new structural improvements indicated.

5. A proposed site plan drawn to scale that shows at a minimum property lines, easements, existing structures and other improvements, utilities, and the proposed development including all structures and their elevations, parking facilities, utilities, and other proposed improvements.

NO NA INCOMPLETE	YES	NO	N/A	INCOMPLETE
------------------	-----	----	-----	------------

NOTES: No site improvements planned. Existing site plan, floor plans, and plat map included

6. Any other information that is directly pertinent to the proposal scoring criteria contained herein

YES	IO N/A	INCOMPLETE
-----	--------	------------

NOTES:

- 7. All other required attachments requested on the application form including, but not limited to, the following documentation: applicant information, plot plan, development plan, insurance, proposed subleases, environmental information, agency approvals and permits, fees, financial information, partnership and corporation statement, certificate of good standing issued by an entity's state of domicile, and references.
 - Applicant information
 - Plot Plan
 - Development Plan (Existing)

 - Proposed Subleases No proposed Subleases
 - Environmental Information N/A
 - Agency approvals and permits Fire marshal approved current structures in 2009; No additional review needed at

this time

- Financial Information (Financial Statement **REQUIRED**, Surety, bankruptcy, pending litigation are situational.
- Partnership information and a copy of the partnership agreement OR N/A Listed as LLC
- Corporation information and a copy of the Articles of Incorporation and Bylaws N/A Listed as LLC
- Certificate of good standing issued by the entity's state if domicile
- Appropriate References

YES	NO	N/A	INCOMPLETE

NOTES: Applicants are in the process of getting insurance for new business and building. Place holder letter from insurance agency provided indicating they are in process.

8. Any other information required by the solicitation or request for proposals.

YES	NO	N/A	INCOMPLETE

NOTES:



Lease Application/Assignment Form

Directions:

- 1. Please submit this application form to the City Manager's Office, 491 Pioneer Avenue, Homer, AK, 99603.
- 2. Please answer all questions on this form, or put "N/A" in the space if it is non-applicable.
- 3. Please include all applicable fees in the form of a check, made payable to the City of Homer.

Applicant Name:	Shawn & Virginia Grines
Business Name:	Shown & Virginia Grines Lockle Shack Co. LLC
Email Address:	Shavingrines 80@ yahoo. com
Mailing Address	55035 Newell Ct
City, State, ZIP code:	Honer, AK 99603
Business Telephone No.	907 299 0933
Representative's Name:	Shawn Gringes
Mailing Address:	PO 15084 Fritz Creek
City, State, ZIP code:	Homer AK 99603
Business Telephone No.	907 2990933
Property Location:	3815 Homer Spit Rd.
Legal Description:	See attachment (Homer Recording District) #1 Leased Premises showing LOTS Plat 89-34 Tackle Bhack Co. is a bant and tackle
Type of Business to be placed on property:	Tackle Bhack Co. is a bait and tackle store including clothing, food and hotel.
Duration of Lease requested:	terminates on Nov. 2029 of 5 year ext.
Options to re-new:	2-3 yr. terms it terms of lease have
-	been mert.

	The following materials must be submitted when applying for a lease of City of Homer real property				
1.	Plot Plan	A drawing of the proposed leased property showing:			
	An as bailt	Size of lot - dimensions and total square footage (to scale)			
	An as bailt is supplied in	Placement and size of buildings, storage units, miscellaneous structures			
		planned (to scale).			
	factet	Water and sewer lines – location of septic tanks, if needed.			
		Parking spaces – numbered on the drawing with a total number indicated			
2.	Development Plan	Tist the time schedule from project initiation to project completion, including major project milestones. Dates Tasks hotel rooms and retail space May 2021 Finish familie exterior.			
		Building Use Letai Dimensions and square footage ADX 1750 59 Lodging Storage ADX 1500 59			
3.	Insurance Pacific Insurance & word will have it ready by 4/16	Attach a statement of proof of insurability of lessee for a minimum liability insurance for combined single limits of \$1,000,000 showing the City of Homer as co-insured. Additional insurance limits may be required due to the nature of the business, lease or exposure. Environmental insurance may be required. If subleases are involved, include appropriate certificates of insurance.			
4.	Subleases 1967-222-4633	Please indicate and provide a detailed explanation of any plans that you may have for subleasing the property. The City of Homer will generally require payment of 10% of proceeds paid Lessee by subtenants.			
5.	Health Requirements CH Water Sevier	Attach a statement documenting that the plans for the proposed waste disposal system, and for any other necessary health requirements, have been submitted to the State Department of Environmental Conservation for approval. Granting of this lease shall be contingent upon the lessee obtaining all necessary approvals from the State DEC.			

7.	Agency Approval The Tackle Shackles. is going to be functioning Fees	Attach statement(s) of proof that your plans have been inspected and approved by any agency which may have jurisdiction of the project; i.e. Fire Marshall, Army Corps of Engineers, EPA, etc. The granting of this lease shall be contingent upon lessee obtaining approval, necessary permits, and/or inspection statements from all appropriate state and/or Federal agencies. All applicable fees must be submitted prior to the public meeting preparation. Application fee - \$30.00. Please make check payable to the City of
		Lease fee - \$300.00. Please make check payable to the City of Homer.
8.	Financial Data	Sole or individual proprietorship. Partnership. Corporation. Other – Please explain: Financial Statement – Please attach a financial statement showing the ability of the lessee to meet the required financial obligations. Surety Information – Has any surety or bonding company ever been required to perform upon your default or the default of any of the principals in you organization holding more than a 10% interest No Yes. If yes, please attach a statement naming the surety or bonding company, date and amount of bond, and the circumstances surrounding the default or performance. Bankruptcy information - Have you or any of the principals of your organization holding more than a 10% interest ever been declared bankrupt or are presently a debtor in a bankruptcy action? No Yes. If yes, please attach a statement indicating state, date, Court having jurisdiction, case number and to amount of assets and debt. Pending Litigation – Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation? No Yes. If yes, please attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.

9.	Partnership Statement	If the ap	plicant is a partnei	rship, please pro	ovide the followi	ng:		
		Date of organization:						
		Date of organization: Type: General Partnership Limited Partnership						
		Statement of Partnership Recorded? Yes No						
		Where When Has partnership done business in Alaska? Yes No						
		Where When When Name, address, and partnership share. If partner is a corporation, please						
		complete corporation statement.						
		Please attach a copy of your partnership agreement.						
10.	Corporation Statement	If the applicant is a corporation, please provide the following:						
		Date of Inco	rporation:	· ·				
		State of Inco	rporation:	13				
		Is the Corporation authorized to do business in Alaska?						
		No Yes, Is so, as of what Date?						
		Corporation is held? Publicly Privately If publicly held, how as						
		where	is	the	stock	traded?		
		Officers & P	rincipal Stockhold	ers [10%+]:				
		<u>Name</u>	<u>Title</u>	<u>Addres</u>	<u>s</u>	<u>Share</u>		
		a:						
					**			
		☐ Please fo	urnish a copy of A	rticles of Incorp	ooration and By-	laws.		
		Please furni	sh name and title	e of officer aut	thorized by Arti	cles and/or By-		
		1	ute contracts and					
		<u>Name</u>		<u>Title</u>				
						<u></u>		
		3.7412						
					<u> </u>	Line - N		
	1	-						

11.	Applicant References	Please list four persons or firms with whom the Applicant or its owners have
	Applicant Neterences	conducted business transactions with during the past three years. Two
		references named shall have knowledge of your financial management
		history, of which at least one must be your principal financial institution. Two
		of the references must have knowledge of your business expertise.
		Of the references must have knowledge of your business expension
		10 11 10 1 = 1
		Name: //a/k a Brendg -deu S
		Firm: F/V Lady Kay
		Title: Captain Pastol
		Address: 41753 Old Stuling Hax
		Telephone: 907 399 6223
		Nature of business association with Applicant:
		Marks Oleckhand for Gyrs.
		Name: Kad Vein
		Firm:
		Title: Home Owner.
		Address: 61523 the Lev Thanas Rd
	Telephone: <10 - 20 - 5432	
		Nature of business association with Applicant: Trempole lect
		Brade have in through 2021 vinter.
		. 0
		Name: Cany Sim DSon
		Firm: Face's
		Title: Friend Pastor
	4	Address: 448 Klandike Ful
		Telephone: 907 299 3207
		Nature of business association with Applicant:
		Trend The remadeland book at blace to
		five church under his suppervision
		Name: Michelle Valland
		Firm:
		Title: Sigter In Law
		Address: 56150 Glenn Rol. Homer AK
		Telephone: 360 324 955 3
		Nature of business association with Applicant: The dance
		residentia shork for my sister in low as
		her shap Dantie
		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1

I hereby certify that the above information is true and correct to the best of my knowledge.

Signature:

Date:

Page 5 of 5



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 5/06/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

et have ADDITIONAL INCLIDED

If SUE	BROGATION IS WAIVED, subject ertificate does not confer rights:	t to ti	ne te	rms and conditions of th	ne poli	cy, certain p	olicies may			
PRODUCE	R R INSURANCE CENTER, INC				CONTAC NAME:		225 2004	FAV	007	225 2002
_					PHONE (A/C, No	o. Ext):	-235-3881	FAX (A/C, No	907-	235-3882
	ERLING HWY, STE 201	0000			E-MAIL ADDRES	SS:				
HOME	R, ALASKA 9	9603			INSURER(S) AFFORDING COVERAGE					NAIC#
					INSURE	RA: UMIALIF	(INSURANC	E COMPANY		
INSURED					INSURE	RB:				
	E SHACK COMPANY LLC				INSURE	R C:				
	X 15084				INSURE	RD:				
FRITZ	CREEK, AK 99603				INSURER E :					
					INSURE	RF:				
COVERAGES CERTIFICATE NUMBER:				REVISION NUMBER:						
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.										
INSR LTR	TYPE OF INSURANCE		SUBR WVD	POLICY NUMBER		POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIM	TS	
X	COMMERCIAL GENERAL LIABILITY	х		CPP126443500		5/6/21	5/6/22	EACH OCCURRENCE	\$	1,000,000
Α	CLAIMS-MADE X OCCUR	^				0/0/21		DAMAGE TO RENTED PREMISES (Ea occurrence)	\$	100,000
								MED EXP (Any one person)	\$	5,000
								PERSONAL & ADV INJURY	\$	1,000,000
GEN	I'L AGGREGATE LIMIT APPLIES PER:							GENERAL AGGREGATE	\$	2,000,000
Х	POLICY PRO- JECT LOC							PRODUCTS - COMP/OP AGG	\$	2,000,000
	OTHER:								\$	

COMBINED SINGLE LIMIT (Ea accident) AUTOMOBILE LIABILITY ANY AUTO BODILY INJURY (Per person) \$ SCHEDULED AUTOS NON-OWNED AUTOS ONLY OWNED **BODILY INJURY (Per accident)** \$ AUTOS ONLY HIRED AUTOS ONLY PROPERTY DAMAGE \$ (Per accident) \$ **UMBRELLA LIAB** OCCUR EACH OCCURRENCE \$ **EXCESS LIAB** CLAIMS-MADE AGGREGATE \$ DED RETENTION \$ OTH-ER WORKERS COMPENSATION STATUTE AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE E.L. EACH ACCIDENT \$ N/A OFFICER/MEMBER EXCLUDED? (Mandatory in NH) E.L. DISEASE - EA EMPLOYEE \$ If yes, describe under DESCRIPTION OF OPERATIONS below E.L. DISEASE - POLICY LIMIT

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

SEASONAL TACKLE SHOP

CERTIFICATE HOLDER AS ADDITIONAL INSURED FOR COMPANY A

CERTIFICATE HOLDER	CANCELLATION
CITY OF HOMER 491 E. PIONEER AVE. HOMER, AK 99603	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE
	Stephanie Green

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Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business, and Professional Licensing PO Box 110806, Juneau, AK 99811-0806

This is to certify that

tackle shack co.

PO 15084, 55035 Newell Ct., Homer, AK 99603

owned by

Shawn Christopher Grimes

is licensed by the department to conduct business for the period

April 13, 2021 to December 31, 2022 for the following line(s) of business:

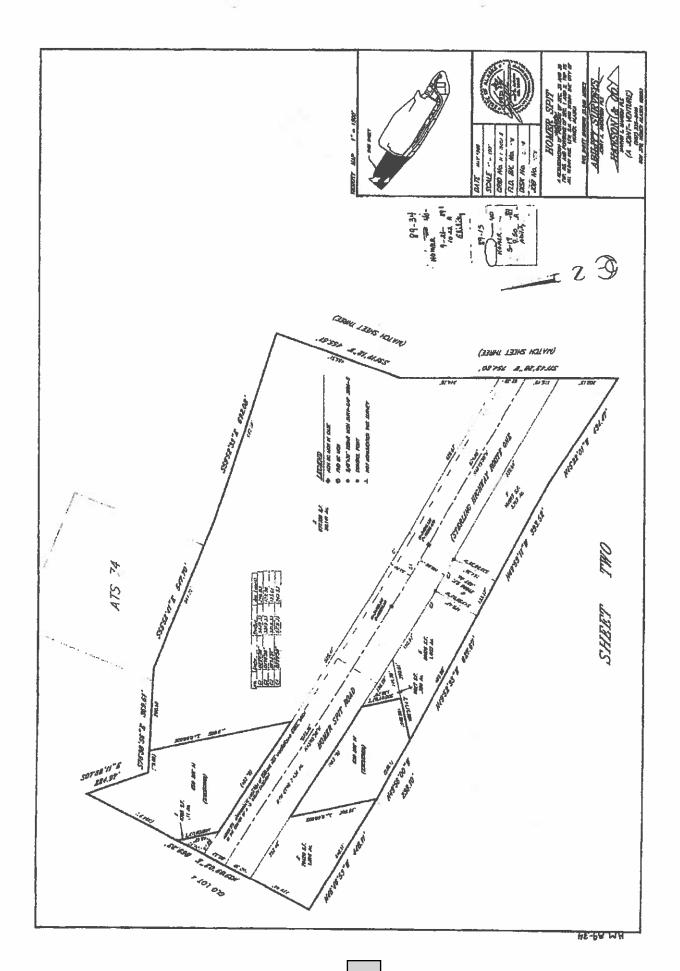
42 - Trade; 72 - Accommodation and Food Services

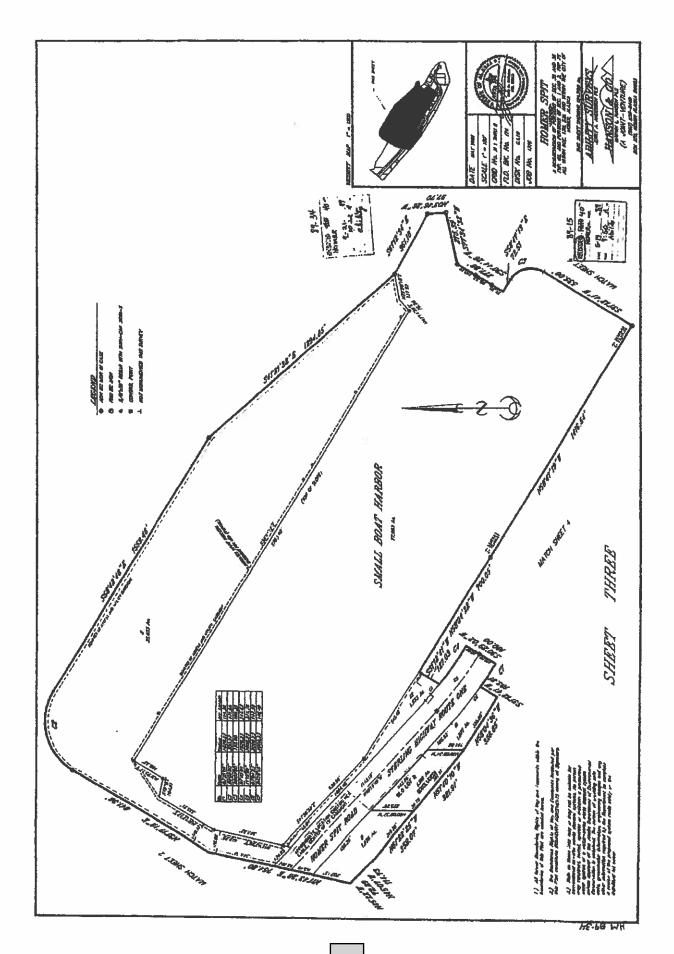


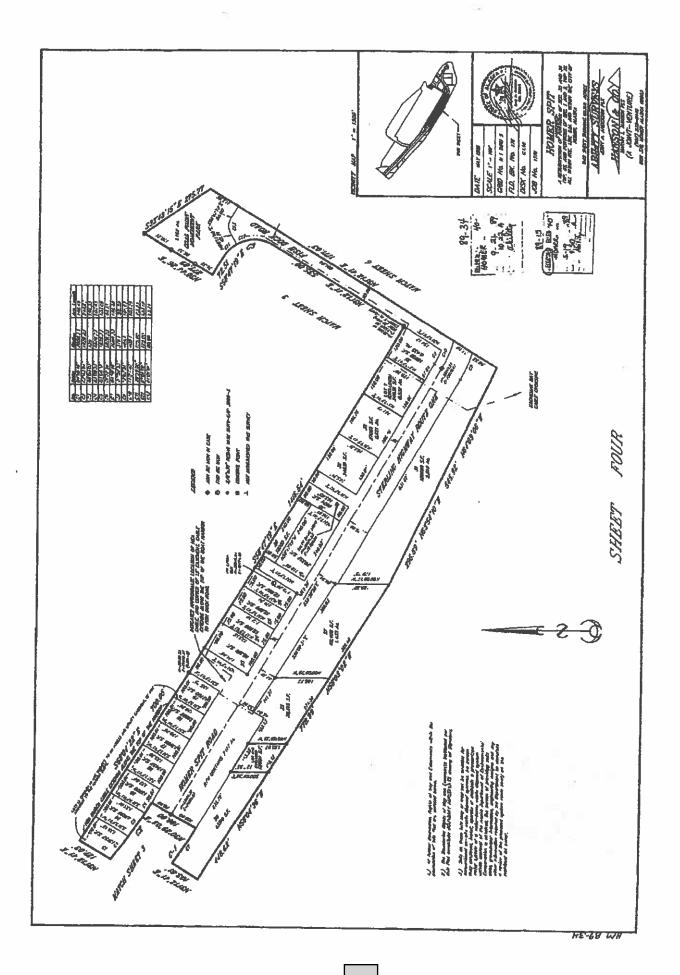
This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

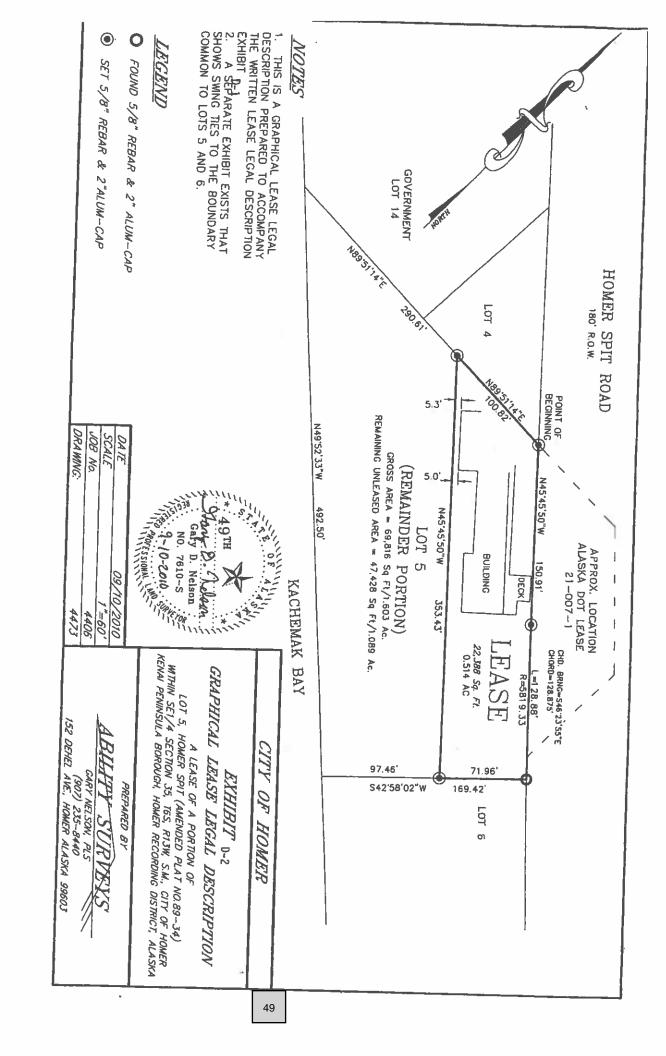
This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.

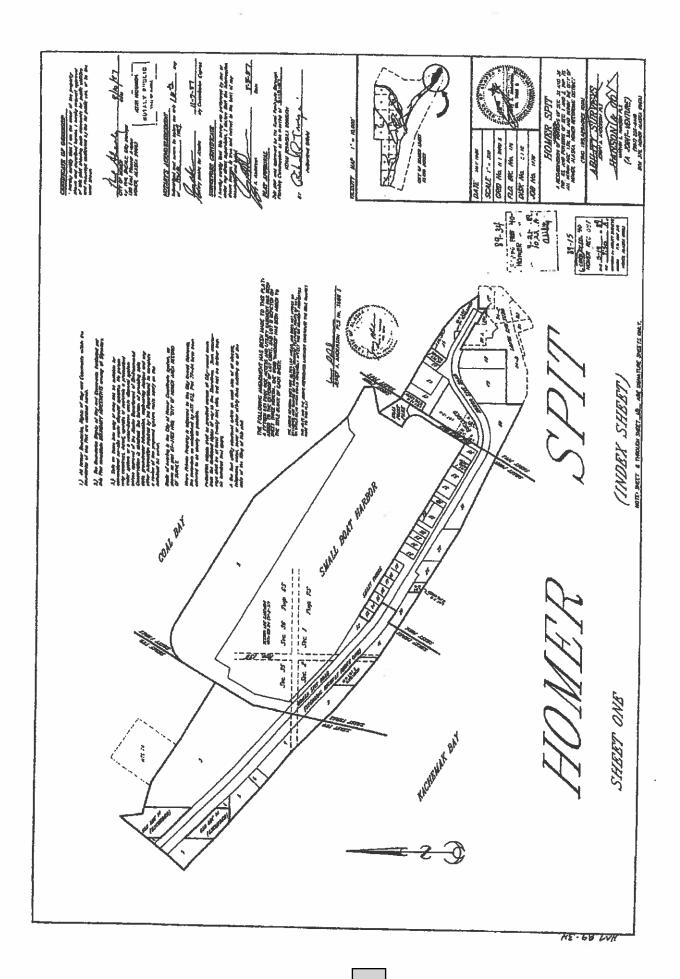
Julie Anderson Commissioner

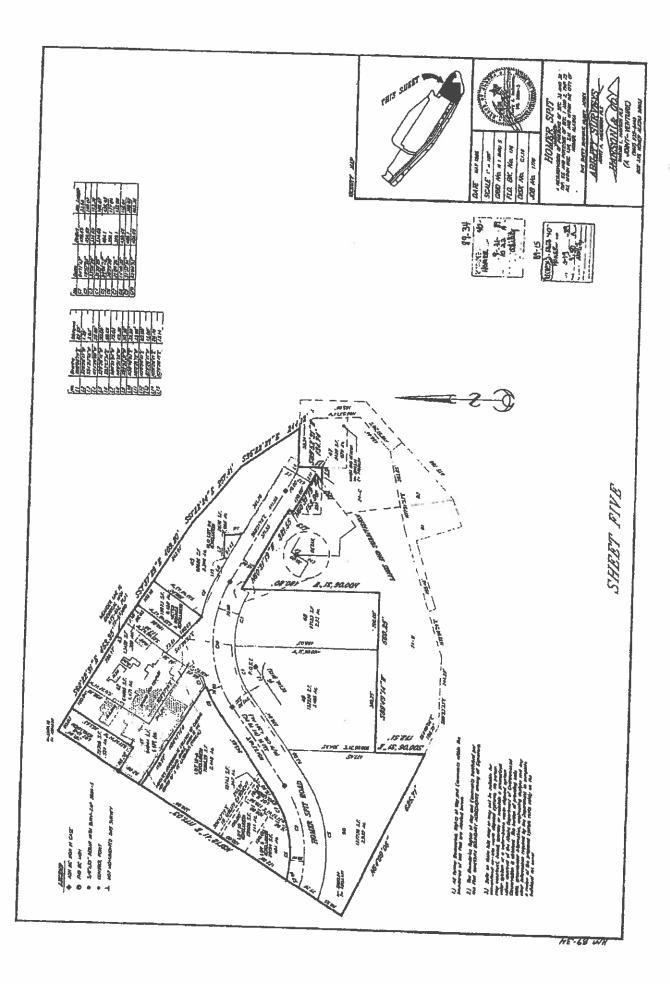


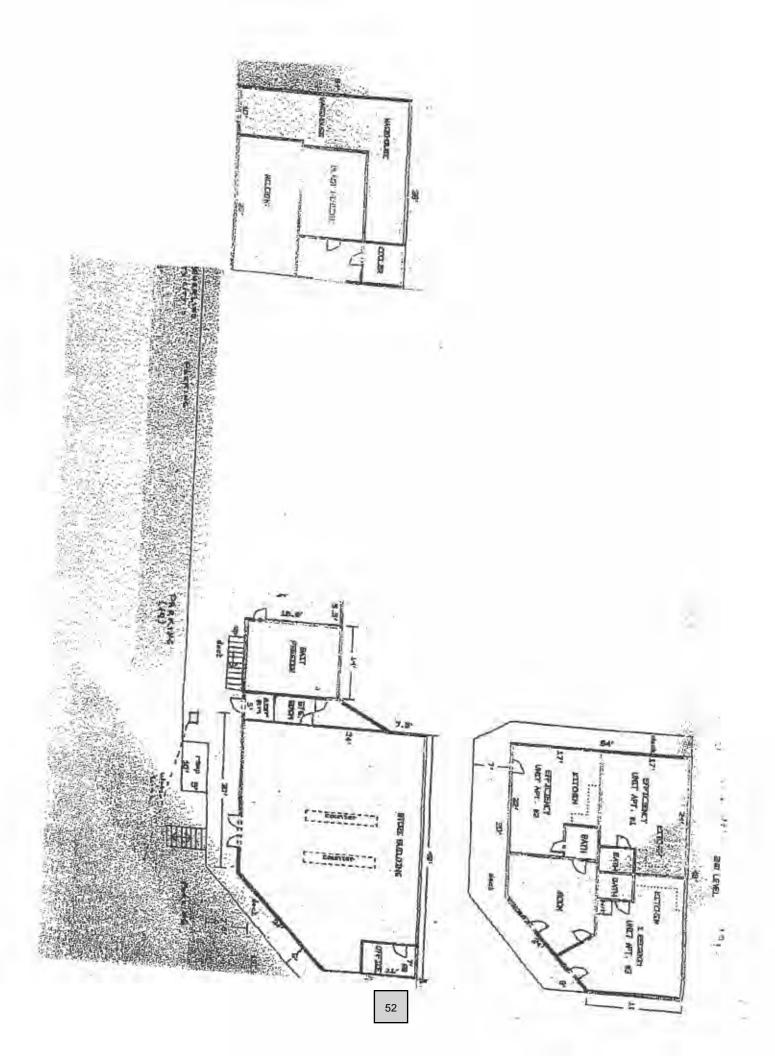












GROUND LEASE AND SECURITY AGREEMENT

BETWEEN

CITY OF HOMER, ALASKA

AND

TACKLE SHACK CO., LLC

Dated June 1 2021

GROUND LEASE AND SECURITY AGREEMENT

GROUND LEASE AND SECURITY AGREEMENT ("Lease") dated as of June 1, 2021, between the CITY OF HOMER, an Alaska municipal corporation ("Landlord"), whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and Tackle Shack Co. LLC, an Alaskan limited liability company ("Tenant"), whose address is 55035 Newell Ct, Homer, Alaska 99603.

Attached as **Exhibit A** is a schedule naming each owner of Tenant and describing the percentage of ownership of each. Also attached to **Exhibit A** are a certificate of good standing issued by the state under whose laws Tenant is organized, and, if Tenant is a foreign entity, a certificate of authority issued by the State of Alaska. Attached as **Exhibit B** is a true and correct copy of a resolution of Tenant authorizing Tenant to enter into this Lease and authorizing the undersigned individual(s) or officer(s) to execute the Lease on behalf of Tenant.

RECITALS

WHEREAS, Landlord owns certain properties having a strategic location near the waterfront and marine-related public infrastructure; and

WHEREAS, it is the policy of Landlord to retain ownership of these properties, and to make them available for leasing, in order to encourage growth in targeted economic sectors, to insure that Landlord receives the maximum benefit from a large investment in public infrastructure, and to provide land for businesses that require close proximity to the waterfront or infrastructure to operate efficiently and profitably; and

WHEREAS, Landlord has accepted Tenant's proposal to lease and develop the property leased herein, because Tenant's proposed use of the property should further Landlord's goals for the development of Landlord's properties, and Tenant's proposal to lease and develop the property is a material inducement to Landlord leasing the property to Tenant; and

NOW, THEREFORE, in consideration of the matters recited above, and the mutual covenants herein, the parties agree as follows:

ARTICLE 1. DEFINITIONS AND ATTACHMENTS

1.01 Definitions. As used herein, the term:

- (a) "Additional Rent" includes all amounts defined or referred to in this lease as additional rent, as well as all charges in the nature of rent such as taxes, utilities and insurance, regardless of whether such amounts are due directly to or collectible by Landlord or to a third party under the terms of this Lease or under applicable law and including any of the preceding amounts that Landlord pays to a third party on behalf of Tenant, before or after any event of default.
- (b) "Annual Rent Adjustment" and "Annual Rent Adjustment Date" are defined in Section 4.01(b).
 - (c) "Base Rent" is defined in Section 4.01.

- (d) "Complete" and "Completion" mean, with regard to an improvement, that construction of the improvement is finished and the improvement is fully operational and ready for occupancy or use for its intended purpose, including without limitation the issuance of any applicable certificate of occupancy and other applicable permits, licenses, certificates or inspection reports necessary to the improvement's legally authorized use.
 - (e) "Council" means the City Council of the City of Homer, Alaska.
- (f) "Default Rate" means an annual rate of interest equal to the lesser of (i) the maximum rate of interest for which Tenant may lawfully contract in Alaska, or (ii) ten and one-half percent (10.5%).
- (g) "Environmental Laws" means all local, state, and federal laws, ordinances, regulations, and orders related to environmental protection; or the use, storage, generation, production, treatment, emission, discharge, remediation, removal, disposal, or transport of any Hazardous Substance.
- (h) "Excusable Delay" means delay due to strikes, acts of God, inability to obtain labor or materials, orders of any governmental authority having jurisdiction, removal of Hazardous Materials discovered at any time after the commencement of the Term, enemy action, civil commotion, fire, unusual inclement weather, unavoidable casualty or similar causes beyond the reasonable control of Tenant.
- (i) "Extended Term" is defined in Section 3.05 if this Lease provides for extension at the option of the Tenant.
- (j) "Five Year Rent Adjustment" and "Five Year Rent Adjustment Date" are defined in Section 4.01(a).
- (k) "Hazardous Substance" means any substance or material defined or designated as hazardous or toxic waste; hazardous or toxic material; hazardous, toxic, or radioactive substance; or other similar term by any federal, state, or local statute, regulation, or ordinance or common law presently in effect or that may be promulgated in the future as such statutes, regulations, and ordinances may be amended from time to time.
 - (1) "Initial Term" is defined in Section 3.01.
- (m) "Lease Ordinance" means such ordinances or other portions and provisions of the Homer City Code as may be enacted from time to time to dictate Landlord's policies and requirements in leasing real property, currently enacted as Chapter 18.08 of the Homer City Code, as such may be amended, reenacted, supplemented or recodified from time to time, and as used herein the term shall refer to the Lease Ordinance as currently in effect at the time its terms would have operative effect on this Lease.
 - (n) "Leasehold Mortgage" is defined in Section 13.01.
 - (o) "Property" is defined in Section 2.01.
 - (p) "Rent" means Base Rent plus any Additional Rent.
 - (q) "Qualified Mortgagee" is defined in Section 13.03.
 - (r) "Required Improvements" is defined in Section 6.02.

- (s) "Term" means the Initial Term plus any Extended Term.
- **1.02 Attachments.** The following documents are attached hereto, and such documents, as well as all drawings and documents prepared pursuant thereto and all documents, policies and endorsements delivered hereunder, including without limitation all copies of required insurance policies and/or endorsements, shall be deemed to be a part hereof:

Exhibit "A" Schedule of Organization, Owners, Percentage of Ownership

Exhibit "B" Conformed Copy of Resolution Authorizing Lease and Authorizing Signers to Sign Lease Agreement on Behalf of Tenant

Exhibit "C" Legal Description of Property

Exhibit "D" Tenant's Lease Proposal

Exhibit "E" Site Plan

Exhibit "F" Required Improvements Floor Plan

Exhibit "G" Permission to Obtain Insurance Policies

ARTICLE 2. THE PROPERTY

<u>2.01 Lease of Property.</u> Subject to the terms and conditions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the following described property (the "Property"):

A portion of Lot 5, as shown on the subdivision plat entitled HOMER SPIT filed as amended plat number 89-34, Homer Recording District, State of Alaska, as depicted on **Exhibit C**, containing 22, 388 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 181-03-105;

subject, however, to reservations, restrictions, easements and encumbrances of record, and to encroachments that may be revealed by an inspection of the Property.

- **2.02 Quiet Enjoyment.** Landlord covenants that Tenant, upon paying the Rent and other charges and performing its other obligations under this Lease shall have quiet enjoyment of the Property during the Term without hindrance or interference by Landlord or by any person claiming an interest in the Property through Landlord.
- **2.03 Property Accepted "As Is."** Tenant has inspected the Property, has made its own determination as to the suitability of the Property for Tenant's intended use, and accepts the Property "AS IS." None of landlord, its agents, or its employees make any warranties, expressed or implied, concerning the condition of the Property, including without limitation the habitability or fitness of the Property for any particular purpose, including those uses authorized by this Lease, or subsurface and soil conditions, including the presence of any Hazardous Substance.
- **2.04** No Subsurface or Mineral Rights. This Lease does not confer mineral rights, any rights to extract natural resources, or any rights with regard to the subsurface of the Property below the level necessary for the uses of the Property permitted in this Lease, all of which rights are, as between Landlord and Tenant, reserved to Landlord.

ARTICLE 3. TERM

<u>3.01 Lease Term.</u> The term of this Lease is 20 years, commencing on June 1, 2021, and ending on May 31, 2041 (the "Term").

3.02 Lease Renewal.

- (a) Tenant represents and warrants that it has determined that the duration of the Term, including any available Extended Terms, will be sufficient for Tenant to amortize any investment that it makes in connection with this Lease, including without limitation any investment in leasehold improvements, including any Required Improvements as Tenant may be required to develop. Tenant acknowledges that it has no right of any kind to continue using or occupying the Property after the expiration or earlier termination of the Term, including without limitation any option to renew this Lease, or any option to extend the Term other than as may be provided in Section 3.05.
- (b) Notwithstanding the preceding subsection (a), not less than 12 months and not more than 18 months before the expiration of the Term, Tenant may apply to Landlord to enter into a new lease for the Property that is exempted from competitive bidding under and pursuant to the Lease Ordinance.
- 3.03 Surrender of Possession. Upon the expiration or earlier termination of the Term, unless Tenant and Landlord have entered into a new lease for the Property commencing upon the termination of the Term, Tenant shall promptly and peaceably surrender the Property, clean, free of debris, and in as good order and condition as at the commencement of the Term, ordinary wear and tear excepted. If Tenant fails to surrender the Property in the required condition, Landlord may restore the Property to such condition and Tenant shall pay the cost thereof, plus interest at the Default Rate, on demand. Section 6.08 governs the disposition of improvements on the Property at the expiration or earlier termination of the Term.
- <u>3.04 Holding Over.</u> Tenant's continuing in possession of the Property after the expiration or earlier termination of the Term will not renew or extend this Lease. In the absence of any agreement renewing or extending this Lease, Tenant's continued possession of the Property after the end of the Term will be a tenancy from month to month, terminable upon 30 days written notice by either party at any time, at a monthly rental equal to 150% of the monthly Base Rent in effect at the end of the Term, subject to all other terms of this Lease. For good cause, Landlord may waive all or part of the increase in Base Rent during the holdover period.

3.05. Options to Extend Lease Term.

- (a) At its option and in its sole discretion, Tenant may seek to extend the Term for two (2) additional, consecutive five (5) year periods (each an "Extended Term"), provided that:
 - (1) Tenant gives Landlord written notice of its exercise of the option not more than one year and not less than 120 days before day the Term would otherwise expire; and
 - (2) the City Manager determines that the lessee is in full compliance with the terms of the lease at the time of renewal.
- (b) Tenant's failure to exercise an option to extend the Term in strict compliance with all the requirements in subsection (a) renders that option and all options as to subsequent Extended Terms null and void.

ARTICLE 4. RENT, TAXES, ASSESSMENTS AND UTILITIES

4.01 Base Rent. Tenant shall pay to Landlord an initial annual rent of \$4925.46 (as such may later be adjusted per the terms of this Lease, the "Base Rent"). Base Rent is payable monthly in advance in installments of \$410.46, plus sales and all other taxes Landlord is authorized or obligated to collect on such transactions, on June 1 2021, and on the 1st day of each month thereafter, at the office of the City of Homer, 491 East Pioneer Avenue, Homer, Alaska 99603-7645, or at such other place as Landlord may designate in writing. All Base Rent shall be paid without prior demand or notice and without deduction or offset. Base Rent that is not paid on or before the due date will bear interest at the Default Rate. Base Rent is subject to adjustment as provided in Section 4.02.

4.02 Rent Adjustments.

- (a) **Five-Year Appraised Rent Adjustments.** Starting on January 1, 2024, and in every fifth year thereafter, Landlord will obtain an appraisal by a qualified real estate appraiser of the fair rental value of the Property as if privately owned in fee simple, excluding the value of alterations, additions or improvements (other than utilities) made by Tenant (or by Tenant's predecessors under the Lease, if Tenant is party to this Lease by assignment). Following receipt of each such appraisal, the Base Rent will be adjusted (the "Five Year Rent Adjustment"), effective on the anniversary of the commencement of the term (each such date is a "Five Year Rent Adjustment Date"), to an amount equal to the greater of (1) the area of the Property in square feet, multiplied by the fair rental value per square foot determined by the appraisal, and (2) the Base Rent in effect immediately before the Five Year Rent Adjustment Date. The Base Rent adjusted on a Five Year Rent Adjustment Date thereafter shall be the Base Rent.
- (b) Annual Rent Adjustments. In addition to the rent adjustments under Section 4.02(a), the Base Rent also shall be adjusted annually (the "Annual Rent Adjustment"), effective on the anniversary of the commencement of the term in every year without a Five Year Rate Adjustment (each such date is an "Annual Rent Adjustment Date"), by the increase, if any, for the previous year in the cost of living as stated in the Consumer Price Index, All Urban Consumers, Anchorage, Alaska Area, All Items 2000 present = 100 ("CPI-U"), as published by the United States Department of Labor, Bureau of Labor Statistics most recently before the Annual Rent Adjustment Date. If the CPI-U is revised or ceases to be published, Landlord instead shall use such revised or other index, with whatever adjustment in its application is necessary, to most nearly approximate in Landlord's judgment the CPI-U for the relevant period.
- 4.03 Taxes, Assessments and Other Governmental Charges. Tenant shall pay prior to delinquency all taxes, installments of assessments that are payable in installments and other governmental charges lawfully levied or assessed upon or with respect to the Property, improvements on the Property and personal property that is situated on the Property; provided that Tenant may contest in good faith any such tax, assessment or other governmental charge without subjecting the Property to lien or forfeiture. If an assessment on the Property that is not payable in installments becomes due during the Term, Tenant shall be obligated to pay the fraction of the assessment that is determined by dividing the number of years remaining in the Term by 10. If the Term of this Lease is subsequently extended renewed (i.e. if Tenant and Landlord later enter into a new lease without putting the Property out for competitive bidding as referenced in Section 2.02), then the part of the assessment that Tenant shall be liable for shall be determined by adding the extended or renewal term to the number of years remaining in the Term when the assessment became due. If the Term commences or expires during a tax year, the taxes or assessments payable for that year will be prorated between Landlord and Tenant. Tenant shall exhibit to Landlord, on demand, receipts evidencing payment of all such taxes, assessments and other

governmental charges. Any taxes, installments of assessments on the Property that are due to or collectible by Landlord, or for which Landlord becomes liable that are attributable to any portion of the Term, shall be Additional Rent.

<u>4.04 Utility Charges.</u> Tenant shall pay all charges for utility and other services provided to or used on the Property, including without limitation gas, heating oil, electric, water, sewer, heat, snow removal, telephone, internet service and refuse removal. Tenant shall be solely responsible for the cost of utility connections. Any of the preceding due to or collectible by Landlord shall be Additional Rent.

4.05 Tenant to Pay for City Services. Tenant shall pay for all services provided by the City of Homer that are related to the use or operation of the Property, improvements thereon and Tenant's activities thereon, at the rates established by the City of Homer from time to time for such services, including without limitation wharfage, crane use, ice, and other Port and Harbor services. Tenant shall provide the City of Homer with the information necessary to determine the amount of service charges owed, keep written records of such information for not less than two years after such charges are due, and, upon request, make such records available to the City of Homer for inspection and audit.

4.06 Additional Rent and Landlord's Right to Cure Tenant's Default. All costs or expenses that Tenant is required to pay under this Lease at Landlord's election will be treated as Additional Rent, and Landlord may exercise all rights and remedies provided in this Lease in the event of nonpayment. If Tenant defaults in making any payment required of Tenant or defaults in performing any term, covenant or condition of this Lease that involves the expenditure of money by Tenant, Landlord may, but is not obligated to, make such payment or expenditure on behalf of Tenant, and any and all sums so expended by Landlord, with interest thereon at the Default Rate from the date of expenditure until repaid, will be Additional Rent and shall be repaid by Tenant to Landlord on demand, provided, however, that such payment or expenditure by Landlord will not waive Tenant's default, or affect any of Landlord's remedies for such default.

4.07 Security Deposit. Upon execution of this Lease, and in addition to any other security or credit support provided by or for the benefit of Tenant in entering into this Lease, Tenant shall deposit with Landlord an amount equal to 10% of the annual Base Rent as security for Tenant's performance of its obligations under this Lease. Landlord may comingle the security deposit with other funds of Landlord, and its obligations with respect to such security deposit shall only be as a debtor and not as a trustee or fiduciary. If Tenant defaults in performing any obligation under this Lease, including without limitation the payment of rent, Landlord may apply all or any portion of the security deposit to the payment of any sum in default or any damages suffered by Landlord as result of the default, or any sum that Landlord may be required to incur by reason of the default. Upon demand, Tenant shall deposit with Landlord the amount so applied so that Landlord will have the full deposit on hand at all times during the Term.

ARTICLE 5. SECURITY INTEREST

To secure the performance of Tenant's obligations under this Lease, including without limitation the obligations to pay rent and other sums to be paid by Tenant, Tenant grants to Landlord a lien and security interest in the following collateral: ("Collateral"): (1) all security deposits or other monies owing from Landlord to Tenant (as collateral in the possession of the secured party); (2) all insurance proceeds from any policy insuring the Property or improvements thereon; (3) all compensation payable to Tenant as a result of eminent domain proceedings or a transfer in lieu thereof; (4) all rents from Tenant's subletting of all or a part of the Property; and (5) all improvements on the Property, including any Required Improvements. Said lien and security interest will be in addition to Landlord's liens provided by law.

This Lease shall constitute a mortgage by Tenant as mortgagor of all right, title and interest of Tenant in and to any and all improvements on the Property, including any Required Improvements, in favor of Landlord as mortgagee, and the recorded memorandum of this Lease shall reference Landlord as mortgagee of such improvements. In addition, Tenant shall execute, such financing statements and other instruments as Landlord may now or hereafter reasonably request to evidence the liens, mortgages and security interests granted by Tenant hereunder, including any deed of trust pertaining to additions, alterations and improvements on the Property. This Lease also constitutes a security agreement under the Uniform Commercial Code as enacted in Alaska ("UCC"), and Landlord will have all rights and remedies of a secured party under the UCC regarding the Collateral.

ARTICLE 6. USE AND IMPROVEMENT OF PROPERTY

6.01 Use of Property. Tenant shall use and, if applicable, improve the Property only in the manner described in Tenant's proposal or application for the Property as more fully set forth on **Exhibit D**. Tenant's undertaking to use and, if applicable, improve the Property as described on Exhibit D is a material inducement to Landlord leasing the Property to Tenant, and Tenant shall not use or improve the Property for any purpose other than as described on Exhibit D without Landlord's written consent, which consent Landlord may withhold in its sole discretion.

6.02 Required Improvements. Tenant shall, at Tenant's sole expense, construct, and at all times during the Term keep and maintain as the minimum development on the Property the Required Improvements as described on Exhibit D and as depicted more specifically in the site plan and floor plans in Exhibit E and Exhibit F, respectively. If the Required Improvements are not in place at the commencement of the Term, Tenant shall commence construction of the Required Improvements within one year after the date of commencement of the Term, prosecute the construction of the Required Improvements with diligence, and Complete construction of the Required Improvements within one additional year.

<u>**6.03 Construction Prerequisites.**</u> Tenant may not commence any construction on the Property, including without limitation construction of the Required Improvements, without first satisfying the following conditions:

- (a) Not less than thirty (30) days before commencing construction, Tenant shall submit to Landlord preliminary plans and specifications, and an application for a City of Homer zoning permit, for the construction, showing the layout of proposed buildings and other improvements, ingress and egress, dimensions and locations of utilities, drainage plans, and any other information required for the zoning permit or other required permits. The preliminary plans and specifications are subject to Landlord's approval, which will not be unreasonably withheld, as well as all specific requirements for the issuance of any permits or zoning variances. Landlord shall communicate approval or disapproval in the manner provided for notices hereunder, accompanying any disapproval with a statement of the grounds therefor. Tenant shall be responsible for complying with all laws governing the construction, including any specific requirements for the issuance of any permits or zoning variances, notwithstanding Landlord's approval of preliminary plans and specifications under this paragraph.
- (b) Not less than fifteen (15) days before commencing construction, Tenant shall deliver to Landlord one complete set of final working plans and specifications as approved by the governmental agencies whose approval is required for Tenant to commence construction. The final working plans and specifications shall conform substantially to the preliminary plans and specifications previously approved by Landlord, subject to changes made to comply with suggestions, requests or requirements of a governmental agency or official in connection with the application for permit or approval.

- (c) Not less than five (5) days before commencing construction, Tenant shall give Landlord written notice of its intent to commence construction, and furnish to Landlord the following:
 - (1) Proof that all applicable federal, state and local permits required for the construction have been obtained.
 - (2) For construction, alteration or restoration of Required Improvements, a current certificate of insurance with the coverages specified in Section 9.04(c).

6.04 Extensions of Time for Completion of Required Improvements. Landlord shall grant an extension of the time to Complete the Required Improvements for a period of time equal to the duration of an Excusable Delay, upon Tenant's written request describing the nature of the Excusable Delay, provided Tenant has commenced construction in a timely manner and is proceeding diligently to Complete construction.

6.05 Additional and Replacement Improvements.

- (a) Construction of alterations, additions improvements that are not consistent with terms of this Lease or the proposed uses for the Property set forth on Exhibit D is prohibited unless the improvements are authorized by an amendment to this Lease approved by the Council via resolution.
- (b) Subject to Section 6.05(a), upon satisfying the conditions in section 6.03, Tenant at any time may, but is not obligated to, construct new improvements on the Property and demolish, remove, replace, alter, relocate, reconstruct or add to existing improvements; provided that Tenant is not then in default under this Lease and provided further that Tenant continuously maintains on the Property the Required Improvements, or their equivalent of equal or greater value. Once any work is begun, Tenant shall with reasonable diligence prosecute to Completion all construction of improvements, additions, alterations, or other work. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.
- **6.06 As-Built Survey.** Within 30 days after Completion of construction of any improvements on the Property involving construction, alteration, addition, removal or demolition of the foundation, structure, utility services, ingress and egress, or any major changes of all or any part of any structure or improvement on the Property, Tenant shall provide Landlord with three copies of an as-built survey of the Property prepared by a registered professional surveyor, showing the location of all improvements on the Property, including underground utilities, pipelines and pre-existing improvements. Tenant shall accompany the as-built survey with a description of all changes from the approved plans or specifications made during the course of the work.
- **6.07 Ownership of Improvements.** Other than the Required Improvements, any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property by Tenant will be and remain the property of Tenant at all times during the Term and may be removed or replaced by Tenant during the Term, subject to the provisions Section 6.08.

6.08 Disposition of Improvements at End of Term.

- (a) Unless excepted by operation of the following subsection (b), any and all buildings, fixtures and improvements of any nature whatsoever constructed or maintained on the Property become the property of Landlord upon expiration or earlier termination of the Term.
- (b) One year before the expiration of the Term, the Landlord and Tenant shall determine if the buildings, fixtures and improvements constructed or maintained on the Property,

including the Required Improvements, are structurally sound and in good condition. If such buildings, fixtures and improvements constructed or maintained on the Property are structurally sound and in good condition, Tenant shall leave such improvements intact with all components, including without limitation doors, windows, and plumbing, electrical and mechanical fixtures and systems, in good condition and ready for use or occupancy, upon expiration of the Term, and Tenant shall execute, acknowledge, and deliver to Landlord a proper instrument in writing releasing and quitclaiming to Landlord all of Tenant's interest in such buildings, fixtures and improvements. Tenant shall be obligated to and shall remove, prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property that are not structurally sound and in good condition, and Landlord shall not have or obtain any ownership interest in such buildings, fixtures and improvements by reason of this Lease.

- (c) If Landlord terminates this Lease because of a default by Tenant prior to the expiration of the Term, any buildings, fixtures and improvements constructed or maintained on the Property shall, at Landlord's option, become the property of Landlord, which may use or dispose of them in its sole discretion. If Landlord elects not to obtain ownership of such buildings, fixtures and improvements under the preceding sentence or elects to remove any of such buildings, fixtures or improvements for any reason, Tenant shall be obligated to and shall remove such buildings, fixtures or improvements.
- (d) Tenant shall notify Landlord before commencing the removal of an improvement as required under the preceding subsections (b) and/or (c) and coordinate the removal work with Landlord. Once Tenant commences the removal work, Tenant shall prosecute the removal with reasonable diligence to Completion and shall repair all damages to the Property caused by such removal no later than the expiration of the Term. All salvage resulting from such work will belong to Tenant, who is responsible for its removal and lawful disposal.
- (e) If Tenant fails to remove any improvements from the Property that Tenant is required to remove under and per the terms of the preceding subsections (b), (c) and/or (d), Tenant shall pay Landlord the costs that Landlord incurs in removing and disposing of the improvements and repairing damages to the Property caused by such removal.

ARTICLE 7. CARE AND USE OF THE PROPERTY

7.01 Maintenance of the Property. Tenant at its own cost and expense shall keep the Property and all buildings and improvements that at any time may be situated thereon in a clean, safe and orderly condition, and in good repair at all times during the Term.

7.02 Repair of Improvements.

- (a) Except as provided in Section 7.02(b), in the event any buildings or improvements situated on the Property by Tenant are damaged or destroyed by fire, earthquake, tsunami, or other casualty, Tenant shall at Tenant's expense restore the same to good and tenantable condition or shall remove the same as soon as is reasonably possible, but in no event may the period of restoration exceed 18 months nor may the period of removal exceed 45 days.
- (b) Unless Tenant is excused from the obligation under this paragraph, if the Required Improvements or any part thereof are damaged or destroyed by fire, earthquake, tsunami, or other casualty, rendering the Required Improvements totally or partially inaccessible or unusable, Tenant shall at Tenant's expense restore the Required Improvements to substantially the same condition as they were in immediately before such damage, provided that:
 - (1) if the cost of repairing or restoring the Required Improvements, less any available insurance proceeds not reduced by applicable deductibles and coinsurance, exceeds

10% of the replacement cost of the Required Improvements, then Tenant may terminate this Lease by giving notice to Landlord of Tenant's election to terminate within 15 days after determining the restoration cost and replacement cost, and this Lease shall terminate as of the date of such notice;

- if the repair or restoration of the Required Improvements would be contrary to law, either party may terminate this Lease immediately by giving notice to the other party; or
- (3) if such damage or casualty to the Required Improvements occurs within three years before the end of the Term, Tenant may, in lieu of restoring or replacing the Required Improvements, terminate this Lease by giving written notice of termination to Landlord within 120 days after such damage or casualty.

Nothing in this paragraph relieves Tenant of the obligation to surrender the Property upon the expiration or earlier termination of the Term in the condition required by Section 3.03.

7.03 Nuisances Prohibited. Tenant at all times shall keep the Property in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests; junk, abandoned or discarded property, including without limitation vehicles, equipment, machinery or fixtures; and litter, rubbish or trash. Tenant shall not use the Property in any manner that will constitute waste or a nuisance. Landlord, at Tenant's expense and without any liability to Tenant, may remove or abate any such junk, abandoned or discarded property, litter, rubbish or trash, or nuisance on the Property after 15 days written notice to Tenant, or after (4) four hour notice to Tenant in writing, by telephone, facsimile or in person if Landlord makes a written finding that such removal or abatement is required to prevent imminent harm to public health, safety or welfare. Tenant shall pay Landlord all the costs of such removal, plus interest at the Default Rate, as Additional Rent under this Lease. This section does not limit or waive any other remedy available to the City of Homer to abate any nuisance or for the violation of the Homer City Code.

<u>7.04 Compliance with Laws.</u> Tenant's improvement and use of the Property shall comply with all governmental statutes, ordinances, rules and regulations, including without limitation the City of Homer Zoning Code and all applicable building codes, now or hereafter in effect.

7.05 Liens. Except as provided in Article 13, Tenant may not permit any lien, including without limitation a mechanic's or materialman's lien, to be recorded against the Property. If any such lien is recorded against the Property, Tenant shall cause the same to be removed; provided that Tenant may in good faith and at Tenant's own expense contest the validity of any such lien without subjecting the Property to foreclosure, and in the case of a mechanic's or materialman's lien, if Tenant has furnished the bond required in A.S. 34.35.072 (or any comparable statute hereafter enacted providing for a bond freeing the Property from the effect of such a lien claim). Tenant shall indemnify and save Landlord harmless from all liability for damages occasioned by any such lien, together with all costs and expenses (including attorneys' fees) incurred by Landlord in negotiating, settling, defending, or otherwise protecting against such lien and shall, in the event of a judgment of foreclosure of the lien, cause the same to be discharged and removed prior to any attempt at execution of such judgment.

7.06 Radio Interference. Upon Landlord's request, Tenant shall discontinue the use on the Property of any source of electromagnetic radiation that interferes with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

7.07 Signs. Tenant may only erect signs on the Property that comply with state and local sign laws and ordinances. City Planning Department approval is required prior to the erection of any sign on the Property.

7.08 Garbage Disposal. Tenant shall keep any garbage, trash, rubbish or other refuse in industry standard containers until removed, and cause all garbage, trash, rubbish or other refuse on the Property to be collected and transported to a Kenai Peninsula Borough solid waste facility or transfer station at least once a week. Tenant may not place garbage, trash, rubbish or other refuse from the Property in Landlord's garbage disposal facilities on the Homer Spit or any other public facility.

7.09 Access Rights of Landlord. Landlord's agents and employees shall have the right, but not the obligation, to enter the Property at all reasonable times to inspect the use and condition of the Property; to serve, post or keep posted any notices required or allowed under the provisions of this Lease, including notices of non-responsibility for liens; and to do any act or thing necessary for the safety or preservation of the Property.

ARTICLE 8. ASSIGNMENT AND SUBLEASE

8.01 Assignment or Sublease Absent Consent is Void.

- (a) Tenant shall not assign or sublease its interest in this Lease or in the Property without compliance with applicable provisions of the Lease Ordinance, including applying for and receiving consent of Council, and any attempted assignment or sublease absent such compliance is and shall be null and void and of no effect and, at Landlord's election, will constitute an event of default hereunder.
- (b) If Tenant seeks to assign or sublease its interest in this Lease or in the Property, in addition to compliance with applicable provisions of the Lease Ordinance, Tenant shall request consent of Council to such assignment or sublease in writing at least 30 days prior to the effective date of the proposed assignment or sublease, accompanied by a copy of the proposed assignment or sublease. If Tenant subleases any portion of the Property, Tenant shall be assessed Additional Rent equal to 10% of the current Base Rent for the subleased area.
- (c) No consent to any assignment or sublease waives Tenant's obligation to obtain Landlord's consent to any subsequent assignment or sublease. An assignment of this Lease shall require the assignee to assume the Tenant's obligations hereunder, and shall not release Tenant from liability hereunder unless Landlord specifically so provides in writing.
- **8.02.** Events that Constitute an Assignment. If Tenant is a partnership or limited liability company, a withdrawal or change, voluntary, involuntary or by operation of law, of one or more partners or members owning 25% or more of the entity, or the dissolution of the entity, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance. If Tenant is a corporation, any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or other transfer of a controlling percentage of the capital stock of Tenant, or the sale of 25% of the value of the assets of Tenant, will be deemed an assignment to the Tenant as reconstituted, subject to Section 8.01 and the Lease Ordinance; provided that if Tenant is a corporation the stock of which is traded through an exchange or over the counter, a sale or other transfer of a controlling percentage of the capital stock of Tenant will not constitute such an assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing at least 25% of the total combined voting power of all classes of Tenant's capital stock issued, outstanding and entitled to vote for the election of directors.
- **8.03.** Costs of Landlord's Consent to be Borne by Tenant. As a condition to Landlord's consent to any assignment or sublease under section 8.01 and the Lease Ordinance, Tenant shall pay Landlord's reasonable costs, including without limitation attorney's fees and the expenses of due diligence inquiries, incurred in connection with any request by Tenant for Landlord's consent to the assignment or sublease.

ARTICLE 9. LIABILITY, INDEMNITY AND INSURANCE

9.01 Limitation of Landlord Liability. Landlord, its officers and employees shall not be liable to Tenant for any damage to the Property or the buildings and improvements thereon, or for death or injury of any person or damage to any property, from any cause; however, this provision shall not affect the liability of Landlord, its officers and employees on any claim to the extent the claim arises from their negligence or willful misconduct.

9.02 Indemnity Generally. Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from all claims arising from death or injury of any person or damage to any property occurring in or about the Property; however, this provision shall not apply to any claim to the extent the claim arises from the sole negligence or willful misconduct of Landlord, its officers and employees.

<u>9.03 Indemnity for Emergency Service Costs.</u> Without limiting the generality of Section 9.02, in the event of a major fire or other emergency, Tenant shall reimburse Landlord for the cost of providing fire-fighting and other emergency service to Tenant, the Property or at any other location where the fire or emergency requiring response arises from or is related to the use of the Property or Tenant's operations. For purposes of this section, a major fire or other emergency is one that requires more than five man-hours of effort by the City of Homer Fire Department.

9.04 Insurance Requirements.

- (a) Without limiting Tenant's obligations to indemnify under this Lease, Tenant at its own expense shall maintain in force such policies of insurance with a carrier or carriers reasonably satisfactory to Landlord and authorized to conduct business in the state of Alaska, as Landlord may reasonably determine are required to protect Landlord from liability arising from Tenant's activities under this Lease, including the minimum insurance requirements set forth for tenants under the Lease Ordinance. Landlord's insurance requirements in the Lease Ordinance (or any superseding policy permitted under the Lease Ordinance) specify only the minimum acceptable coverage and limits, and if Tenant's policy contains broader coverage or higher limits, Landlord shall be entitled to such coverage to the extent of such higher limits.
- (b) Without limiting the generality of the foregoing, Tenant shall maintain in force at all times during the Term the following minimum policies of insurance:
 - (1) Comprehensive general liability insurance with limits of liability not less than a combined single limit for bodily injury and property damage of \$1,000,000 each occurrence and \$2,000,000 aggregate. This insurance shall also be endorsed to provide contractual liability insuring Tenant's obligations to indemnify under this Lease.
 - (2) Comprehensive automobile liability covering all owned, hired and non-owned vehicles with coverage limits not less than \$1,000,000 occurrence combined single limit for bodily injury and property damage.
 - (3) Workers' compensation insurance as required by AS 23.30.045. This coverage shall include employer's liability protection not less than \$1,000,000 per person, \$1,000,000 per occurrence. Where applicable, coverage for all federal acts (i.e. U.S. Longshoremen and Harbor Worker's Compensation and Jones Acts) shall also be included. The workers' compensation insurance shall contain a waiver of subrogation clause in favor of Landlord.

- (4) Based on the authorized uses of the Property stated in Section 6.01, environmental insurance is not required. However, if Tenant uses the Property, with or without authorization from the Landlord, for purposes other than those stated in paragraph Section 6.01, if Landlord so elects, and within 10 days after Landlord gives notice of such election, Tenant shall procure and at all times thereafter maintain, at its expense, environmental remediation and environmental impairment liability, including sudden and accidental coverage, gradual pollution coverage, and cleanup cost coverage associated with any activity by Tenant or others on, from, or related to the Property, with coverage limits not less than \$1,000,000 for any one accident or occurrence. Coverage shall extend to loss arising as a result of the work or services or products furnished, used or handled in connection with Tenant's operations contemplated under this Lease.
- (5) Property insurance covering the Required Improvements described in Section 6.02 in an amount not less than full replacement cost of the Required Improvements. This policy shall include boiler and machinery coverage.
- (c) During any construction of the Required Improvements and during any subsequent alteration or restoration of the Required Improvements at a cost in excess of \$250,000 per job, Tenant shall maintain builder's risk insurance in an amount equal to the completed value of the project.
- (d) Tenant shall furnish Landlord with certificates evidencing the required insurance not later than the date as of which this Lease requires the insurance to be in effect, and the provision of any such certificates due at or prior to the commencement of the Term shall be a condition precedent to the commencement of the Term. The certificates and the insurance policies required by this Section shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire, and limits of liability will not be reduced, without at least 30 days' prior written notice to Landlord. Landlord shall be named as an additional insured under all policies of liability insurance required of Tenant. Landlord's acceptance of a deficient certificate of insurance does not waive any insurance requirement in this Lease. Tenant also shall grant Landlord permission to obtain copies of insurance policies from all insurers providing required coverage to Tenant by executing and delivering to Landlord such authorizations substantially in the form of **Exhibit G** as Landlord may request.

ARTICLE 10. ENVIRONMENTAL MATTERS

10.01 Use of Hazardous Substances. Tenant shall not cause or permit the Property to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce or process any Hazardous Substance, except as is necessary or useful to Tenant's authorized uses of the Property stated in Section 6.01, and only in compliance with all applicable Environmental Laws. Any Hazardous Substance permitted on the Property as provided in this section, and all containers therefor, shall be handled, used, kept, stored and disposed of in a manner that complies with all applicable Environmental Laws, and handled only by properly trained personnel.

<u>10.02 Prevention of Releases.</u> Tenant shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of Tenant or any of its agents, employees, contractors, tenants, subtenants, invitees or other users or occupants of the Property, a release of any Hazardous Substance onto the Property or onto any other property.

<u>10.03 Compliance with Environmental Laws.</u> Tenant at all times and in all respects shall comply, and will use its best efforts to cause all tenants, subtenants and other users and occupants of the Property to comply, with all Environmental Laws, including without limitation the duty to undertake the following specific actions: (i) Tenant shall, at its own expense, procure, maintain in

effect and comply with all conditions of, any and all permits, licenses and other governmental and regulatory approvals required by all Environmental Laws, including without limitation permits required for discharge of (appropriately treated) Hazardous Substances into the ambient air or any sanitary sewers serving the Property; and (ii) except as discharged into the ambient air or a sanitary sewer in strict compliance with all applicable Environmental Laws, all Hazardous Substances from or on the Property to be treated and/or disposed of by Tenant will be removed and transported solely by duly licensed transporters to a duly licensed treatment and/or disposal facility for final treatment and/or disposal (except when applicable Environmental Laws permit on-site treatment or disposal in a sanitary landfill).

10.04 Notice. Tenant shall promptly give Landlord (i) written notice and a copy of any notice or correspondence it receives from any federal, state or other government agency regarding Hazardous Substances on the Property or Hazardous Substances which affect or will affect the Property; (ii) written notice of any knowledge or information Tenant obtains regarding Hazardous Substances or losses incurred or expected to be incurred by Tenant or any government agency to study, assess, contain or remove any Hazardous Substances on or near the Property, and (iii) written notice of any knowledge or information Tenant obtains regarding the release or discovery of Hazardous Substances on the Property.

<u>10.05</u> Remedial Action. If the presence, release, threat of release, placement on or in the Property, or the generation, transportation, storage, treatment or disposal at the Property of any Hazardous Substance (i) gives rise to liability (including but not limited to a response action, remedial action or removal action) under any Environmental Law, (ii) causes a significant public health effect, or (iii) pollutes or threatens to pollute the environment, Tenant shall, at its sole expense, promptly take any and all remedial and removal action necessary to clean up the Property and mitigate exposure to liability arising from the Hazardous Substance, whether or not required by law.

10.06 Indemnification. Subject to Section 10.09, Tenant shall indemnify, defend, and hold harmless Landlord, its officers and employees from and against any and all claims, disbursements, demands, damages (including but not limited to consequential, indirect or punitive damages), losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including experts', consultants' and attorneys' fees and expenses, and including without limitation remedial, removal, response, abatement, cleanup, legal, investigative and monitoring costs), imposed against Landlord, arising directly or indirectly from or out of, or in any way connected with (i) the failure of Tenant to comply with its obligations under this Article; (ii) any activities on the Property during Tenant's past, present or future possession or control of the Property which directly or indirectly resulted in the Property being contaminated with Hazardous Substances; (iii) the discovery of Hazardous Substances on the Property whose presence was caused during the possession or control of the Property by Tenant; (iv) the clean-up of Hazardous Substances on the Property; and (v) any injury or harm of any type to any person or damage to any property arising out of or relating to Hazardous Substances on the Property or from the Property on any other The liabilities, losses, claims, damages, and expenses for which Landlord is indemnified under this section shall be reimbursable to Landlord as and when the obligation of Landlord to make payments with respect thereto are incurred, without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and Tenant shall pay such liability, losses, claims, damages and expenses to Landlord as so incurred within 10 days after notice from Landlord itemizing in reasonable detail the amounts incurred (provided that no itemization of costs and expenses of counsel to Landlord is required where, in the determination of Landlord, such itemization could be deemed a waiver of attorney-client privilege).

<u>10.07 Survival of Obligations.</u> The obligations of Tenant in this Article, including without limitation the indemnity provided for in Section 10.06, are separate and distinct obligations from

Tenant's obligations otherwise provided for herein and shall continue in effect after the expiration of the Term.

<u>10.08 Claims against Third Parties.</u> Nothing in this Article shall prejudice or impair the rights or claims of Tenant against any person other than Landlord with respect to the presence of Hazardous Substances as set forth above.

10.09 Extent of Tenant's Obligations. Tenant's obligations under this Article apply only to acts, omissions or conditions that (i) occur in whole or in part during the Term or during any time of Tenant's possession or occupancy of the Property prior to or after the Term of this Lease; or (ii) are proximately caused in whole or in part by the occupancy of, use of, operations on, or actions on or arising out of the Property by Tenant or its employees, agents, customers, invitees or contractors.

10.10 Inspection at Expiration of Term. Within 90 days before the expiration of the Term, Tenant shall at its own expense obtain a Phase I environmental inspection of the Property, and conduct any further inspection, including without limitation test holes, that is indicated by the results of the Phase I inspection. Tenant, at its own expense, shall remediate any contamination of the Property that is revealed by the inspections and that is Tenant's responsibility under this Article.

ARTICLE 11. CONDEMNATION

11.01 Article Determines Parties' Rights and Obligations. If any entity having the power of eminent domain exercises that power to condemn the Property, or any part thereof or interest therein, or acquires the Property, or any part thereof or interest therein by a sale or transfer in lieu of condemnation, the interests of Landlord and Tenant in the award or consideration for such transfer and the effect of the taking or transfer upon this Lease will be as provided in this Article.

<u>11.02 Total Taking.</u> If all of the Property is taken or so transferred, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority.

11.03. Partial Taking. If the taking or transfer of part of the Property causes the remainder of the Property to be not effectively and practicably usable in the opinion of the Tenant for the purpose of operation thereon of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate on the date title to the Property vests in the condemning authority. If the taking or transfer of part of the Property leaves the remainder of the Property effectively and practicably usable in the opinion of Tenant for the operation of Tenant's business, this Lease and all of Tenant's interest thereunder will terminate as to the portion of the Property so taken or transferred on the date title to the Property vests in the condemning authority, but will continue in full force and effect as to the portion of the Property not so taken or transferred, and the Base Rent will abate in the proportion that the portion of the Property taken bears to all of the Property.

11.04 Compensation. Landlord and Tenant each may make a claim against the condemning or taking authority for the amount of just compensation due to it. Tenant shall make no claim against Landlord for damages for termination of the leasehold or interference with Tenant's business, even if Landlord is the condemning or taking authority. Neither Tenant nor Landlord will have any rights in or to any award made to the other by the condemning authority; provided, that if a single award to Landlord includes specific damages for loss of Tenant's leasehold interest separately awarded in the eminent domain proceeding and not as a part of the damages recoverable by Landlord, Landlord will transmit such separately awarded damages to Tenant.

ARTICLE 12. DEFAULT

12.01. Events of Default. Each of the following shall constitute an event of default under this Lease:

- (a) The failure of Tenant to pay Rent or any other sum of money due under this Lease within ten (10) days after the date such payment is due.
- (b) The failure of Tenant to perform or observe any covenant or condition of this Lease, other than a default in the payment of money described in the preceding subsection (a), which is not cured within thirty (30) days after notice thereof from Landlord to Tenant, unless the default is of a kind that cannot be cured within such 30-day period, in which case no event of default shall be declared so long as Tenant shall commence the curing of the default within such 30 day period and thereafter shall diligently and continuously prosecute the curing of same.
- (c) The use of the Property or buildings and improvements thereon for purposes other than those permitted herein, to which Landlord has not given its written consent.
- (d) The commencement of a case under any chapter of the federal Bankruptcy Code by or against Tenant, or the filing of a voluntary or involuntary petition proposing the adjudication of Tenant as bankrupt or insolvent, or the reorganization of Tenant, or an arrangement by Tenant with its creditors, unless the petition is filed or case commenced by a party other than Tenant and is withdrawn or dismissed within ninety (90) days after the date of its filing.
- (e) The admission in writing by Tenant of its inability to pay its debts when due; the appointment of a receiver or trustee for the business or property of Tenant, unless such appointment shall be vacated within ten (10) days after its entry; Tenant making an assignment for the benefit of creditors; or the voluntary or involuntary dissolution of Tenant.
- <u>12.02 Landlord's Remedies.</u> Upon the occurrence of an event default, Landlord has all of the following remedies, all in addition to any other remedies that Landlord may have at law or in equity:
- (a) Landlord may terminate this Lease by written notice to Tenant, upon which termination Tenant shall immediately surrender possession of the Property, vacate the Property, and deliver possession of the Property to Landlord. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates this Lease in accordance with this subsection (a), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.
- (b) Landlord may by written notice declare Tenant's right to possession of the Property terminated without terminating this Lease. Tenant hereby makes a present grant to Landlord of a full, free and irrevocable license to enter into and upon the Property, in the event Landlord terminates Tenant's right of possession in accordance with this subsection (b), and to repossess the Property, to expel or remove Tenant and any others who may be occupying or within the Property, and to remove any and all property therefrom, using such force as may be necessary, with or without process of law, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, and without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law.

- (c) Subject to Section 12.01(e), Landlord may relet the Property in whole or in part for any period equal to or greater or less than the remainder of the Term, as applicable, for any sum that Landlord may deem reasonable.
- (d) Landlord may collect any and all rents due or to become due from subtenants or other occupants of the Property.
- (e) Landlord may recover from Tenant, with or without terminating this Lease, actual attorney's fees and other expenses incurred by Landlord by reason of Tenant's default and elect to recover damages described under either (1) or (2):
 - (1) from time to time, an amount equal to the sum of all Base Rent and other sums that have become due and remain unpaid, less the rent, if any, collected by Landlord on reletting the Property reduced by the amount of all expenses incurred by Landlord in connection with reletting the Property; or
 - (2) immediately upon Tenant's default, an amount equal to the difference between the Base Rent and the fair rental value of the Property for the remainder of the Term, discounted to the date of such default at a rate per annum equal to the rate at which Landlord could borrow funds for the same period as of the date of such default.
- (f) Reentry or reletting of the Property, or any part thereof, shall not terminate this Lease, unless accompanied by Landlord's written notice of termination to Tenant.
- <u>12.03 Assignment of Rents.</u> Tenant immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any subletting of all or a part of the Property, and Landlord, as assignee and attorney-in-fact for Tenant, or a receiver for Tenant appointed on Landlord's application, may collect such rent and apply it toward Tenant's obligations under this Lease, except that Tenant has the right to collect such rent until the occurrence of an event of default by Tenant.

ARTICLE 13. LEASEHOLD MORTGAGES

- 13.01. Mortgage of Leasehold Interest. Tenant shall have the right at any time, and from time to time, to subject the leasehold estate and any or all of Tenant's improvements situated on the Property to one or more deeds of trust, mortgages, and other collateral security instruments as security for a loan or loans or other obligation of Tenant (each a "Leasehold Mortgage"), subject to the remainder of this Article 13.
- 13.02 Subordinate to Lease. The Leasehold Mortgage and all rights acquired under it shall be subject and subordinate to all the terms of this Lease, and to all rights and interests of Landlord except as otherwise provided in this Lease.
- 13.03 Notice to Landlord. Tenant shall give Landlord notice before executing each Leasehold Mortgage, and shall accompany the notice with a true copy of the note and the Leasehold Mortgage as proposed for execution. Upon Landlord's written consent to the Leasehold Mortgage and upon execution of the Leasehold Mortgage by all parties, the mortgagee shall become a Qualified Mortgagee as that term is used in this Lease. Tenant also shall deliver to Landlord a true and correct copy of any notice from a Qualified Mortgagee of default or acceleration of the maturity of the note secured by a Leasehold Mortgage promptly following Tenant's receipt thereof.
- **13.04 Modification or Termination.** No action by Tenant or Landlord to cancel, surrender, or materially modify the economic terms of this Lease or the provisions of Article 11 will be binding upon a Qualified Mortgagee without its prior written consent.

13.05 Notice to Qualified Mortgagee.

- (a) If Landlord gives any notice hereunder to Tenant, including without limitation a notice of an event of default, Landlord shall give a copy of the notice to each Qualified Mortgagee at the address previously designated by it.
- (b) If a Qualified Mortgagee changes its address or assigns the Leasehold Mortgage, the Qualified Mortgagee or assignee may change the address to which such copies of notices hereunder shall be sent by written notice to Landlord. Landlord will not be bound to recognize any assignment of a Qualified Mortgage unless and until Landlord has been given written notice thereof, a copy of the executed assignment, and the name and address of the assignee. Thereafter, the assignee will be deemed to be the Qualified Mortgagee hereunder with respect to the assigned Leasehold Mortgage.
- (c) If a Leasehold Mortgage is held by more than one person, Landlord shall not be required to give notices to the Qualified Mortgage of the Leasehold Mortgage unless and until all of the holders of the Leasehold Mortgage give Landlord an original executed counterpart of a written designation of one of their number to receive notices hereunder. Notice given to the one so designated is effective as notice to all them.

13.06 Performance of Tenant Obligations.

- (a) A Qualified Mortgagee may perform any obligation of Tenant and remedy any default by Tenant under this Lease within the time periods specified in the Lease, and Landlord shall accept such performance with the same force and effect as if furnished by Tenant; provided, however, that the Qualified Mortgagee will not thereby be subrogated to the rights of Landlord.
- (b) Tenant may delegate irrevocably to a Qualified Mortgagee the non-exclusive authority to exercise any or all of Tenant's rights hereunder, but no such delegation will be binding upon Landlord unless and until either Tenant or the Qualified Mortgagee gives Landlord a true copy of a written instrument effecting such delegation.
- (c) If Tenant defaults in the payment of any monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 10 days after the expiration of any grace or cure periods granted Tenant herein. If Tenant defaults in the performance of any non-monetary obligation hereunder, Landlord shall not terminate this Lease unless and until Landlord provides written notice of such default to each Qualified Mortgagee and no Qualified Mortgagee cures such default within 30 days after the expiration of any grace or cure periods granted Tenant herein.
- **13.07 Possession by Qualified Mortgagee.** A Qualified Mortgagee may take possession of the Property and vest in the interest of Tenant in this Lease upon the performance of the following conditions:
- (a) The payment to Landlord of any and all sums due to Landlord under this Lease, including without limitation accrued unpaid rent.
- (b) The sending of a written notice to Landlord and Tenant of the Qualified Mortgagee's intent to take possession of the Property and assume the Lease.
- (c) The curing of all defaults not remediable by the payment of money within an additional 30 days after the date upon which such default was required to be cured by Tenant under the terms of this Lease.

13.08 No Liability of Mortgagee Without Possession. A Qualified Mortgagee shall have no liability or obligation under this Lease unless and until it sends to Landlord the written notice described in paragraph 13.07(b). Nothing in this Lease or in the taking of possession of the Property and assumption of the Lease by a Qualified Mortgagee or a subsequent assignee shall relieve Tenant of any duty or liability to Landlord under this Lease.

13.09 New Lease. If a Qualified Mortgagee acquires Tenant's leasehold as a result of a judicial or non-judicial foreclosure under a Leasehold Mortgage, or by means of a deed in lieu of foreclosure, the Qualified Mortgagee thereafter may assign or transfer Tenant's leasehold to an assignee upon obtaining Landlord's written consent thereto, which consent will not be unreasonably withheld or delayed but which assignment will be subject to all of the other provisions of Article 8 and any provisions of the Lease Ordinance concerning acceptable assignees. Upon such acquisition by a Qualified Mortgagee or its assignee of Tenant's leasehold, Landlord will execute and deliver a new ground lease of the Property to the Qualified Mortgagee or its assignee not later than 120 days after such party's acquisition of Tenant's leasehold. The new ground lease will be identical in form and content to this Lease, except with respect to the parties thereto, the term thereof (which will be co-extensive with the remaining Term hereof), and the elimination of any requirements that Tenant fulfilled prior thereto, and the new ground lease will have priority equal to the priority of this Lease. Upon execution and delivery of the new ground lease, Landlord will cooperate with the new tenant, at the sole expense of said new tenant, in taking such action as may be necessary to cancel and discharge this Lease and to remove Tenant from the Property.

ARTICLE 14. GENERAL PROVISIONS

<u>14.01 Authority.</u> Tenant represents and warrants that it has complete and unconditional authority to enter into this Lease; this Lease has been duly authorized by Tenant's governing body; this Lease is a binding and enforceable agreement of and against Tenant; and the person executing the Lease on Tenant's behalf is duly and properly authorized to do so.

14.02 Estoppel Certificates. Either party shall at any time and from time to time upon not less than 30 days prior written request by the other party, execute, acknowledge and deliver to such party, or to its designee, a statement in writing certifying that this Lease is in full force and effect and has not been amended (or, if there has been any amendment thereof, that the same is in full force and effect as amended and stating the amendment or amendments); that there are no defaults existing, (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the Base Rent and other charges have been paid in advance. The requesting party shall pay the cost of preparing an estoppel certificate, including the cost of conducting due diligence investigation and attorney's fees.

14.03 Delivery of Notices -Method and Time. All notices, demands or requests from one party to another shall be delivered in person or be sent by (i) mail, certified or registered, postage prepaid, (ii) reputable overnight air courier service, or (iii) electronic mail or facsimile transmission (accompanied by reasonable evidence of receipt of the transmission and with a confirmation copy mailed by first class mail no later than the day after transmission) to the address for the recipient in Section 14.04 and will be deemed to have been given at the time of delivery or, if mailed, three (3) days after the date of mailing.

<u>14.04 Addresses for Notices.</u> All notices, demands and requests from Tenant to Landlord shall be given to Landlord at the following address:

City Manager City of Homer 491 East Pioneer Avenue Homer, Alaska 99603 Facsimile: (907) 235-3148

Email: citymanager@cityofhomer-ak.gov

All notices, demands or requests from Landlord to Tenant shall be given to Tenant at the following address:

TACKLE SHACK CO, LLC Attn: Shawn and Virginia Grimes 55035 Newell Ct, Homer, AK 99603 Email: shawngrimes80@yahoo.com

Each party may, from time to time, designate a different address or different agent for service of process by notice given in conformity with Section 14.03.

14.05 Time of Essence. Time is of the essence of each provision of this Lease.

14.06 Computation of Time. The time in which any act provided by this Lease is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday or a holiday, and then it is also excluded. The term "holiday" will mean all holidays as defined by the statutes of Alaska.

14.07 Interpretation. Each party hereto has been afforded the opportunity to consult with counsel of its choice before entering into this Lease. The language in this Lease shall in all cases be simply construed according to its fair meaning and not for or against either party as the drafter thereof.

<u>14.08 Captions.</u> The captions or headings in this lease are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Lease.

14.09 Independent Contractor Status. Landlord and Tenant are independent contractors under this Lease, and nothing herein shall be construed to create a partnership, joint venture, or agency relationship between Landlord and Tenant. Neither party shall have any authority to enter into agreements of any kind on behalf of the other and shall have no power or authority to bind or obligate the other in any manner to any third party.

<u>14.10 Parties Interested Herein.</u> Nothing in this Lease, express or implied, is intended or shall be construed to give to any person other than Landlord, Tenant and any Qualified Mortgagee any right, remedy or claim, legal or equitable, under or by reason of this Lease. The covenants, stipulations and agreements contained in this Lease are and shall be for the sole and exclusive benefit of Landlord, Tenant and any Qualified Mortgagee, and their permitted successors and assigns.

14.11 Multi-Party Tenant. If Tenant is comprised of more than one natural person or legal entity, the obligations under this Lease imposed upon Tenant are joint and several obligations of all such persons and entities. All notices, payments, and agreements given or made by, with, or

to any one of such persons or entities will be deemed to have been given or made by, with, or to all of them, unless expressly agreed otherwise by Landlord in writing.

- <u>14.12 Broker's Commissions.</u> Each of the parties represents and warrants that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.
- **14.13 Successors and Assigns.** This Lease shall be binding upon the successors and assigns of Landlord and Tenant, and shall inure to the benefit of the permitted successors and assigns of Landlord and Tenant.
- **14.14 Waiver.** No waiver by a party of any right hereunder may be implied from the party's conduct or failure to act, and neither party may waive any right hereunder except by a writing signed by the party's authorized representative. The lapse of time without giving notice or taking other action does not waive any breach of a provision of this Lease. No waiver of a right on one occasion applies to any different facts or circumstances or to any future events, even if involving similar facts and circumstances. No waiver of any right hereunder constitutes a waiver of any other right hereunder.

14.15 Attorney's Fees.

- (a) If Landlord is involuntarily made a party to any litigation concerning this Lease or the Property by reason of any act or omission of Tenant, or if Landlord is made a party to any litigation brought by or against Tenant without any fault on the part of Landlord, then Tenant shall pay the amounts reasonably incurred and expended by Landlord, including the reasonable fees of Landlord's agents and attorneys and all expenses incurred in defense of such litigation.
- (b) In the event of litigation between Landlord and Tenant concerning enforcement of any right or obligation under this Lease, the non-prevailing party shall reimburse the prevailing party for the attorney's fees reasonably incurred and expended by the prevailing party in the litigation.
- <u>14.16 Severability.</u> If any provision of this Lease shall for any reason be held to be invalid, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Lease, such provision shall be construed so as to make it enforceable to the greatest extent permitted, such provision shall remain in effect to the greatest extent permitted and the remaining provisions of this Lease shall remain in full force and effect.
- **14.17 Entire Agreement, Amendment.** This Lease constitutes the entire and integrated agreement between Landlord and Tenant concerning the subject matter hereof, and supersedes all prior negotiations, representations or agreements, either written or oral. No affirmation, representation or warranty relating to the subject matter hereof by any employee, agent or other representative of Landlord shall bind Landlord or be enforceable by Tenant unless specifically set forth in this Lease. This Lease may be amended only by written instrument executed and acknowledged by both Landlord and Tenant.
- <u>14.18 Governing Law and Venue.</u> This Lease will be governed by, construed and enforced in accordance with, the laws of the State of Alaska. Any action or suit arising between the parties in relation to or in connection with this Lease, or for the breach thereof, shall be brought in the trial courts of the State of Alaska for the Third Judicial District at Homer.

<u>14.19 Execution in Counterparts.</u> This Lease may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

14.20 Prior Lease Amended And Superseded. A prior lease exists affecting the Property dated October 1, 2020 a memorandum of which has been recorded in the records of the Homer Recording District under Document No. 2020-003401-0 (the "Prior Lease"). This Lease replaces and supersedes the Prior Lease effective as of June 1 2021, and on and after that date the Prior Lease shall have no force or effect, except that it shall remain in effect as to events, rights, obligations, or remedies arising or accruing under the Prior Lease prior to that date.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first set forth above.

Landlord:	Tenant:	
CITY OF HOMER	TACKLE SHACK CO., LLC	
_		
By: Rob Dumouchel, City Manager	Shawn Grimes, Owner	
Noo Bullioucher, City Wallager	Shawn Grinies, Owner	
ACK	NOWLEDGMENTS	
STATE OF ALASKA		
) ss THIRD JUDICIAL DISTRICT)	S.	
0 0	knowledged before me on, 2021, by ity of Homer, an Alaska municipal corporation, on	
	Notary Public in and for Alaska My Commission Expires:	
STATE OF ALASKA)) ss THIRD JUDICIAL DISTRICT)	S.	
The foregoing instrument was acknowledged before me on		
	Notary Public in and for Alaska	
	My Commission Expires:	

EXHIBIT A

SCHEDULE OF ORGANIZATION, OWNERS, PERCENTAGE OF OWNERSHIP

Tenant, TACKLE SHACK CO., LLC, is a limited liability company organized under the laws of the state of Alaska. Attached to this exhibit is a certificate issued by that state certifying that Tenant is in good standing and describing its legal organization.

The members and their percentage of ownership are as follows:

Name: Shawn Grimes, Owner of TACKLE SHACK CO. LLC 100 %

Address: 55035 Newell Ct., Homer AK 99603

TOTAL 100 %

EXHIBIT B

CONFORMED COPY OF RESOLUTION AUTHORIZING LEASE AND AUTHORIZING SIGNERS TO SIGN LEASE AGREEMENT ON BEHALF OF TENANT



EXHIBIT C

LOCATION OF PROPERTY

(**Section 2.01**)

A portion of Lot 5, as shown on the subdivision plat entitled HOMER SPIT filed as amended plat number 89-34 in the Homer Recording District, City of Homer, Kenai Peninsula Borough, State of Alaska, also being within the southeast ¼ of Section 35, Township 6 South, Range 13 West of the Seward Meridian, and more certainly described as;

Beginning at a point on the edge of the right-of-way of the Homer Spit road, the east corner of Lot 4 being also the northerly corner of said Lot % as shown on Sheet Two of said subdivision plat;

Thence along the boundary of Lot 5, coincident with the edge of the right-of-way of the Homer Spit Road S 45 '50" E 150.92 feet to the beginning of a curve to the left;

Thence along the arc of said curve to the left 128.88 feet, said curve having a radius of 5819.33 feet, a central angle of 1 16'08" and is subtended by a chord bearing S 46 23'55" E for 128.875 feet to the east corner of said Lot 5, said corner being in common with Lot 6; Thence leaving said right-of-way, S 42 58'02" W 71.96 feet along the boundary common with Lot 5 and Lot 6;

Thence leaving said boundary N 45 45'50" W 353.43 feet to the north boundary of Lot 5 being in common with Lot 4;

Thence along said common boundary N 89 51'14" E 100.82 feet to the Point of beginning. Containing an area of 22,388 square feet (0.514 acre);

Also known as Kenai Peninsula Borough Tax Parcel No. 181-03-105;

Also known as 3815 Homer Spit Rd #A, Homer AK 99603.

EXHIBIT D

TENANT'S PROPOSED USE OF THE PROPERTY

(**Section 6.01**)

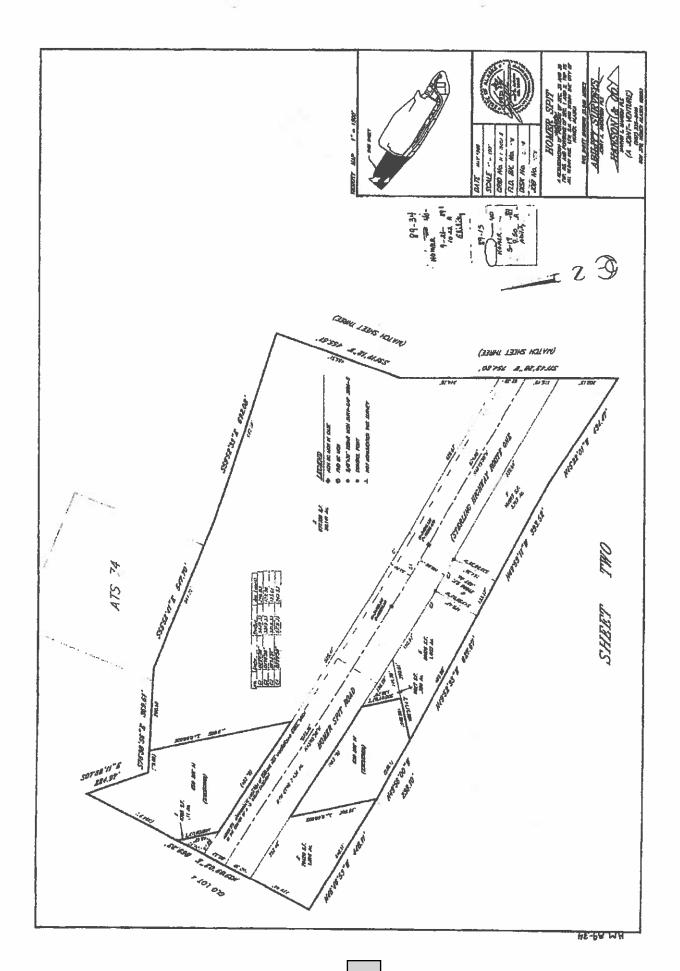
Uses as allowed by Marine Commercial Zoning- Retail Establishment (Bait and Tackle General Store), Lodging-Hotel (short term vacation rental rooms), and Storage

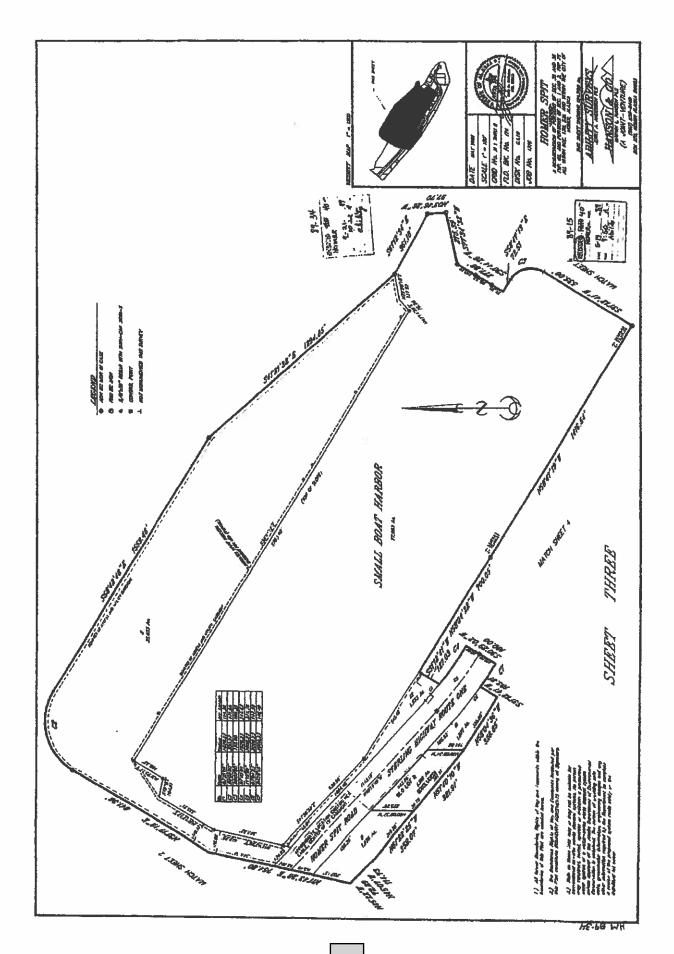
EXHIBIT E

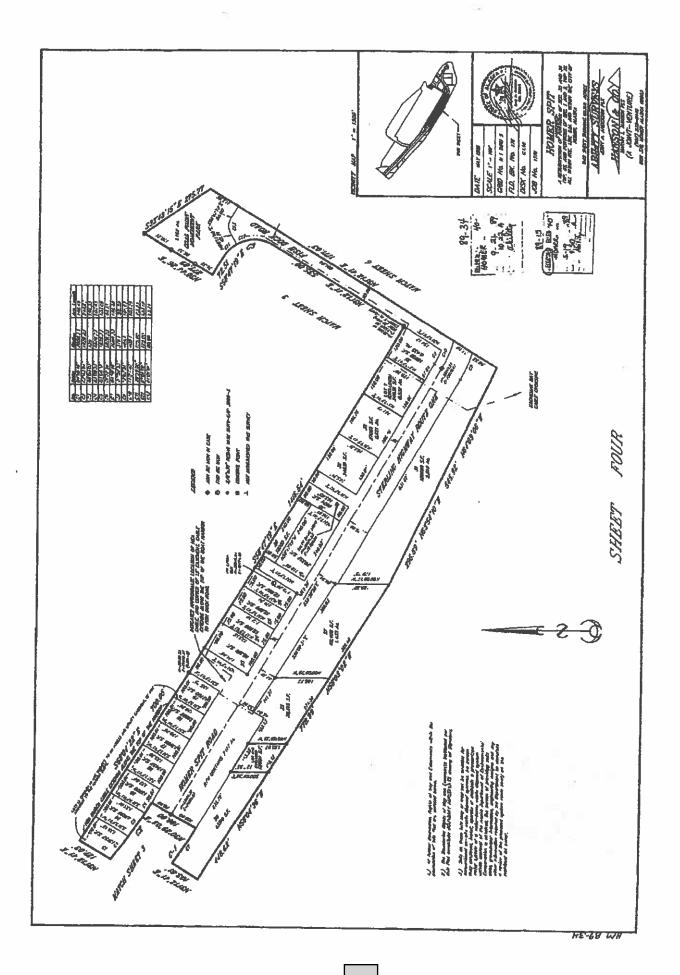
SITE PLANS

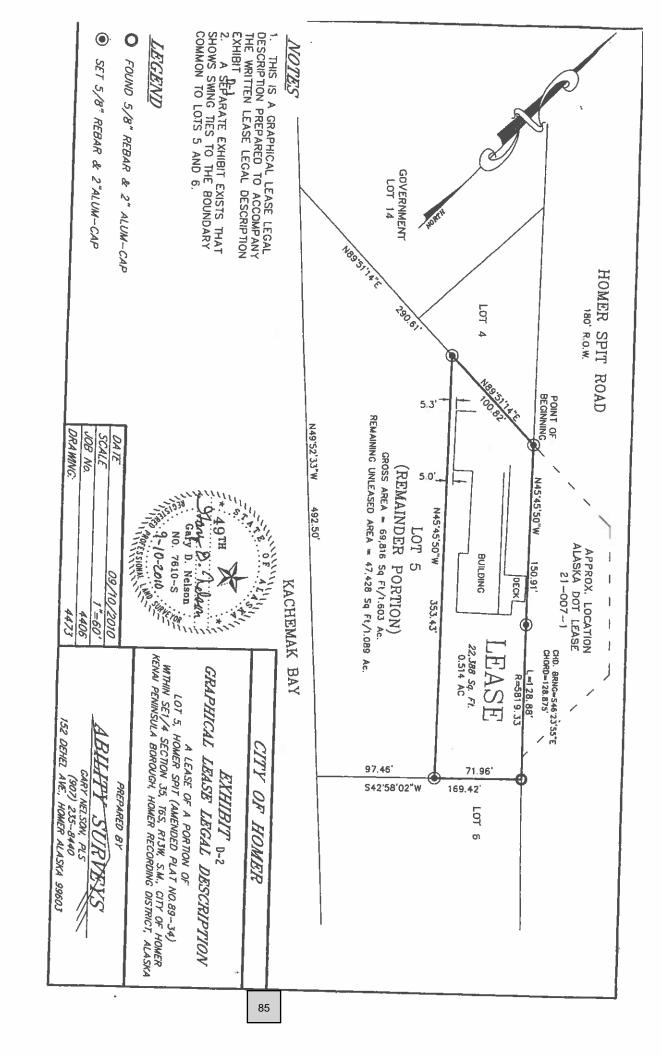
(Section 6.02)

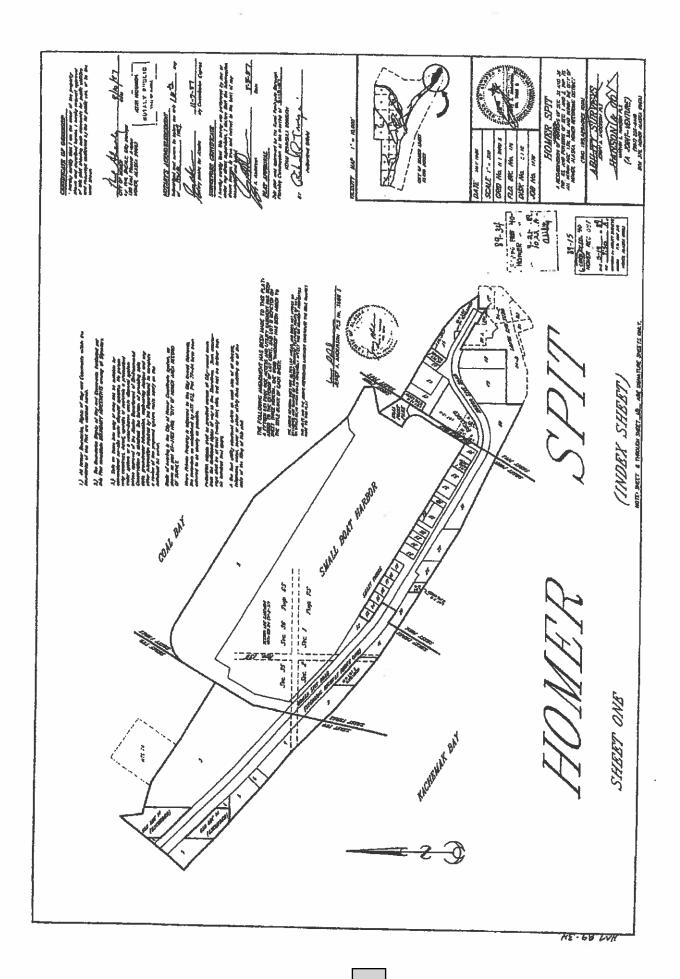












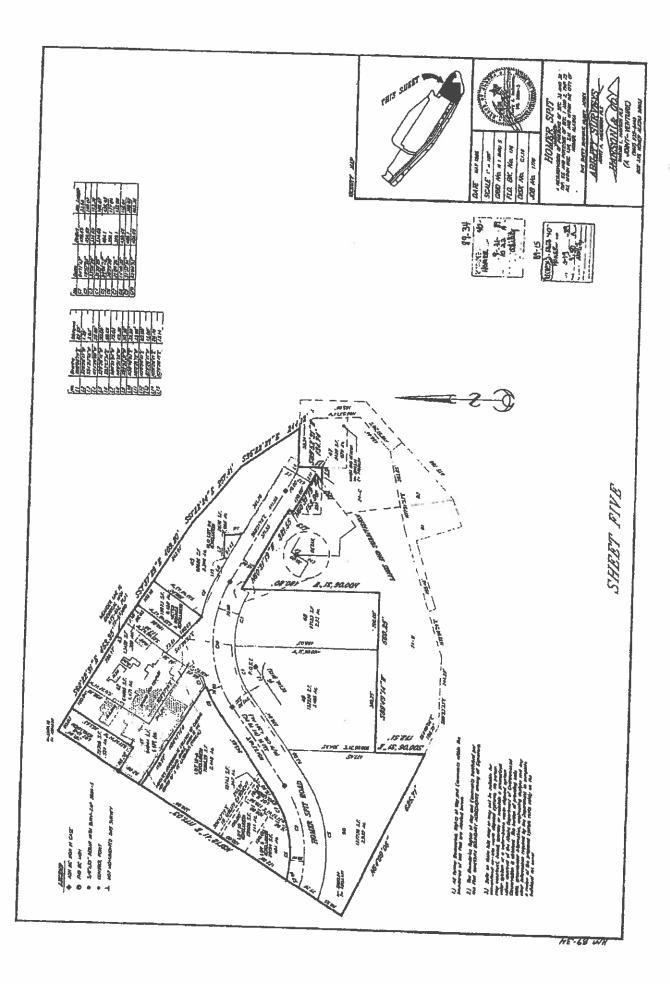


EXHIBIT F

FLOOR PLANS

(Section 6.02)



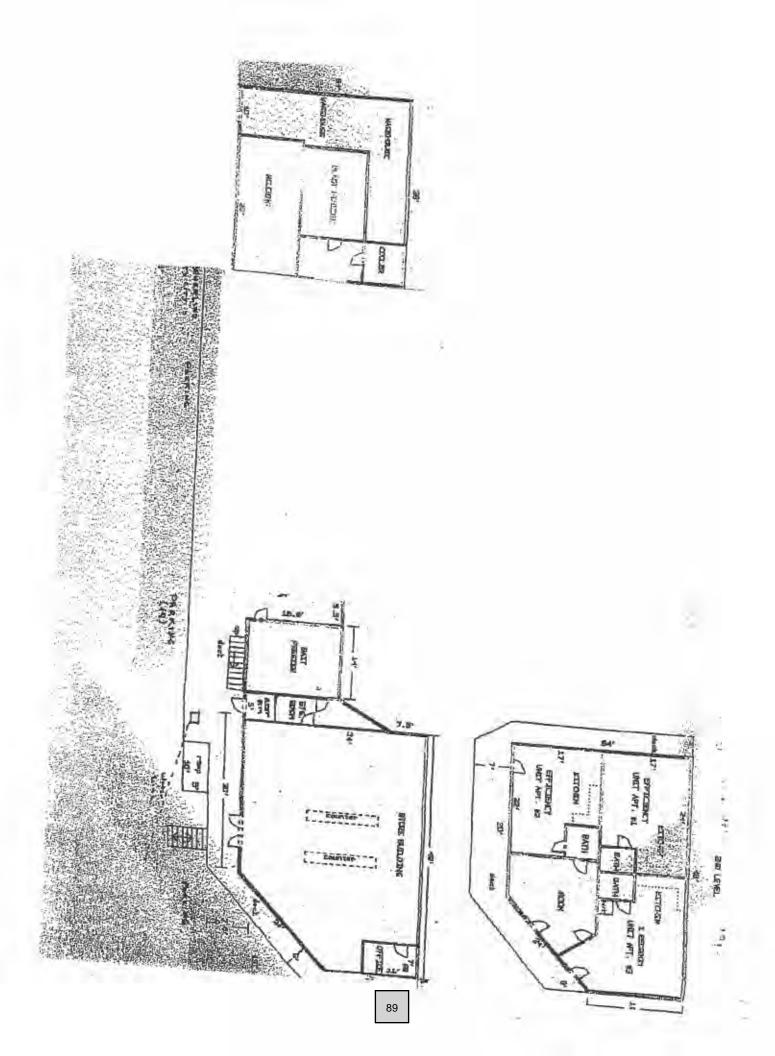


EXHIBIT G

PERMISSION TO OBTAIN INSURANCE POLICIES

(Section 9.04(d))

The City of Homer is hereby granted permission to request and obtain copies of TACKLE
SHACK CO., LLC ("Tenant") insurance policies from Tenant's broker and/or insurer,
Tenant requests the broker/insurer to
provide the City of Homer with information about and copies of all of Tenant's insurance policies
providing the type of coverage required by the Lease between Tenant and the City of Homer.
It is understood that the Tenant may revoke this permission at any time by written notice to
City of Homer and to Tenant's broker and/or insurer; however, such revocation will constitute a default
of Tenant's lease from the City of Homer.
Date:
TACKLE SHACK CO., LLC
Signature:
Printed Name:
Title:

	CITY OF HOMER
	HOMER, ALASKA
	City Manager
	RESOLUTION 21-036
	A RESOLUTION OF THE HOMER CITY COUNCIL ESTABLISHING THE
	CITY OF HOMER PROPERTY TAX MILL LEVY RATE AT 4.5 MILS FOR
	2021.
	WHEREAS, Homer City Code 9.04.040 states that the City Council must establish a mil
r	rate no later than June 15 th of each year; and
	WHEREAS, Council set the mil rate at 4.5 mils for 2021 with the adoption of budget
C	Ordinance 19-51(A); and
	WHEREAS, The 4.5 mill rate established by Ordinance 19-51(A) will be maintained.
_	NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby establishes the
	City of Homer property tax mill levy rate at 4.5 mils for 2021 and authorizes the City Manager
C	o so inform the Kenai Peninsula Borough.
	PASSED AND ADOPTED by the Homer City Council this 24th day of May, 2021.
	FASSED AND ADOFTED by the Homer City Council this 24 day of May, 2021.
	CITY OF HOMER
	KEN CASTNER, MAYOR
	ATTEST:
-	MELISSA IACORSEN MMC CITYCLERV
	MELISSA JACOBSEN, MMC, CITY CLERK
	Fiscal Note: Estimated real property tax revenue \$3,075,573, Account No. 100-0005-4101.
	riseat Note. Estimated reat property tax revenue 35,015,515, Account No. 100-0005-4101.

CITY OF HOMER 1 2 **HOMER, ALASKA** 3 City Manager **RESOLUTION 21-037** 4 5 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, 6 7 ESTABLISHING A 2021 MILL RATE OF 9.962541 MILLS FOR THE OCEAN DRIVE LOOP SPECIAL SERVICE DISTRICT. 8 9 WHEREAS, The City of Homer may by ordinance, establish, alter, and abolish differential 10 tax zones to provide and levy property taxes for services not provided generally in the City, or 11 a differential levy than that generally provided in the City; and 12 13 14 WHEREAS, The City Council adopted Ordinance 11-49(S) to create the Ocean Drive Loop Special Service District to provide special services to the properties along the seawall to 15 include operation, maintenance, repair, reconstruction, improvement, administration and 16 other related activities conducted in the course of making and keeping the seawall operational 17 for its intended erosion control purpose; and 18 19 WHEREAS, The District is funded by a property tax levied on the properties in the Special 20 21 Service District; and 22 23 WHEREAS, HCC 15.10.020 provides that "The City Council shall annually set the mill levy pursuant to Section 9.04.040"; and 24 25 WHEREAS, HCC 9.04.040 states that the City Council must establish a mill rate no later 26 than June 15[™] of each year; and 27 28 29 WHEREAS, The mill rate established herein is in addition to the general real property 30 tax mil rate. 31 32 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby establishes a 33 2021 mill rate of 9.962541 mills for the Ocean Drive Loop Special Service District and authorizes 34 the City Manager to so inform the Kenai Peninsula Borough. 35 PASSED AND ADOPTED by the Homer City Council this 24th day of May, 2021. 36 37 38 CITY OF HOMER 39 40 KEN CASTNER, MAYOR 41

42

Page 2 of 2 RESOLUTION 21-037 CITY OF HOMER

43	ATTEST:
44	
45	
46	
47	MELISSA JACOBSEN, MMC, CITY CLERK
48	
49	Fiscal Note: Revenue \$, Acct. 808-375-4518



Office of the City Manager 491 East Pioneer Avenue

Homer, Alaska 99603

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

Memorandum 21-082

TO: Mayor Castner and Homer City Council

Rob Dumouchel, City Manager FROM:

DATE: May 19, 2021

SUBJECT: Resolution 21-037 Ocean Drive Loop Special Service District Mill Rate

The mill rate for the Ocean Drive Loop Special Service District is currently 9.962541 mills. The staff recommendation is to maintain that rate for this year. Additionally staff recommends that this rate be reevaluated prior to the next approval. At that time, I anticipate that the City will have sufficient data to use in considering a potential decrease in the mill rate.

Staff Recommendation: Approve Resolution 21-037

1	CITY OF HOMER
2	HOMER, ALASKA
3	City Clerk
4	RESOLUTION 21-038
5	
6	A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7	AMENDING THE HOMER FEE SCHEDULE UNDER CITY CLERK FEES,
8	AND PLANNING AND ZONING FEES
9	
10	WHEREAS, The City Departments conducted a review of their fee schedules; and
11	
12	WHEREAS, City Clerk fees are amended under Cemetery Plots, Council and Commission
13	Meeting Packets, City Hall Facility Use Fees, and Notary fees; and
14	
15	WHEREAS, The Planning and Zoning fees are amended under Zoning Permit Fees,
16	Conditional Use Permit Processing Fees, Zoning Fees-Other, and Publication Fees .
17	
18	NOW, THEREFORE, BE IT RESOLVED that the City Council hereby amends the
19	Homer Fee Schedule under City Clerk and Planning and Zoning Fees as follows:
20	
21	City Clerk Fees:

City Hall Facility Use

Cemetery Plots			
Internment Plot		\$1,000.00	
Cremains Plot		\$400.00	
Excavation ¹			
Adult		\$500.00 \$400 opening, \$100 closing	
Infant		\$375.00 - \$300 opening, \$75 closing	
City Council and Commission Meeting Packets			
Cost Per Packet			
0 – 25 Pages	\$5.00	100 – 200 Pages	\$25.00
26 – 50 Pages	\$10.00	200 – 500 Pages	\$30.00
51 – 100 Pages	\$20.00	500+ Pages	\$35.00
Cost Per Month, Per Council or Advisory Body			
1 Packet		Same fee as above	
2 Packets		Above fee with 10% reduction	
3 Packets		Above fee with 12% reduction	
4 Packets or More		Above fee with 15% reduction	

Cleaning Fee (if facility is not left as found)	Up to \$60.00 additional fee may be applied
Conference Room up to 12 people	
Government Agencies	Exempt (generally)
Non-Governmental Agency or Entity	\$ 15.00 25 per hour , minimum 2 hours
	\$ 75.00 125 per day maximum
Cowles Council Chambers up to 25 people	
Government Agencies	Exempt (generally)
Non-Governmental Agency or Entity	\$ 30.00 50 per hour , minimum 2 hours
	\$ 150.00 250 per day maximum
Use of Electronic Equipment	\$30 per day IT Setup fee for use during
	<u>business hours</u>
	\$50 per hour includes staff supervision for
	<u>use after hours</u>
City Pins and Mugs	
Logo Pins	\$1.00
Logo Mugs	\$4.00
Scene Mugs	\$8.00
Digital Audio of Meetings (audio files will be	\$25.00 per flash drive
provided on a flash drive)	
<u>Notary</u> ¹	\$5 per person up to 3 notary pages
	\$10 per person for 4 or more notary pages
Gravel Permit ²	\$5.00 per application
Fire Works Permit ³ (apply 30 days in advance)	\$25.00 per exhibit plus bond for \$500 or liability
	insurance required

Planning and Zoning Fees:

23

2425

Zoning Permit Fees¹ Single Family / Duplex \$200.00 **\$300.00** Multi-Family/Commercial/Industrial \$300.00 **\$400.00** plus \$50.00 per hour when over six hours of administrative time Change of Use fee \$50.00 Deck \$50.00 **\$100.00** Employee Occupied Recreational Vehicle in \$100.00 annually Marine Commercial and Marine Industrial **Zoning Districts** Conditional Use Permit Processing Fee¹ Amendment \$200.00 \$300.00 Fence

Single Family/Duplex	\$ 200.00 \$300.00	
Multi-Family/Commercial/Industrial		
Uses Less Than 8,000 Sq. Ft.	\$500.00	
Uses 8,001 Sq. Ft. to 15,000 Sq. Ft.	\$1,000.00	
Uses 15,001 Sq. Ft. to 25,000 Sq. Ft.	\$2,500.00	
Uses 25,001 Sq. Ft. to 40,000 Sq. Ft.	\$5,000.00	
Uses 40,001 Sq. Ft. and Larger	\$8,000.00	
Zoning Fees – Other		
Rezone ²	\$500.00	
Flood Hazard Development Permit	\$200.00	
Sign Permit	\$50.00	
Variance	\$250.00 \$350.00	
Erosion and Sediment Control Plan (BCWPD)	\$300.00	

PASSED AND ADOPTED by the City Council of Homer, Alaska, this 27th day of July, 2020. CITY OF HOMER KEN CASTNER, MAYOR ATTEST: MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Revenue amounts not defined in 2022-23 budget.



Office of the City Clerk 491 East Pioneer Avenue

Homer, Alaska 99603

clerk@cityofhomer-ak.gov (p) 907-235-3130 (f) 907-235-3143

Memorandum 20-183

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

MAY 20, 2021 DATE:

CITY FEE SCHEDULE SUBJECT:

Clerk's Office Staff is working on a code amendment to remove most fees from City Code and on vending machine and ATM fees for City facilities.

I anticipate a substitute Resolution will be provided at the June 14, 2021 Regular Meeting.



Office of the City Clerk

491 East Pioneer Avenue Homer, Alaska 99603

clerk@cityofhomer-ak.gov (p) 907-235-3130 (f) 907-235-3143

Memorandum

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

THROUGH: ROBERT DUMOUCHEL, CITY MANAGER

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: APRIL 20, 2021

SUBJECT: CITY CLERK'S OFFICE FEE SCHEDULE

City Clerk's Office staff completed a review of their portion of the City Fee Schedule. Proposed amendments are attached with strikeouts indicating fees or verbiage to be removed and amended or new fees are shown in bold underline.

Under Cemetery Plots we propose deleting language regarding excavation. In reviewing the matter with Public Works the City does not excavate the grave sites or collect payment for excavating. Public in need of excavation services are referred to a private party contractor who performs the service and collects payment.

Under City Council and Commission meeting packets we propose deleting the monthly, multiple packet fees. Paper packets are rarely requested any more so we find the inclusion of these multiple copy fees unnecessary.

We've amended the City Hall Facility use fees to identify the maximum capacity of each room and adjusted the fees in a manner we felt reasonable given the improvements that are being made in the rooms. We've also included an additional fee for after hour rentals if groups intend to use our audio and video equipment.

Regarding the section for City Pins and Mugs, yes we do have some mugs. I can't say that any have been sold in my time, but they exist. We talked about the option of deleting this section all together, and also about expanding to having a modest inventory of swag and a display case in the lobby. We're open to feedback.

The notary fee was located under City-Wide Administrative Fees and was inadvertently omitted in an update process. We've added it back in under City Clerk fees because it's my understanding we're the only City notaries who provide the service generally to the public and the other departments only notarize city documents at no cost. The fee was \$5 per person and we've proposed a higher fee for people who need services for multiple page documents that take more time to process.

The last two items, the gravel permit and fireworks permit, are called out in City Code as a responsibility of the City Clerk's Office in 19.20.040(f) and 5.24.050(a)(1). These can be removed at the point when code updates are made that amend or remove those instances.



Planning

491 East Pioneer Avenue Homer, Alaska 99603

Planning@ci.homer.ak.us (p) 907-235-3106 (f) 907-235-3118

Staff Report PL 21-12

TO: Homer Planning Commission FROM: Rick Abboud, AICP, City Planner

DATE: March 3, 2021

SUBJECT: planning and zoning fees

Introduction

We are bringing a new permitting system on board and I wish to pay for the annual maintenance through an increase in Planning and Zoning fees.

Analysis

The additional annual fees for the permitting system amount to \$8000.00. Some costs will be passed along to the Public Works Department for their use associated with zoning related permits such as water, sewer, and driveway. Zoning fees have not changed in the 12+ years that I have been City Planner, so it should come as no shock that an increase is due.

I have consulted with staff and have a draft proposal attached. The proposed amount of increases should be near the amount of cost for the system when permits are processed in the quantities of the past.

Besides the increase in fee for zoning permits, you will notice we propose eliminating the reduced size (small) of comp plan reproductions. We find that producing a plan when the maps are not 11 x 17 is somewhat nonfunctional, as it is very difficult to discern the information on the maps. Additionally, the ten dollar fee likely represents a cost below the cost to produce, as the plan is 130 pages. We also added a fee for a large road maintenance map equal to that of the large zoning map.

Staff Recommendation

Provide comments/recommendation(s) for the City Council to consider when reviewing the fee schedule.

Attachments

Draft Planning and Zoning fee schedule.



PLANNING AND ZONING

Bridge Creek Watershed Permit: Zoning permits are required for the Bridge Creek Watershed Area. Although no fees will be charged for the zoning permits outside of City Limits, the evaluation process is still in effect.

Technical Review of Communication Tower Application: When required, the applicant will be charged for the actual cost of the study, plus a 10% administrative fee. The City will be responsible for hiring and managing the study.

Traffic Impact Analysis and Community Impact Assessment: When required, applicant will be charged for the actual cost of the study, plus a 10% administrative fee. The City will be responsible for hiring and managing the study. Recording (as required) is \$50.00. [Resolutions 03-159 and 96-13; HCC 12.12.03]

Zoning Permit Fees ¹	
Single Family /Duplex	\$200.00 \$300.00
Multi-Family/Commercial/Industrial	\$300.00 \$400.00 plus \$50.00 per hour
	when over six hours of administrative time
Change of Use fee	\$50.00
Deck	\$50.00 \$100.00
Employee Occupied Recreational Vehicle in	\$100.00 annually
Marine Commercial and Marine Industrial	
Zoning Districts	
Conditional Use Permit Processing Fee ¹	
Amendment	\$200.00
Fence	\$300.00
Single Family/Duplex	\$200.00 \$300.00
Multi-Family/Commercial/Industrial	
Uses Less Than 8,000 Sq. Ft.	\$500.00
Uses 8,001 Sq. Ft. to 15,000 Sq. Ft.	\$1,000.00
Uses 15,001 Sq. Ft. to 25,000 Sq. Ft.	\$2,500.00
Uses 25,001 Sq. Ft. to 40,000 Sq. Ft.	\$5,000.00
Uses 40,001 Sq. Ft. and Larger	\$8,000.00
Zoning Fees – Other	
Rezone ²	\$500.00
Flood Hazard Development Permit	\$200.00
Sign Permit	\$50.00
Variance	\$ 250.00 \$350.00
Erosion and Sediment Control Plan (BCWPD)	\$300.00

Storm Water Protection Plan Fee	\$200.00	
Development Activity Plan (DAP)	\$200.00	
Preliminary Plat Processing Fee ³	\$300.00 or \$100.00 per lot, whichever is greater	
Elimination of a Common Interior Lot Line	\$200.00 \$300.00	
Right of Way and Section Line Easement	\$300.00 In addition to applicable preliminary	
Vacation Application Fee	plat fees	
Utility Easement Vacation	No fee \$50.00	
Publication Fees		
Comp Plan – Small	\$ 10.00	
Comp Plan – Large	\$20.00	
Zoning Map – Small	\$5.00	
Zoning Map – Large	\$25.00	
Road Maintenance Map <u>- Small</u>	\$5.00	
Road Maintenance Map - Large	\$25.00	
Zoning Ordinance – HCC 21	\$15.00	
Street Renaming Fees		
For name changes or naming of public dedicated streets other than those named during the subdivision process:		
Street Naming Petition and Hearing Advertising Fee	\$150.00	
Installation of Each New City Sign, Post, Etc.	\$150.00 per sign	
Replacement of Existing City Sign Due to Change Where No Post Is Needed	\$ 80.00 per sign	
	The minimum fee shall be either a combination	
	of 1 and 2 OR 1 and 3 above; however, all signs	
	that need to be changed and/or maintained by	
5 5 5 . 111 .	the City must be paid for prior to installation	
For Private Road Naming:		
Street Naming Petition and Hearing Advertising Fee	\$150.00	
Installation of Each New City Sign, Post, Etc.	\$150.00 per sign	
If No Public Hearing or Public Notice is Necessary, i.e., 100% Petition and No Partial Dedicated Street Involved	No Fee	
If No Signs are Required	No Fee	

¹Fees for commencing activities, without a permit, shall be assessed at the regular rate multiplied by one and one half (1.5) for Residential and two (2) for Commercial.

² HCC 21.63 repealed Contract Rezone via Ordinance 03-21

³ Resolutions 07-14, 03-159, and 96-13

Deputy City Planner Engebretsen facilitated a brief question and answer period on the Coastal Buff Hazard mapping and the benefits that it would provide to the city with the assistance of Commissioner Bentz.

Deputy City Planner Engebretsen fielded questions from the Commissioners on providing input on the Waylinding RFP and the massive clear-cutting that was conducted just outside the eastern city limits which may present some flooding issues.

B. Public Works Campus Task Force Report – Commissioner Barnwell

Commissioner Barnwell provided a through update using maps showing inundation lines and a progress report on the two meetings and worksession that were conducted by the Task Force specifically highlighting the exercise of determining risks to the Public Works Facility in the event of a Tsunami, reviewing the 2019 Inundation Report and having a very informative presentation by Barrett Salisbury with DGGS and Elena Suleimani with the Alaska Earthquake Center on earthquakes and how they would affect Homer.

Commissioner Barnwell field questions from the commission regarding site selection, the inundation lines are not higher, consideration of moving other facilities in relation to Public Works having bearing on site selection, utilizing the space at the old police station or high school for placement of equipment, consideration on resiliency to shoreline change, drainages, nuisance flooding as well as tsunami.

PUBLIC HEARINGS

PLAT CONSIDERATION

PENDING BUSINESS

A. Memorandum PL 21-14, Draft Community Design Manual (CDM) Update Progress

Deputy City Planner Engebretsen reviewed the changes to the CDM. She requested any concerns or red flags that the Commission may have on the amendments and noted the she planned to have a more fleshed out draft for the next meeting. She referenced the language that needs to be changed since they are having too many lawsuits and appeals.

Chair Smith commented that he appreciated the direction that staff was going with the update.

NEW BUSINESS

A. Staff Report 21-13, Planning Fees

Deputy City Planner Engebretsen reviewed Staff Report 21-13 and noted that the department has not increased their fees in twelve years. Appeal fees are extremely low in comparison to the cost to defend any actions that may be appealed. She requested comments and recommendation from the Commission on changes to any of the fees this is the time. In response to a question on how expending the funds for this software will eventually save the city money by providing the ability to have one record that will cover input from Public Works, the Client and the Planning Department; also this software will bring the Planning Department forward by two decades and it will additionally offer the online ability and efficiency.

Deputy City Planner Engebretsen will look into the status of builders submitting required asbuilts and have that information available for the next meeting in response to a question from Commissioner Venuti.

Chair Smith requested a motion.

HIGHLAND/BARNWELL - MOVED TO ADOPT STAFF REPORT 21-13 AND RECOMMEND CITY COUNCIL APPROVE SUGGESTED PLANNING DEPARTMENT FEE AMENDMENTS.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

INFORMATION MATERIALS

- A. City Manager's Report for February 22, 2021 City Council Meeting
- B. Request for Proposals, Development of Homer Wayfinding-Streetscape Plan

Chair Smith commented on the information contained in the City Manager's report regarding the water main break, and increased presence of the Coast Guard, noise on Beluga Lake and questioned whether there are plans to replace the restroom at Karen Hornaday Park.

Deputy City Planner Engebretsen responded that there are plans to replace the restroom but funding is an issue at this time and then noted that the other structure that was used by the Little League was also removed since it was not usable due to flooding. Portable toilets will be used in lieu of a restroom for the time being.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE STAFF

1	CITY OF HOMER		
2	HOMER, ALASKA		
3		City Manager/Port	
4	RESOLUTION 21-039		
5	A DESCRIPTION OF THE CITY COUNCIL OF	T LIOMED ALACKA	
6	A RESOLUTION OF THE CITY COUNCIL OF AMENDING THE HOMER TARIFF NO. 1 TO I		
7 8	TRANSFER FEES FORMALLY LISTED IN THE C		
9	INTO THE TERMINAL TARIFF.	LITT FEE SCHEDULE	
10	INTO THE TERMINAL TARITT.		
11	WHEREAS, It was decided upon staff review that all F	Port and Harbor fees and penalties	
12	should be removed from the City Fee schedule and represer		
13	tariff as directed per HHC 10.04.035 and HCC 10.04.055; and	•	
14	taim as an ected per fine 10.04.055 and free 10.04.055, and		
15	WHEREAS, All fees referenced are currently applie	ed within the Port and Harbor's	
16	policies and no fees listed within this Resolution slated fo		
17	Tariff are newly generated or in addition to the current fee s		
18	, , , , , , , , , , , , , , , , , , , ,		
19	WHEREAS, Changes/additions to the Homer Port Te	rminal Tariff No. 1 are as follows:	
20	Rule 26- Fish Dock Rates- adjustment of crane card replace		
21	\$5.00, Rule 35 Upland Storage- incorporation of the harbor		
22	Rule 39 fish Disposal/Grinding and Fees- incorporation		
23	, , ,		
24			
25	WHEREAS, HHC 10.04.035 States that the Port and Ha	arbor Tariff may be amended from	
26	•		
27			
28	NOW, THEREFORE, BE IT RESOLVED that the City Cou	ncil of Homer, Alaska, amends the	
29	Homer Tariff No. 1 as follows:		
30			
31	RULE 26 – FISH DOCK RATES		
32	26.01. GENERAL LIST OF FEES AS SET BY THE HOMER CITY COUN	ICIL	
33	a. Annual Access Card (Private License)	\$52.00 per year	
34	b. Card replacement fee	\$15.00 \$5.00 per occurrence	
35	c. Cold Storage Lockers #2-#8 (8 feet X 10 feet)	\$334.75/month	
36	d. Cold Storage Rate (2 consecutive months)	\$309.00/month	
37	e. Cold Storage Rate (3 consecutive months)	\$283.25/per month	
38	f. Cold Storage Rate (9 month season)	\$257.50 per month	
39	g. Cold Storage Locker #9 (10'X22')	\$920.90/month	
40	h. Cold Storage Locker #9 (2 consecutive months)	\$849.60/month	
41	i. Cold Storage Locker #9 (3 consecutive months)	\$778.90/month	
42	j. Cold Storage Locker #9 (9 month season)	\$708.20/month	
43	k. Inspections	\$ 50.00 per hour	

l. Bait Storage Fee per bin (4x4x4)

45	1. Per Day	\$5.15
46	2. Per Week	\$25.75
47	3. Per Month	\$77.25
48	m. Fish Dock Crane (Minimum 15 minutes)	\$90.64/hour
49	n. Ice (Accumulated throughout year. Accounts reviewed each D	ec. for rate adjustment based on
50	previous year's actual tons of ice purchased.)	
51	1. 0>100 tons	\$130.90 per ton
52	2. 101>300 tons	\$128.00 per ton
53	3. 301>500 tons	\$124.00 per ton
54	4. 501>700 tons	\$121.00 per ton
55	5. 701>1000 tons	\$118.00 per ton
56	6. Over 1001 tons	\$115.00 per ton
57	o. After hours ice delivery call out fee	\$250.00 per call out
58	p. Wharfage for Seafood	\$4.76/ton or \$.00238/lb.
59	q. Ice Wharfage (not purchased from City)	\$14.50/ton
60	r. Freight NOS Non-seafood Wharfage at Fish Dock	\$14.50/ton
61		

RULE 35 – UPLAND STORAGE

- 64 35.01. APPLICATION Upland storage area is primarily for fishing related gear and cargo laydown. No
- vehicle or boat trailers may be place on the upland storage area without prior permission of the
- 66 Harbormaster.

62 63

81

- 67 35.02. AVAILABLE SPACE The City of Homer may make available a limited area of land for gear
- 68 storage on a first-come, first-serve basis. All storage assignments must be approved by the
- 69 Harbormaster. Storage lots are a minimum of 1,000 square feet
- 70 35.03. RATE PERIODS Charges shall be based on type of storage required, gear or equipment. No
- 71 charge for storage shall be generated for free time of 3 days or less. Storage time beyond 7 days shall
- generate a full, one month charge. There are no prorated daily fees for storage. A storage month shall
- extend from a date in one calendar month to, but not including, the same date of the next and all
- succeeding calendar months. Less than one month's storage will be charged for the full month. The
- 75 Harbormaster may negotiate storage contracts for six months or longer.
- 76 35.04. RATES Fees for general storage are as follows:

77	Open Areas, fishing gear (unsecured)	\$.12 per square foot
78	Open Areas, non-fishing gear (unsecured)	\$.17 per square foot
79	Secure Storage	\$.22 per square foot

80 Deck Shelter Storage – Prearranged \$35/mo

82 RULE 39 – FISH DISPOSAL / GRINDING AND FEES

83 39.01. FISH GRINDING AND FEE - The City owns a regulated fish disposal system that grinds and

84 flushes fish waste through an outfall line. In addition to grinding sport caught fish carcasses collected

Page 3 of 3 RESOLUTION 21-039 CITY OF HOMER

85	at the fish cleaning tables, the City's fish disposal system can facilitate disposal of fish waste generated		
86	from commercial enterprises who shall self-report their fish carcasses brought to the facility.		
87			
88	a. The rates for commercial enterprises are \$30.00 per tote (approximately 1,000 lbs.) and \$5.00		
89	per tub (approximately 100 lbs.).		
90			
91 92	b. For off-site Fish Processers discharging effluent using the City's Outfall Line connection		
92 93	directly from the fish disposal system at their processing facility there is a one time connection fee of \$7,000.00. Processor has the option to pay the connection charge in five equal annual		
94	installments of \$1400.00 plus 7.5% interest. Additionally, there shall be an annual operation and		
95			
96			
97	PASSED AND ADOPTED by the Homer City Council this day of, 2021.		
98			
99			
100	CITY OF HOMER		
101			
102			
103	KEN CASTNER, MAYOR		
104			
105	ATTEST:		
106			
107 108	MELISSA JACOBSEN, MMC, CITY CLERK		
108	MELIOSA SACODOLIN, MINIC, CITT CLLINN		
110	Fiscal note: N/A		



Office of the City Clerk 491 East Pioneer Avenue

Homer, Alaska 99603

clerk@cityofhomer-ak.gov (p) 907-235-3130 (f) 907-235-3143

Memorandum 21-084

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

MAY 20, 2021 DATE:

PORT OF HOMER TARIFF NO. 1 AMENDMENTS SCHEDULE SUBJECT:

The Port and Harbor Advisory Commission meets May 26th and will be considering further tariff amendments.

I anticipate a substitute Resolution will be provided at the June 14, 2021 Regular Meeting.



Public Works

3575 Heath Street Homer, AK 99603

publicworks@cityofhomer-ak.gov (p) 907-235-3170 (f) 907-235-3145

Memorandum 21-085

TO: Mayor Castner and City Council

Through: Robert Dumouchel, City Manager

FROM: Janette Keiser, PE, Director of Public Works/Acting City Engineer

DATE: May 18, 2021

SUBJECT: Tasmania Court Water and Sewer Improvement Projects

Issue: The time has come to hold a public hearing on the Tasmania Court Sewer Special Assessment District according to the process set forth in City Code. The City Clerk's office has received objections from over 51% of the property owners. The property owners who submitted objections asked the City to increase the City's share of the costs. The purpose of this memorandum is to offer a potential solution.

Background:

A. Water Main Extension.

The Water Special Assessment District was created via Ordinance 20-083, the design is complete and the loan application for financing from the AK Dept. of Environmental Conservation (ADEC) has been submitted. The ADEC notified us that the Tasmania Court water project qualifies for "Principal Forgiveness", along with several other City water projects. The money can only be used for water projects. The City Council approved distribution of the Principal Forgiveness, with \$122,822 directed to the Tasmania Court Water Project, via Resolution 21-023. Application of these funds to the Tasmania Court Water Project means that the property owners would be paying for 41% of the cost of the water improvements, rather than 75%, which is the norm pursuant to the HAWSP Policy Manual. This is a significant discount, which is not likely to come around again any time soon.

We are waiting for final approval on the Principal Forgiveness paperwork and the outcome of the Sewer Assessment District process before we start preparing bid packages. We'd still have time to bid the project and get it constructed this year.

B. Sewer Main Extension

The City Council, via Ordinance 20-091(A), dated September 28, 2020, initiated the process of creating a Special Assessment District that would extend the sewer mains so the properties, which

would be receiving City water service, could also be served with City sewer service. We created several alternative sewer extension configurations, with a cost estimate and preliminary assessment roll for each alternative. We then held a neighborhood meeting, as provided in the Homer City Code, to discuss the various alternatives with the property owners. Many of the property owners told horror stories about the problems they've been having with their septic tank/leachfield systems. Most of them wanted nothing more to do with septic tanks! It was clear to me from this meeting, that bringing City sewer to this neighborhood would benefit the property owners.

The neighbors were understandably concerned about cost. They suggested some design accommodations to reduce the cost, which we agreed to. These modifications decreased the estimated annual assessment to about \$977 per property, assuming we acquired financing through a 20-year, low interest ADEC loan.

They also asked if the City could pay a larger share than the 25%, which is stipulated in the HAWSP Policy Manual. I told the property owners this decision was up to the City Council. I also told them they would have multiple opportunities to voice their opinions as the process moved forward. Now, we have received objections from over 50% of the property owners, which, under current City Code, means the Sewer Special Assessment District can't move forward, unless we can satisfactorily address the objections.

The irony is that the neighbors had already agreed to the water assessment district even before the ADEC's offered Principal Forgiveness. Had the Principal Forgiveness been applied to the sewer line, rather than the water line, the property owners would probably not be objecting now, as the cost of the sewer line would have been cut almost in half.

Recommendation: Postpone action on the Tasmania Court Sewer Special Assessment District to June 14, 2021, to allow for the City to hold a neighborhood meeting with property owners and then allow an opportunity for property owners to withdraw their objections. This strategy will give us an opportunity to explain the design accommodations we made to reduce the cost and the impact of the ADEC's Principal Forgiveness offer on the total costs of the water/sewer package, as a whole. If they still don't want the sewer project, we still have time to cancel the water district, reject the Principal Forgiveness offer, and move on to another neighborhood.



Office of the City Clerk

491 East Pioneer Avenue Homer, Alaska 99603

clerk@cityofhomer-ak.gov (p) 907-235-3130 (f) 907-235-3143

February 16, 2021

Dear Property Owner,

At their September 28, 2020 Regular Meeting, the Homer City Council adopted Resolution 20- 091(A) initiating the Tasmania Court Sewer Improvement Special Assessment District (SAD) for city sewer service. You are receiving this notice because you're a record owner of real property in the proposed district.

Pursuant to HCC 17.04.040(b) a meeting of record owners of real property in the proposed district, more commonly referred to as a neighborhood meeting, was scheduled and held on Tuesday, January 19, 2021 at 5:30 p.m. virtually through Zoom.

During the meeting it was decided to gather additional information on a further option and bring back for a neighborhood meeting. That meeting is scheduled for **Thursday, March 4, 2021 at 5:30 p.m.** and will be held virtually via Zoom from City Hall Cowles Council Chambers at 491 E Pioneer Avenue.

To join the Zoom meeting on your computer go to www.zoom.us and select Join A Meeting. From there follow the prompts to enter the meeting ID and password below. If you prefer to participate by phone only, you may dial any of the numbers below and enter the same meeting ID and password.

Meeting ID: 972 7912 9226 Password: 544980

By Phone- 1-669-900-6833, 1-253-215-8782 or Toll Free 888-788-0099 or 877-853-5247

The meeting will open by 5:20 p.m. so attendees will have time to log in and test audio before the start time. Please email me at rkrause@ci.homer.ak.us if you'd like an email link to the meeting information.

The proposed improvement plan is included for your review prior to the meeting. City staff will be available at the neighborhood meeting to answer questions on the proposed project, so please plan to attend. Please contact the City Clerk's Office at 235-3130 if you have questions.

Sincerely,

Renee Krause, MMC

Deputy City Clerk/ADA Coordinator

Renée Krause

Enc: Cost Assessment and Map for Alternative Scenario

Concept Cost Estimate - Gravity Serves All **TASMANIA COURT SEWER IMPROVEMENT** 2/5/2020

	quantity	unit	unit price	cost
Mobilization	1	LS	\$9,500	\$9,500
Clearing/Grubbing	1	LS	\$1,900	\$1,900
8" Ductile Iron Main	1120	LF	\$85	\$95,200
6" Ductile Irom Main	335	LF	\$80	\$26,800
Sanitary Sewer Manhole	2	EA	\$6,500	\$13,000
Sanitary Sewer Clean out	4	EA	\$3,500	\$14,000
4" sewer service	11	EA	\$1,900	\$20,900
Connect to Existing	1	EA	\$750	\$750
Type II Gravel	200	CY	\$30	\$6,000
Pipe Bedding	75	CY	\$27	\$2,025
Seeding	25	MSF	\$70	\$1,750
Construction Survey	1	LS	\$4,500	\$4,500
SWPP Plan	1	LS	\$1,800	\$1,800
Geotextile Fabric	400	SY	\$8	\$3,200
Exist. Utility Protection	1	LS	\$4,500	\$4,500

\$205,825

Construction	\$205,825
Design (8%)	\$16,466
Inspection (3%)	\$6,175
City Administration (5%)	\$9,379
Contengency (5%)	\$10,291
Total Project Cost	\$248,136
Property Owner Share	\$186,102
City (HAWSP) Share	\$62,034

Legal Description/Owner		SAD	ON-SITE	TOTAL
		COST	Cost	COST
Barnett's S Slope Subd Lot 2, Blk 2	Evans	\$16,918	\$4,500	\$21,418
Barnett's S Slope Subd Lot 4, Blk 2	Evans	\$16,918	\$4,500	\$21,418
Crandall Addn No 2 Lot 5-A-1	Crandall	\$16,918	\$4,500	\$21,418
Crandall Addn No 2 Lot 6-A-1	Crandall	\$16,918	\$4,500	\$21,418
Barnett's S Slope Subd Lot 11, Blk 1	Sjostedt	\$16,918	\$4,500	\$21,418
Barnett's S Slope Subd Lot 12, Blk 1	Marley	\$16,918	\$4,500	\$21,418
Barnett's S Slope Subd Lot 13, Blk 1	Marley	\$16,918	\$4,500	\$21,418
Barnett's S Slope Subd Lot 14, Blk 1	O'Neill	\$16,918	\$4,500	\$21,418
Barnett's S Slope Subd Lot 15, Blk 1	Fell	\$16,918	\$4,500	\$21,418
Fell Addn Lot 16-A	Fell	\$16,918	\$4,500	\$21,418
Barnett's S Slope Subd Lot 17, Blk 1	Sumption	\$16,918	\$4,500	\$21,418

\$186,102 \$49,500 \$235,602

with 20 years financing, interest rate 2% estimated annual payments (equal share) =

\$1,035

PROPOSED TASMANIACT, SEWER SAD



CITY OF HOMER PUBLIC HEARING NOTICE CITY COUNCIL MEETING

Tasmania Court Sewer Improvements Special Assessment District

A **public hearing** is scheduled for **Monday, May 24, 2021** during the Regular City Council Meeting. The meeting begins at 6:00 p.m. via a Zoom webinar at zoom.us or Telephone Dial 1-669-900-6833 or 1-253-215 8782; (Toll Free) 888-788-0099 or 877-853-5247; use Webinar ID: 205 093 973 and Password: 610853

The City Clerk has determined that a petition to initiate a district bears sufficient signatures to create the Tasmania Court Water Improvement Special Assessment District.

OBJECTIONS

Objections to the formation of this district must be in written form and filed at the Office of the City Clerk no later than the day before the date of the scheduled public hearing. Non-responses during the objection period shall be deemed to be non-objections.

**Request forms to submit public comment telephonically are available on the City Clerk's webpage.

Contact the Clerk's Office at City Hall if you have any questions. 235-3130, Email: clerk@ci.homer.ak.us

Dated this 16th day of March, 2021

Renee Krause, MMC, Deputy City Clerk

STATEMENT OF OBJECTION

TO SPECIAL ASSESSMENT DISTRICT

SPECIAL ASSESSMENT DISTRICT: Tasmania Court Sewer Improvement Special Assessment District I/we affirm that I/we are the owner(s) of the following lots in the Special Assessment District (give legal description): I/We object to the Tasmania Court Sewer Improvement Special Assessment District. Reasons/Comments PROPERTY OWNER'S PRINTED NAME, SIGNATURE, AND DATE (Date) (Signature) (Print Name)

NOTE: PLEASE MAKE SURE THAT ALL THE PROPERTY OWNERS OF RECORD PRINT, SIGN, AND DATE THIS DOCUMENT. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK NO LATER THAN THE DAY BEFORE THE DATE OF THE SCHEDULED PUBLIC HEARING.

City of Homer Office of the City Clerk 491 E. Pioneer Avenue Homer, Alaska 99603 april 6, 2021

David Sjostedt Jeannie Chandler PO Box 3404 Homer, OK 99403

Owners: Lot II: BIK I 825 W. Jasmania Ct.

City of Homer Office of City Clerk, 491 East Pioneer ave. Homer, ak 99603

Special assessment District: Jasmania Court Sewer Improvement

The Cost to property owners is our greatest concern. We would like the City of Homer assume more of the Cost for the water and sewer mains - Infrastructure.

The original S.A.D. was for water only, it has now evolved to include pewer.

We have a very good septic system and we understand the science of Reeping it healthy. If the City of Homer has no other option to finance this project we would like to limit the people of work to Keep costs to a minimum.

We do appreciate all of the help from the City of Homer.

Dervil Sportlich Glannie Chandler

STATEMENT OF OBJECTION

TO SPECIAL ASSESSMENT DISTRICT

SPECIAL ASSESSMENT DISTRICT: Tasmania Court Sewer Improvement Special Assessment District I/we affirm that I/we are the owner(s) of the following lots in the Special Assessment District (give legal description): IWe object to the Tasmania Court Sewer Improvement Special Assessment District. Reasons/Comments: PROPERTY OWNER'S PRINTED NAME, SIGNATURE, AND DATE: (Signature) (Date) (Signature) (Print Name) (Signature)

NOTE: PLEASE MAKE SURE THAT ALL THE PROPERTY OWNERS OF RECORD PRINT, SIGN, AND DATE THIS DOCUMENT. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK NO LATER THAN THE DAY BEFORE THE DATE OF THE SCHEDULED PUBLIC HEARING.

> City of Homer Office of the City Clerk 491 E. Pioneer Avenue Homer, Alaska 99603

(Date)

Bryan and Ginny Evans

4526 S. Slope Drive Homer, AK 99603 (231) 631-1787

April 13, 2021

City Council Members

Re: Tasmania Court Sewer Improvement Special Assessment District City of Homer 491 East Pioneer Ave. Homer, AK 99603

Dear City Council Members,

We are writing in objection to the Tasmania Court Sewer Improvement Special Assessment District. We recently purchased our home Sept 2020. We were made aware that city water in our area would happen more likely than not. The sewer improvement project was later added by the city. With the addition of the city pursuing sewer improvements along with the cost share of both water and the sewer that falls on the property owners, the end price is not justified. Having property owners pay 75% (city pay 25%) puts a large financial burden on many. With more funds coming into the city with Covid relief stimulus funding, we would like to respectfully request the city pick up a larger portion of 75% of the costs and property owners 25%, as it has been done in the past. With significant hardships right now during the COVID pandemic, the financial strain could be detrimental and a negative impact on property owner budgets.

In addition, when we purchased our home in Sept 2020, it included a brand new septic installed right before closing, hence we would not have the need for sewer to be installed. While we understand that it would be beneficial for the city to do both water and sewer improvements at the same, we simply can not justify the cost that falls on property owners, especially those with additional lots who have no plans to develop in the immediate future. Consideration of a deferment program for lots that have no immediate need for water and sewer would be greatly appreciated as well.

In conclusion, we object to this project and the burden of the cost share that falls onto the property owners. We appreciate your time that you have given us.

Sincerely,

Bryan and Ginny Evans

South Slope SUB LOT 2 BLKZ 4 South Slope SUB LOT 4 BUX 2 Mary Fell 814 West Tasmania Court Homer, AK 99603



May 2, 2021

City Council Members RE: Tasmania Court Sewer Improvement Special Assessment City of Homer 491 East Pioneer Avenue Homer, AK 99603

Dear City Council Members,

Let me start by thanking all of you for giving your time to serve on the Homer City Council. It is much appreciated.

I am writing in objection to the Tasmania Court Sewer Improvement Special Assessment District cost structure. I have lived on Tasmania since my house was built in 2004. When the SADS were initially organized my neighbors and I chose to create a water assessment SAD and did not opt to add sewer to our SAD due to the anticipated cost.

I do support the water and sewer SADs for this neighborhood. However, the cost structure is too much of a burden. I would like to suggest that the city reduce the property owner burden to 25% for both project costs and the city pay 75%.

Sincerely,

Mary Fell

Mary Fell

CITY OF HOMER PROPERTY OWNER'S

STATEMENT OF OBJECTION

TO SPECIAL ASSESSMENT DISTRICT

SPECIAL ASSESSMENT DISTRICT: Tasmania Court Sewer Improvement Special Assessment District

I/we affirm that I/we are the owner(s) of the following lots in the Special Assessment District (give legal description): TGS R13W SEC17 Seward Meridian HM 0770061 Barnetts Slope TGS R13W SECT Seward Meridian HM 0770061 Barnetts SSlope SUBLOTIZ BIKI I/We object to the Tasmania Court Sewer Improvement Special Assessment District. See attached Reasons/Comments: _____ PROPERTY OWNER'S PRINTED NAME, SIGNATURE, AND DATE: (Print Name) (Signature) (Date) (Print Name) (Signature) (Date) (Print Name) (Signature) (Date)

NOTE: PLEASE MAKE SURE THAT ALL THE PROPERTY OWNERS OF RECORD PRINT, SIGN, AND DATE THIS DOCUMENT. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK NO LATER THAN THE DAY BEFORE THE DATE OF THE SCHEDULED PUBLIC HEARING.

City of Homer Office of the City Clerk 491 E. Pioneer Avenue Homer, Alaska 99603 Erica and Jay Marley 795 W Tasmania Ct Homer, AK 99603

City Council Members
Re: Tasmania Court Sewer Improvement Special Assessment District
City of Homer
491 East Pioneer Ave
Homer, AK 99603

Dear City Council Members:

We are writing in objection to the Tasmania Court Sewer Improvement Special Assessment District cost structure. We have been advocates for both the sewer and water SADs for this neighborhood. We are still in support of both the sewer and water projects with some modifications to the cost structure that places more than 50% of the project costs on property owners. Currently, property owners are being required to pay 75% of project costs and the city is only paying 25%. Having access to city water and sewer within city limits is an essential service and is part of basic city infrastructure that is due to taxpaying citizens. This year in particular there are more funds available to the City of Homer for infrastructure improvements through COVID relief stimulus funding and increased tax revenue. Therefore, we would like to respectfully request that the city consider reducing the property owner burden to 25% of both the project costs and have the city pay 75%. Historically, the City of Homer did pay 75% of SAD project costs. Overtime the City has reduced its cost participation in SADs to 50% and then 25%. This existing cost ratio places a difficult financial burden on property owners during a time when many residents are already suffering a financial hardship in the wake of the pandemic.

Also, when these SADs were initially organized, the neighbors opted not to pursue adding sewer to our SAD because many of us either had new or functional existing septic systems or would be required to have lift pumps to be compatible with the sewer plan that was proposed at that time. For efficiency of engineering and development costs, the City of Homer is advocating for doing the sewer project at the same time as the water, which is sensible, but places a significant additional cost to property owners that neighborhood did not want. Because the sewer project is happening by city initiative, we were told by the Public Works Superintendent that we would have the option of deferring the cost of the sewer project for those lots that won't need to hook up to city sewer right away. If those lots are ever developed to incorporate city sewer, or purchased, the property owners should at that time be assessed the initial cost for the sewer project. For those of us owning additional lots that we have no intention of developing in the near future, and for those of us who have just invested in new or improved septic systems, this deferment program would be a significant savings.

In conclusion, we support the water and sewer SADs for this neighborhood, but we object to the current cost structure of the projects. We respectfully request that the city reverse the cost share burden of the owners and city so that the city pays 75% and the property owners pay 25%, as was done historically, and allow a cost deferment program for lots that do not immediately need access to city sewer. Thank you for your consideration.

Sincerel

Erica and May Marley

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CITY OF HOMER PROPERTY OWNER'S

STATEMENT OF OBJECTION

TO SPECIAL ASSESSMENT DISTRICT

SPECIAL ASSESSMENT DISTRICT: Tasmania Court Sewer Improvement Special Assessment District

I/we affirm that I/we are the owner(s) of the following lots in the Special Assessment District (give legal description): 1702034 I/We object to the Tasmania Court Sewer Improvement Special Assessment District. Sewer Improv PROPERTY OWNER'S PRINTED NAME, SIGNATURE, AND DATE: (Signature) (Signature) (Print Name) (Signature) (Date)

NOTE: PLEASE MAKE SURE THAT ALL THE PROPERTY OWNERS OF RECORD PRINT, SIGN, AND DATE THIS DOCUMENT. IF YOU HAVE MORE THAN ONE LOT PLEASE NOTE THIS ON THIS FORM WHEN YOU RETURN IT. OBJECTIONS WILL APPLY ONLY TO THOSE LOTS NAMED ON THIS FORM.

TO FILE AN OBJECTION COMPLETE THIS FORM AND RETURN IT TO THE OFFICE OF THE CITY CLERK NO LATER THAN THE DAY BEFORE THE DATE OF THE SCHEDULED PUBLIC HEARING.

City of Homer Office of the City Clerk 491 E. Pioneer Avenue Homer, Alaska 99603 City Clerk's Office

City of Homer Alaska

City Clerk's Office

APR 1 6 2021

City of Homer

Alaska

Terry and Tracy Sumption
842 W Tasmania Ct
Homer, AK 99603
(T 65 R 13W Sec 17 Seward Meridian HM 0770061 Barnett's South Slope Sub Lot 17 BLK 1)

April 13, 2021

City Council Members
Re: Tasmania Court Sewer
Improvement Special Assessment District
City of Homer
491 East Pioneer Ave
Homer, AK 99603

City Council Members,

We are writing in objection to the Tasmania Court Sewer Improvement Special Assessment District. We were on board with the Water improvement special assessment district of May 28, 2020 and then the City added in the Sewer project.

With the addition of the city pursuing sewer improvements along with the cost share of both water and sewer that falls on the property owners, the end cost is not justified. Having property owners' pay 75% puts a large financial burden on many. Especially seeing how the City is going to financially benefit from the improvements long after the loan is paid and well into the future.

Our septic is in fine working condition and we empty it every other year. We are responsible with the use of our water as we have had water hauled since 2003 and understand what not to put into the septic system.

We object to this project and the burden of the cost shore that falls on the property owners.

We appreciate your time that you have given.

Terry and Tracy Sumption

Iracy Sumption



Office of the City Clerk

491 East Pioneer Avenue Homer, Alaska 99603

clerk@cityofhomer-ak.gov (p) 907-235-3130 (f) 907-235-3143

December 14, 2020

Dear Property Owner,

At their September 28, 2020 Regular Meeting, the Homer City Council adopted Resolution 20- 091(A) initiating the Tasmania Court Sewer Improvement Special Assessment District (SAD) for city sewer service. You are receiving this notice because you're a record owner of real property in the proposed district.

Pursuant to HCC 17.04.040(b) a meeting of record owners of real property in the proposed district, more commonly referred to as a neighborhood meeting, is scheduled for **Tuesday**, **January 19, 2021 at 5:30 p.m.** and will be held virtually through Zoom from the City Hall Cowles Council Chambers at 491 E. Pioneer Avenue.

To join the Zoom meeting on your computer go to www.zoom.us and select Join A Meeting. From there follow the prompts to enter the meeting ID and password below. If you prefer to participate by phone only, you may dial any of the numbers below and enter the same meeting ID and password.

Meeting ID: 972 7912 9226 Password: 544980

By Phone- 1-669-900-6833, 1-253-215-8782 or Toll Free 888-788-0099 or 877-853-5247

I will open the meeting by 5:20 p.m. so attendees will have time to log in and test audio before the start time. Please email me at rkrause@ci.homer.ak.us if you'd like an email link to the meeting information.

The proposed improvement plan is included for your review prior to the meeting. City staff will be available at the neighborhood meeting to answer questions on the proposed project, so please plan to attend. Please contact the City Clerk's Office at 235-3130 if you have questions.

Sincerely,

Renee Krause, MMC

Deputy City Clerk/ADA Coordinator

Renée Krause

Encl.- Resolution 20-091(A) with attachment

Letter from Public Works Director with attachments

Preliminary Assessment Roll

1 CITY OF HOMER 2 HOMER, ALASKA 3 Smith / 4 Public Works Director 5 **RESOLUTION 20-091(A)** 6 7 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, TO 8 INITIATE A SPECIAL ASSESSMENT DISTRICT FOR THE PURPOSE 9 OF SERVING THE TASMANIA COURT NEIGHBORHOOD WITH CITY 10 SEWER SERVICE, IN CONJUNCTION WITH THE TASMANIA COURT 11 WATER SPECIAL ASSESSMENT DISTRICT. 12 13 WHEREAS, Property owners on Tasmania Court filed an application to form a Special 14 Assessment District to get City water lines extended to their neighborhood; and 15 16 WHEREAS, The City processed this application, following the process specified in City Code, including holding a public hearing on September 14, 2020; and 17 18 19 WHEREAS, The number of subject property owners who did not object, is sufficient to 20 allow the proposed Water Assessment District to be formed; and 21 22 WHEREAS, The City Council, at its regular meeting of September 28, 2020, adopted an 23 ordinance Resolution 20-083 forming the Water Special Assessment District; and 24 25 WHEREAS, The subject properties are not currently served by City sewer; and 26 27 WHEREAS, There is evidence that properties, which are served by City water, use more water and are at a higher risk of experiencing problems with on-site sewage systems, which 28 could put the public health and safety at risk; and 29 30 31 WHEREAS, It is more cost effective to install City sewer lines at the same time that water 32 lines are being installed. 33 34 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska: 35 36 1. That the process of creating a Special Assessment District for the purpose of extending City sewer service to the Tasmania Court neighborhood is hereby initiated; and 37 38 39 2. The City Manager is authorized to conduct the next steps of the Special 40 Assessment District formation process. 41 42 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 28th day of September, 2020.

PAGE 2 OF 2 RESOLUTION 20-091 CITY OF HOMER

CITY OF HOMER KEN CASTNER, MAYOR ATTEST: MELISSA JACOBSEN, MMC, CITY CLERK



Public Works

3575 Heath Street Homer, AK 99603

publicworks@cityofhomer-ak.gov (p) 907- 235-3170 (f) 907-235-3145

Memorandum 20-158

TO: Mayor Castner and City Council

THROUGH: Rob Dumouchel, City Manager

FROM: Janette Keiser, Director of Public Works

DATE: September 23, 2020

SUBJECT: Tasmania Court Special Assessment District – for Sewer

Issue: The City Council is expected to authorize the Tasmania Court Water Improvement Special Assessment District to provide the neighborhood with City water. This neighborhood is not currently served by City sewer. We propose the Council initiate a Special Assessment District for the purpose of extending City sewer service to this neighborhood in conjunction with the project to extend City water service.

Background:

The properties involved in the Tasmania Court Special Assessment District currently rely on on-site sewage disposal systems. These systems must be permitted by the Alaska Department of Environmental Conservation when they are installed. At one time, this agency conducted regular inspections of such systems. However, due to budget cutbacks, this is no longer the case. On-site septic systems are challenging in Homer because of bad soils, high ground water and copious quantities of surface water from rainfall, open springs and storm water runoff. We know at least one property owner in the Tasmania Court neighborhood had to replace their septic leach field in the past year, at the cost of about \$11,000. Plus, people connected to City water usually use more water than those who rely on hauled water; typical household water use for City water is 150 gallons per day, instead of 25 or fewer gallons per day for households using hauled water. It is reasonable to expect that access to City water will exacerbate the challenges related to septic systems in the neighborhood and the City has little means to address this.

A City sewer main is relatively close. Our estimated costs to install a sewer line are just slightly higher than the costs of the proposed water line. Certainly, installing the two lines at the same time would achieve some economies of scale. The City Code authorizes the Council to initiate the formation of a Special Assessment District for the purposes of extending the sewer line. Once the process is started, we will investigate the engineering, estimate the costs and talk with the property owners about the concept of a sewer project. This would be done over the winter, as the process of designing and planning for the water line takes place. Then, if the sewer element goes forward, the two utilities, water and sewer, can be extended at the same time.

Action Recommended:

That the City Council pass the proposed resolution initiating the Special Assessment District process for the Tasmania Court neighborhood for the purpose of extending City sewer service to the Tasmania Court neighborhood.



publicworks@cityofhomer-ak.gov (p) 907- 235-3170 (f) 907-235-3145

December 14, 2020

Dear Property Owner,

City Council formed a Special Assessment District to bring City water service to the Tasmania Court neighborhood. We are currently working with a consulting engineering firm to prepare plans and specifications for the water line so we can put the project out to bid.

On October 26, 2020, the City Council passed Ordinance 20-74, which says:

"...permits for connections to the water system or an extension of a water main to properties that are not served with City sewer service, will not be issued..."

The City Council initiated the process of creating a Special Assessment District to connect the Tasmania Court neighborhood to the City's sewer system. We have engineered possible ways to extend the City's sewer system to your neighborhood and estimated the costs of doing this.

The next step in the process is to have a neighborhood meeting to share this information with you. At this meeting, you'll be able to ask questions and make comments. Later in the process you will be able to voice your opinion to the City Council about the proposed sewer project on whether or not a Special Assessment District should be formed.

We have analyzed three different scenarios. (See attached aerial photos and cost projection spreadsheet, which compares the costs, both to you, the property owners, and the City.)

Scenario #1 – Installing a traditional gravity system in existing road rights of way.

Scenario #2 – Installing a small diameter pumped system, a portion of which would be small diameter pipe run in a utility easement on the back lot lines of some of the eligible lots.

Scenario #3 – Installing a small diameter pumped system, all of which would run in existing road rights of way.

At the neighborhood meeting, we will discuss the technical merits of each option. The project should be eligible for funding from the Homer Accelerated Water and Sewer Program ("HAWSP"), which means the City would be picking up 25% of the project costs.

There are pros and cons of each scenario, which can be discussed at the Neighborhood Meeting.

With best regards,

Janette Keiser, PE Public Works Director

Concept Cost Estimate - Traditional Gravity vs VGES Small Diameter TASMANIA COURT SEWER IMPROVEMENT 11/25/2020

Traditional Gravity - Scenario #1

	quantity	unit	unit price	cost
Mobilization	1	LS	\$8,500	\$8,500
Clearing/Grubbing	1	LS	\$1,750	\$1,750
8" Ductile Iron Main	1120	LF	\$95	\$106,400
Sanitary Sewer Manhole	2	EA	\$5,000	\$10,000
Sanitary Sewer Clean out	3	EA	\$3,500	\$10,500
4" sewer service	11	EA	\$2,400	\$26,400
Connect to Existing	1	EA	\$750	\$750
Type II Gravel	300	CY	\$30	\$9,000
Pipe Bedding	100	CY	\$27	\$2,700
Seeding	25	MSF	\$55	\$1,375
Construction Survey	1	LS	\$4,500	\$4,500
SWPP Plan	1	LS	\$900	\$900
Geotextile Fabric	300	SY	\$6	\$1,800
Utility Relocation	1	LS	\$3,000	\$3,000
				\$187,57

 Construction
 \$187,575

 Design (8%)
 \$15,006

 Inspection (4%)
 \$7,503

 City Administration (5%)
 \$9,379

 Total Project Cost
 \$219,463

 Property Owner Share
 \$164,597

 City (HAWSP) Share
 \$54,866

Legal Description/Owner		SAD	ON-SITE	TOTAL
		COST	COST	COST
Barnett's S Slope Subd Lot 2, Blk 2	Evans	\$14,963	\$4,000	\$18,963
Barnett's S Slope Subd Lot 4, Blk 2	Evans	\$14,963	\$4,000	\$18,963
Crandall Addn No 2 Lot 5-A-1	Crandall	\$14,963	\$16,000	\$30,963
Crandall Addn No 2 Lot 6-A-1	Crandall	\$14,963	\$4,000	\$18,963
Barnett's S Slope Subd Lot 11, Blk 1	Sjostedt	\$14,963	\$4,000	\$18,963
Barnett's S Slope Subd Lot 12, Blk 1	Marley	\$14,963	\$16,000	\$30,963
Barnett's S Slope Subd Lot 13, Blk 1	Marley	\$14,963	\$16,000	\$30,963
Barnett's S Slope Subd Lot 14, Blk 1	O'Neill	\$14,963	\$4,000	\$18,963
Barnett's S Slope Subd Lot 15, Blk 1	Fell	\$14,963	\$4,000	\$18,963
Fell Addn Lot 16-A	Fell	\$14,963	\$4,000	\$18,963
Barnett's S Slope Subd Lot 17, Blk 1	Sumption	\$14,963	\$4,000	\$18,963
		\$164,597	\$80,000	\$244,597

with 20 years financing, interest rate 2% estimated annual payments (equal share) =

\$ 915

on-site cost				
assumptions				
pipe	4000			
tank	4000			
lift sta	12000			

VGES Small Diameter (Max Gravity)	- Scenario		#2		
	quantity	unit	unit price	cost	
Mobilization	1	LS	\$7,000	\$7,000	
Clearing/Grubbing	1	LS	\$2,000	\$2,000	
4" HDPE Sewer Main	720	LF	\$78	\$56,160	
Sanitary Sewer Manhole	1	EA	\$5,000	\$5,000	
Sanitary Sewer Clean out	3	EA	\$2,000	\$6,000	
4" sewer service	11	EA	\$2,000	\$22,000	
Connect to Existing	1	EA	\$750	\$750	
Type II Gravel	300	CY	\$30	\$9,000	
Pipe Bedding	50	CY	\$27	\$1,350	
Seeding	35	MSF	\$55	\$1,925	
Construction Survey	1	LS	\$5,000	\$5,000	
SWPP Plan	1	LS	\$900	\$900	
Geotextile Fabric	300	SY	\$6	\$1,800	
Utility Relocation	1	LS	\$3,000	\$3,000	
				\$121,885	
Construction	\$121,885				
Design (8%)	\$9.751				

 Construction
 \$121,885

 Design (8%)
 \$9,751

 Inspection (4%)
 \$4,875

 City Administration (5%)
 \$6,094

 Total Project Cost
 \$142,605

 Property Owner Share
 \$106,954

 City (HAWSP) Share
 \$35,651

Legal Description/Owner		SAD	ON-SITE	TOTAL
		COST	COST	COST
Barnett's S Slope Subd Lot 2, Blk 2	Evans	\$9,723	\$4,000	\$13,723
Barnett's S Slope Subd Lot 4, Bik 2	Evans	\$9,723	\$8,000	\$17,723
Crandall Addn No 2 Lot 5-A-1	Crandall	\$9,723	\$16,000	\$25,723
Crandall Addn No 2 Lot 6-A-1	Crandall	\$9,723	\$8,000	\$17,723
Barnett's S Slope Subd Lot 11, Blk 1	Sjostedt	\$9,723	\$4,000	\$13,723
Barnett's S Slope Subd Lot 12, Blk 1	Marley	\$9,723	\$4,000	\$13,723
Barnett's S Slope Subd Lot 13, Blk 1	Marley	\$9,723	\$4,000	\$13,723
Barnett's S Slope Subd Lot 14, Blk 1	O'Neill	\$9,723	\$4,000	\$13,723
Barnett's S Slope Subd Lot 15, Blk 1	Fell	\$9,723	\$8,000	\$17,723
Fell Addn Lot 16-A	Fell	\$9,723	\$4,000	\$13,723
Barnett's S Slope Subd Lot 17, Blk 1	Sumption	\$9,723	\$4,000	\$13,723
		\$106,954	\$68,000	\$174,954

with 20 years financing, interest rate 2%
estimated annual payments (equal share) = \$ 595

GES Small Diameter (Less Main)	 Scenario-	#3

	quantity	unit	unit price	cost
Mobilization	1	LS	\$7,000	\$7,000
Clearing/Grubbing	1	LS	\$2,000	\$1,750
4" HDPE Sewer Main	550	LF	\$78	\$42,900
Sanitary Sewer Manhole	1	EA	\$5,000	\$5,000
Sanitary Sewer Clean out	3	EA	\$2,000	\$6,000
4" sewer service	11	EΑ	\$2,000	\$22,000
Connect to Existing	1	EA	\$750	\$750
Type II Gravel	300	CY	\$30	\$9,000
Pipe Bedding	50	CY	\$27	\$1,350
Seeding	25	MSF	\$55	\$1,375
Construction Survey	1	LS	\$4,500	\$4,500
SWPP Plan	1	LS	\$900	\$900
Geotextile Fabric	300	SY	\$6	\$1,800
Utility Relocation	1	LS	\$3,000	\$3,000
				\$107,325

 Construction
 \$107,325

 Design (8%)
 \$8,586

 Inspection (4%)
 \$4,293

 City Administration (5%)
 \$5,366

 Total Project Cost
 \$125,570

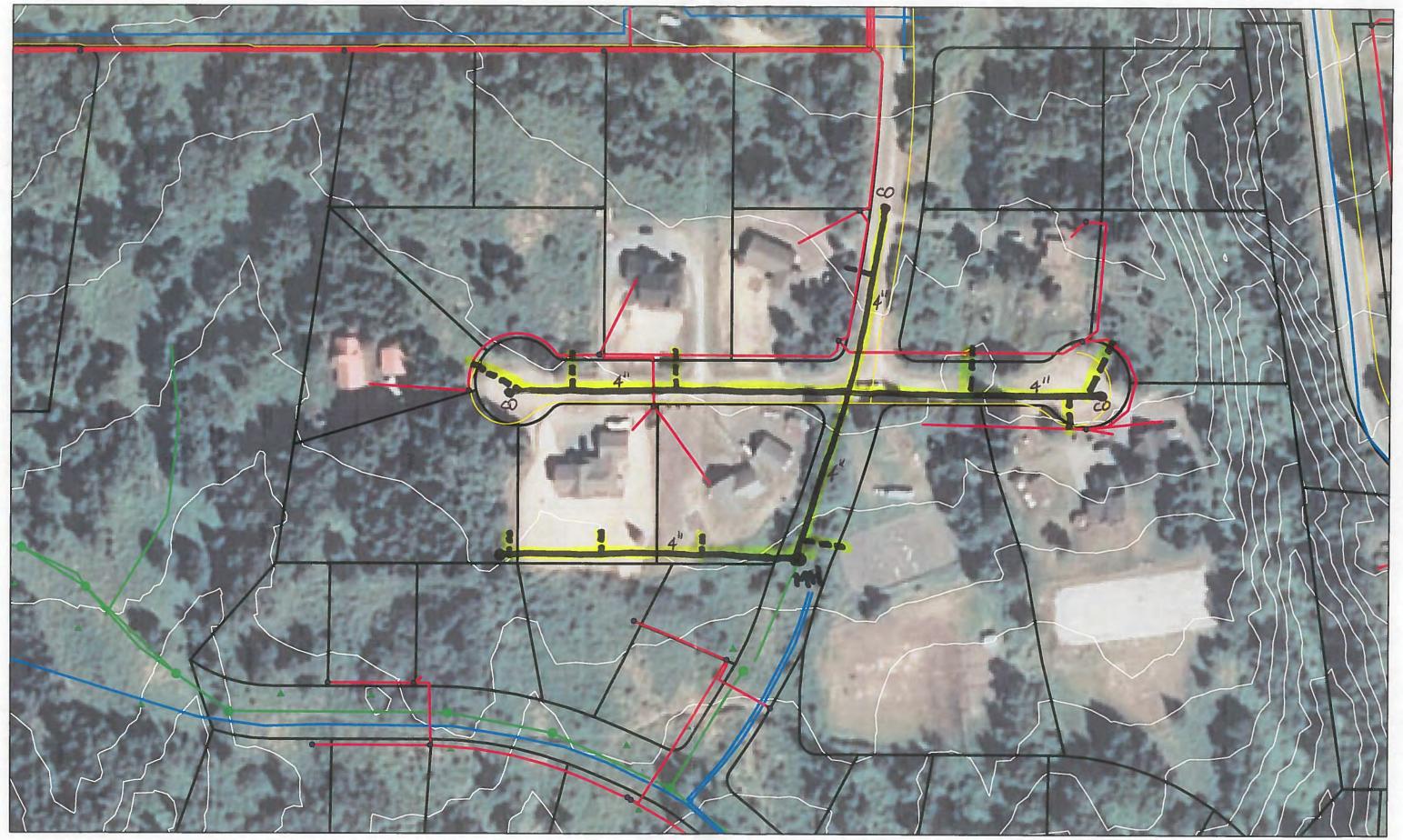
 Property Owner Share
 \$94,178

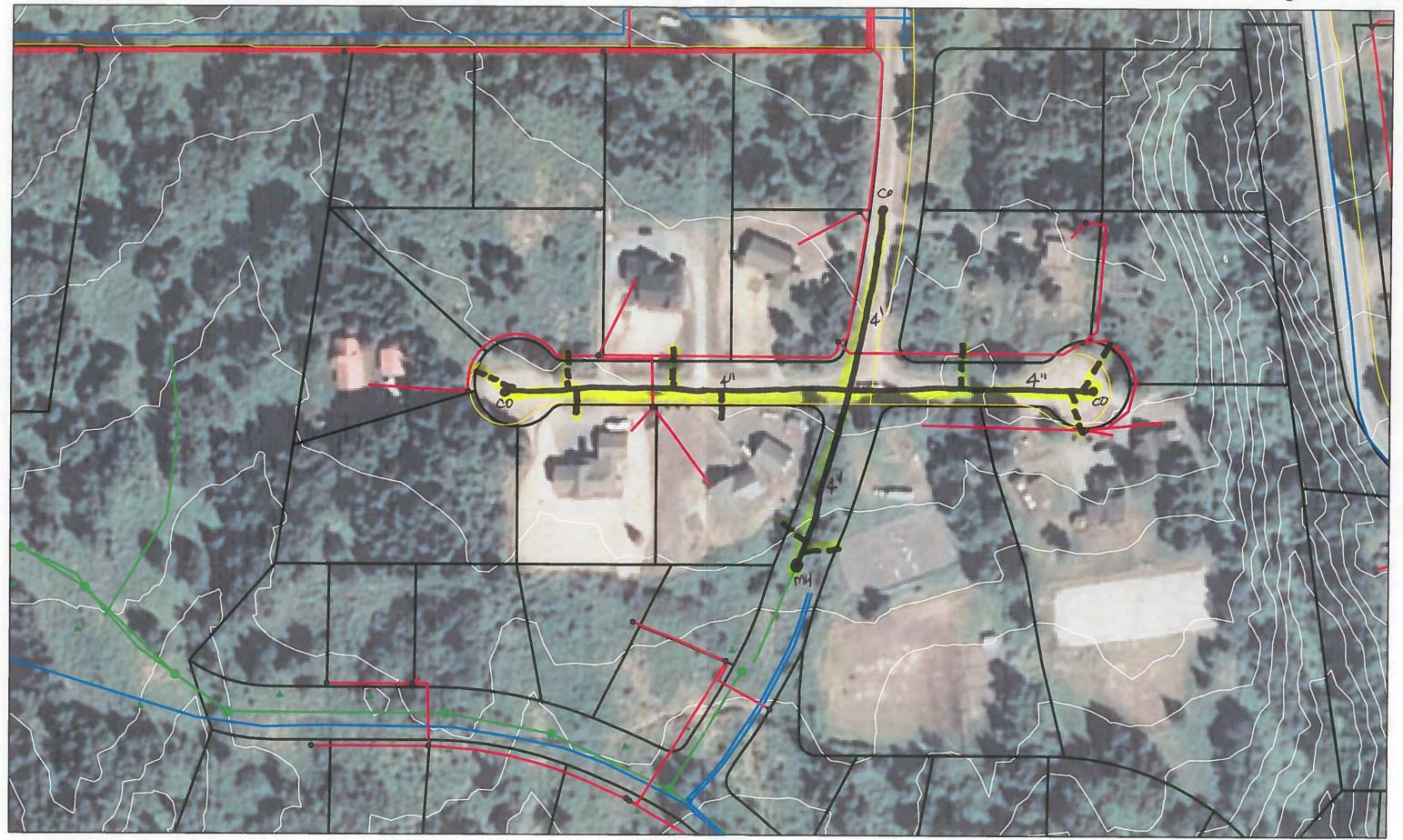
 City (HAWSP) Share
 \$31,393

Legal Description/Owner		SAD	ON-SITE	TOTAL
		COST	COST	COST
Barnett's S Slope Subd Lot 2, Blk 2	Evans	\$8,562	\$4,000	\$12,562
Barnett's S Slope Subd Lot 4, Blk 2	Evans	\$8,562	\$8,000	\$16,562
Crandall Addn No 2 Lot 5-A-1	Crandall	\$8,562	\$16,000	\$24,562
Crandall Addn No 2 Lot 6-A-1	Crandall	\$8,562	\$8,000	\$16,562
Barnett's S Slope Subd Lot 11, Blk 1	Sjostedt	\$8,562	\$4,000	\$12,562
Barnett's S Slope Subd Lot 12, Blk 1	Marley	\$8,562	\$16,000	\$24,562
Barnett's S Slope Subd Lot 13, Blk 1	Marley	\$8,562	\$16,000	\$24,562
Barnett's S Slope Subd Lot 14, Blk 1	O'Neill	\$8,562	\$4,000	\$12,562
Barnett's S Slope Subd Lot 15, Blk 1	Fell	\$8,562	\$8,000	\$16,562
Fell Addn Lot 16-A	Fell	\$8,562	\$4,000	\$12,562
Barnett's S Slope Subd Lot 17, Blk 1	Sumption	\$8,562	\$4,000	\$12,562
		\$94,178	\$92,000	\$186,178

with 20 years financing, interest rate 2% estimated annual payments (equal share) = \$ 524







PRELIMINARY ASSESSMENT ROLL

PROJECT NAME: Tasmania Court Sewer Improvement Special Assessment District DATE: December 11, 2020

TOTAL ESTIMATED PROJECT WATER: \$187,575.00

Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District: \$164,597.00

HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: \$54,866.00

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
1	SUMPTION TERRY L & TRACY L 842 W TASMANIA CT HOMER, AK 99603-8210	T 6S R 13W SEC 17 Seward Meridian HM 0770061 BARNETT'S SOUTH SLOPE SUB LOT 17 BLK 1 KPB#17702034	\$307,100.00	\$18,963
2	FELL MICHAEL W FELL MARY K PO BOX 149 HOMER AK 99603-0149	T 06S R 13W SEC 17 Seward Meridian HM 2017024 BARNETT'S SOUTH SLOPE SUB FELL ADDN LOT 16-A KPB#17702095	\$421,300.00	\$18,963
3	FELL MICHAEL W FELL MARY K PO BOX 149 HOMER AK 99603-0149	T 6S R 13W SEC 17 Seward Meridian HM 0770061 BARNETT'S SOUTH SLOPE SUB LOT 15 BLK 1 KPB#17702036	\$68,000.00	\$18,963
4	O'NEILL ANDREW PATRICK O'NEILL DAWN CASSAR 3080 HOMER SPIT RD HOMER, AK 99603-8013	T 6S R 13W SEC 17 Seward Meridian HM 0770061 BARNETT'S SOUTH SLOPE SUB LOT 14 BLK 1 KPB#17702037	\$238,400.00	\$18,963
5	MARLEY WILLIAM JAY Jr MARLEY ERICA SUSAN 795 W TASMANIA CT HOMER AK 99603-8210	T 6S R 13W SEC 17 Seward Meridian HM 0770061 BARNETT'S SOUTH SLOPE SUB LOT 13 BLK 1 KPB#17702038	\$72,000.00	\$30,963
6	MARLEY WILLIAM JAY Jr MARLEY ERICA S 795 W TASMANIA CT HOMER AK 99603-8210	T 6S R 13W SEC 17 Seward Meridian HM 0770061 BARNETT'S SOUTH SLOPE SUB LOT 12 BLK 1 KPB#17702039	\$845,600.00	\$30,963

PRELIMINARY ASSESSMENT ROLL

PROJECT NAME: Tasmania Court Sewer Improvement Special Assessment District DATE: December 11, 2020

TOTAL ESTIMATED PROJECT WATER: \$187,575.00

Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District: \$164,597.00

HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: \$54,866.00

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
7	SJOSTEDT DAVID CHANDLER JEANNIE PO BOX 3606 HOMER AK 99603-3606	T 6S R 13W SEC 17 Seward Meridian HM 0770061 BARNETT'S SOUTH SLOPE SUB LOT 11 BLK 1 KPB#17702040	\$442,500.00	\$18,963
8	CRANDALL JOHN P & CASS M PO BOX 470 HOMER AK 99603-0470	T 6S R 13W SEC 17 Seward Meridian HM 2000008 BARNETT'S SOUTH SLOPE SUB CRANDA LL ADDN NO 2 LOT 6-A-1 KPB#17702082	\$87,200.00	\$18,963
9	CRANDALL JOHN P & CASS M PO BOX 470 HOMER, AK 99603-0470	T 6S R 13W SEC 17 Seward Meridian HM2000008 BARNETT'S SOUTH SLOPE SUB CRANDALL ADDN NO 2 LOT 5-A-1 KPB#17702083	\$493,100.00	\$30,963
9	EVANS BRYAN W EVANS GINNY A 4526 S SLOPE DRIVE HOMER, AK 99603-8211	T 6S R 13W SEC 17 Seward Meridian HM 0770061 BARNETT'S SOUTH SLOPE SUB LOT 2 BLK 2 KPB#17702045	\$232,200.00	\$18,963
10	EVANS BRYAN W EVANS GINNY A 4526 S SLOPE DRIVE HOMER, AK 99603-8211	T 6S R 13W SEC 17 Seward Meridian HM 0770061 BARNETT'S SOUTH SLOPE SUB LOT 4 BLK 2 KPB#17702044	\$50,200.00	\$18,963



Office of the City Manager

491 East Pioneer Avenue Homer, Alaska 99603

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

Memorandum

TO: Mayor Castner and Homer City Council

FROM: Rob Dumouchel, City Manager

DATE: May 19, 2021

SUBJECT: City Manager's Report for May 24, 2021 Council Meeting

FY22/23 Budget

The operating budget ordinance is being introduced at this Council meeting, draft capital budget information is being released as well. Both budgets remain on track for approval before the end of the 2021 fiscal year on June 30th.

New EMS Inbound Patient Loading Zone at Ramp 7

There is a new dedicated inbound patient loading zone in the Homer Harbor on JJ Float (pictured below). This location is closer to the harbor entrance and will facilitate a faster patient transfer from vessel to responding emergency services personnel. See the attached flyer¹ for more information.



2021-26 Comprehensive Economic Development Strategy Draft Available for Comment

The Kenai Peninsula Economic Development District (KPEDD), in conjunction with the University of Alaska Center for Economic Development, has been working on the 2021-26 draft of the Kenai Peninsula Comprehensive Economic Development Strategy (CEDS). The draft can be viewed at https://kpedd.org/wpcontent/uploads/2021/05/KPEDD-CEDS-Plan-2021-2026-Full-Report.pdf, and comments directed to KPEDD Program Manager Caitlin Coreson at caitlin@kpedd.org.

Update: Poopdeck Trail ADA Ramp

The Poopdeck trail's ADA ramp has been successfully installed. Here's a note from Parks Superintendent Matt Steffy regarding the project:

KHLT staff, COH staff, ILC staff, and an army of volunteers completed Phase III of the new trail project. This consisted of spreading and compacting more gravel, adjusting drainage, and installing the new ADA ramp on the City's end of the trail next to the ILC. The manufacturer of the ramp was on site to oversee installation. We anticipate a lot of positive feedback on an amenity that has been much anticipated.



Safe and Healthy Kids Fair

The Safe and Healthy Kids Fair and Bike Rodeo took place May 15th at Homer High School's parking lot. Here is an update from Community Recreation Manager Mike Illg:

We were happy to report that the Annual Safe and Healthy Kids Fair and Bike Rodeo was recently at the Homer High parking lot on Saturday, May 15th. This outdoor event had a detailed mitigation plan and required masking and screening for all participants that allowed us to have the event on school grounds. We had at least 20 different community organizations involved and the number of estimated participants was approximately 200 people. Some of the primary organizers included City Staff from the Fire Department and Community Recreation. There were many smiles, lots of fun and we even gave away 5 brand new bicycles! We are looking forward to possibly continue to offer an outdoor event in the future as there were so many positive responses from the public.



Community Assistance Program Funding for 2022

The Finance Department will be filing paperwork shortly to request Homer's portion of the State of Alaska's Community Assistance Program (CAP) funds. We will be including an intent to put CAP funds towards ADA improvements around the City. That said, upon receipt, the Council may direct the funds in any direction they wish as long as they meet the criteria of the program. The disbursement in 2021 was directed to assist in the acquisition of SCBA equipment for the Volunteer Fire Department (Ord 21-25).

Alaska Municipal League Summer Conference

The Alaska Municipal League Summer Conference is being held in Fairbanks from August 3rd to 6th. Interested Councilmembers are encouraged to read the attached memo² from City Clerk Jacobsen for more details.

Employee Updates

Taylor Crowder joined the Homer Police Department on May 14th as a Police Officer II. He came to us as a lateral from North Carolina and has ten years of experience as a police officer. Accompanying Officer Crowder in the move to Homer are his wife and four children.



COVID-Related Updates

COVID Risk Status

On March 30th I moved the City from the "Orange" to "Yellow" level on our COVID risk framework. The City remains in yellow status after the most recent review completed on April 19th. On April 26th, I directed a limited opening of City Hall and the Library. On May 13th the Center for Disease Control (CDC) released new guidance which allows for fully vaccinated individuals to stop masking both outdoors and indoors. Working with staff, we created new guidelines for City staff based on the CDC guidance. Masks are still required for the public in City facilities. Staff is still required to be masked when interfacing with the public. Staff will, however, be able to relax masking standards in their work spaces.

Enclosures:

- 1. Flyer New EMS Inbound Patient Loading Zone
- 2. Memo AML Summer Conference

New EMS Inbound Patient Loading Zone

Location -Ramp 7/Harbormaster's Office/JJ Float

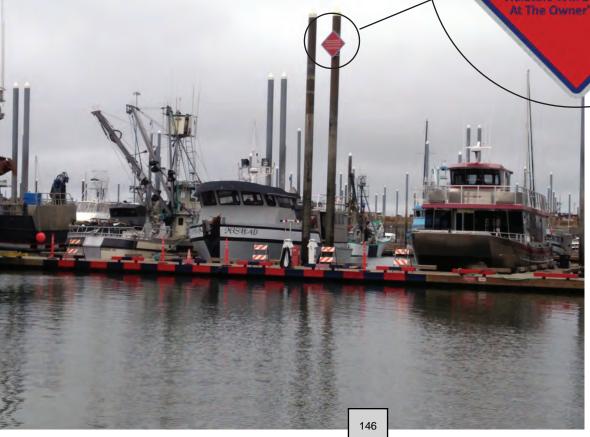
There is a NEW dedicated inbound patient loading zone in Homer Harbor on JJ float. This location is closer to the harbor entrance and will facilitate a faster patient transfer from vessel to responding emergency services personnel. Vessel owners and EMS personnel will be directed to this location by Police dispatchers and harbor staff, for a coordinated response. Vessel owners are reminded that they must maintain NO WAKE speeds while transiting that harbor basin as per city code.

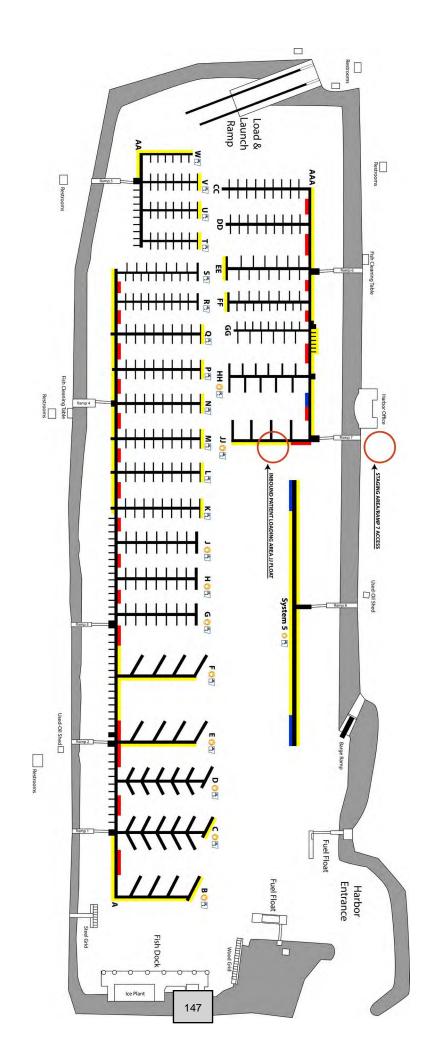
• If responding in a vehicle the staging area will be the harbormaster's office parking lot with access to Ramp 7.

• For vessels transporting a patient, access to EMS will be JJ Float (shown) marked in RED and BLUE.

 Questions? Call the harbor office at 235-3160 or
 VHF Channel 16

Emergency Inbound
Patient Loading Zone
No Unattended Vessels
Violators Will Be Removed
M. The Owner's Expense







Office of the City Clerk

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Memorandum

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: MAY 17, 2021

SUBJECT: ALASKA MUNICIPAL LEAGUE SUMMER CONFERENCE HELD AUGUST 3-6, 2021 IN

FAIRBANKS, AK

The Alaska Municipal League Summer Conference will be held in person in Fairbanks this year. The conference dates are August 3-6. The conference agenda isn't available at this time but the current list of meetings is as follows:

August 3-4 – Alaska Defense Forum - *Alaska Defense Communities will produce the second Alaska Defense Forum. The agenda for the morning of August 4th will be specific to local government leaders.*

August 4-5 – Alaska Conference of Mayors

August 5-6 – AML Summer Legislative Conference

Please contact me by end of day June 8th if you plan to attend the AML Summer Legislative Conference in person so a travel authorization can be prepared for Council approval and timely arrangements can be made.