



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

## **City of Homer Agenda**

### **City Council Special Meeting**

**Monday, November 09, 2020 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**

**AGENDA APPROVAL** (Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 2.08.040.)

### **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 October 26, 2020. City Clerk. Recommend adoption.
- b. Memorandum 20-186 from City Clerk Re: Vacation of Cheryl Lane, a 60 foot right-of-way approximately 951 feet more or less in length dedicated per Lillian Walli Estate Plat HM 88-16 and Associated Utility Easements. KPB File 2020-119V. Recommend approval.
- c. Ordinance 20-86, An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating an Arts and Culture CARES Act Matching Grant from the Rasmuson Foundation in the Amount of \$50,000 and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction November 9, 2020 Public Hearing and Second Reading November 23, 2020.
- d. Ordinance 20-88, An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating an FY 2020 State Homeland Security Program Grant in the Amount of \$65,685 to Upgrade the City's Radio Communication System with the Purchase and Deployment of Portable Radios and Mobile Repeaters for the Homer Volunteer Fire Department and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction November 9, 2020 Public Hearing and Second Reading November 23, 2020.

Memorandum 20-188 from Fire Chief as backup

- e. Resolution 20-114, A Resolution of the City Council of Homer, Alaska Appointing Renee Krause, Deputy City Clerk, as the ADA Coordinator for the City of Homer. City Clerk. Recommend adoption.
- f. Resolution 20-115, A Resolution of the City Council of Homer, Alaska Amending the CARES Act Closeout Spending Plan to Provide a \$56,500 Grant to the Pratt Museum. Lord. Recommend approval.
- g. Resolution 20-116, A Resolution of the City Council of Homer, Alaska Approving an Amendment to Extend the Property Improvement Construction Timeline on the Copper River Seafoods Lease for a Portion of Lot 13B, City of Homer Port Industrial Subdivision No. 2, According to Plat No. 80-92, Containing 15,300 Sq Ft, also known as KPB Parcel # 18103425. City Manager. Recommend adoption.

Memorandum 20-187 from Port and Harbor Advisory Commission as backup

## **VISITORS**

- a. Tsunami Alert Follow-up, David Snider-Tsunami Warning Center, Palmer (15 minutes)
- b. Homer Chamber of Commerce Marketing Report - Brad Andrews, HCOE Executive Director (10 minutes)
- c. Unified Command Report (20 minutes)

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

- a. Special Meeting Report
- b. Committee of the Whole Report
- c. Mayor's Report
- d. Borough Report
- e. Library Advisory Board
- f. Planning Commission
- g. Economic Development Advisory Commission
- h. Parks Art Recreation and Culture Advisory Commission
- i. Port and Harbor Advisory Commission
- j. Americans with Disabilities Act Compliance Committee
- k. Economic Relief Grant Report

## **PUBLIC HEARING(S)**

- a. Ordinance 20-83, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$253,193 from the HAWSP Fund to Complete the Alder Lane Water Improvement Project. City Manager/Public Works Director. Introduction October 26, 2020 Public Hearing and Second Reading November 9, 2020
- b. Ordinance 20-84, An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget to Authorize the Expenditure of \$90,000 from the Ocean Drive Loop Special Service District Maintenance Accounts to Perform Maintenance on the Homer Seawall. City Manager/Public Works Director. Introduction October 26, 2020 Public Hearing and Second Reading November 9, 2020
- c. Ordinance 20-85, An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget in the Amount of \$97,000 from the HART Roads Fund and Authorizing the Homer Public Works Department to Execute an Engineered Solution to Relocate the Surface Water Discharge at the Confluence of the Sterling Highway and Mount Augustine Drive into a Natural Occurring Raving, Gully, Watercourse or Runnel. Mayor/Evensen. Introduction October 26, 2020 Public Hearing and Second Reading November 9, 2020

Memorandum 20-175 from Public Works Director as backup

## **ORDINANCE(S)**

- a. Ordinance 20-87, An Ordinance of the City Council of Homer, Alaska Extending the Suspension of Homer City Code Chapter 5.42 Single-Use Plastic Bags to December 31, 2020 and Affirming January 1, 2021 as the date in which Merchants Shall Discontinue Providing Single-Use Plastic Carryout Bags. Aderhold/Venuti. Recommended dates: Introduction November 9, 2020 Public Hearing and Second Reading November 23, 2020.

## **CITY MANAGER'S REPORT**

- a. City Manager's Report

## **PENDING BUSINESS**

## **NEW BUSINESS**

## **RESOLUTIONS**

- a. Resolution 20-117, A Resolution of the City Council of Homer, Alaska Approving a Lease Assignment Originally held by Harbor Leasing, LLC and Assumed by Alaska Growth Capital BIDCO, Inc. to Salmon Sisters Holdings LLC and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents for a new Twenty Year Lease with Options for Two Consecutive Five Year Renewals for a Portion of Lot 12C, Port Industrial Subdivision No. 4, Plat 99-43, at an Annual Rate of \$29,785.32.

- [b.](#) Resolution 20-118, A Resolution of the City Council of Homer, Alaska Amending the City of Homer Water and Sewer Rates and Updating the Homer Fee Schedule Accordingly. City Manager/Finance Director.

**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, November 23, 2020 at 6:00 p.m., Worksession 4:00 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 20-31 a Regular Meeting of the Homer City Council was called to order on October 26, 2020 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, EVENSEN, HANSEN-CAVASOS, LORD, SMITH, VENUTI

**STAFF:** CITY MANAGER DUMOUCHEL  
CITY CLERK JACOBSEN  
SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL  
PUBLIC WORKS DIRECTOR KEISER  
FINANCE DIRECTOR WALTON  
CITY ATTORNEY GATTI

**AGENDA APPROVAL** (Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 2.08.040.)

The following changes were made:

**CONSENT AGENDA** Correct Resolution 20-105 title on agenda to read A Resolution of the City Council of Homer, Alaska Authorizing the City Manager Apply for a Loan from the State of Alaska Department of Environmental Conservation, Alaska Drinking Water Fund, in an Amount not to Exceed \$469,874 to Finance Costs of the Alder Lane and Tasmania Court Water Improvement Projects. City Manager/Public Works Director. Memorandum 20-173 from City Clerk Re: Letter to Governor Dunleavy Re: Community Spread of COVID-19. Written public comment. **ANNOUNCEMENTS/PRESENTATIONS/REPORTS** Planning Commission Written Report **PENDING BUSINESS** Resolution 20-100, A Resolution of the City Council of Homer, Alaska Establishing a Fishermen Economic Recovery Grant (FERG) Program and Approving up to \$1.3 Million from the COVID-19 Response Fund to Provide Economic Relief to City of Homer-Based Vessel Owners Engaged in Commercial Fishing who are Impacted by the COVID-19 Pandemic. Mayor. Written public comment; **Resolutions** Resolution 20-111(S), A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Homer Seawall Maintenance Work to East Road Services, Inc. of Homer, Alaska in the Amount of \$45,336 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Memorandum 20-184 from City Engineer as backup.

LORD/VENUTI MOVED TO APPROVE THE AGENDA AS AMENDED.

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 Regular Meeting Minutes of October 12, 2020. City Clerk. Recommend adoption.
- b. Memorandum 20-171 from Mayor Re: Appointment of Brenda Dolma to the Library Advisory Board. Recommend approval.
- c. Memorandum 20-172 from City Clerk Re: Renewal of a Marijuana Product Manufacturing Facility License for Cosmic Seaweed, LLC. Recommend approval.
- d. Memorandum 20-173 from City Clerk Re: Letter to Governor Dunleavy Re: Community Spread of COVID-19. Recommend approval.
- e. Memorandum 20-174 from City Clerk Re: Letter to KPBSD Superintendent O'Brien Re: Community Spread of COVID-19. Recommend approval.

Moved to New Business item b. Aderhold.

- f. Ordinance 20-83, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$253,193 from the HAWSP Fund to Complete the Alder Lane Water Improvement Project. City Manager/Public Works Director. Recommended dates Introduction October 26, 2020 Public Hearing and Second Reading November 9, 2020.
- g. Ordinance 20-84, An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget to Authorize the Expenditure of \$90,000 from the Ocean Drive Loop Special Service District Maintenance Accounts to Perform Maintenance on the Homer Seawall. City Manager/Public Works Director. Recommended dates: Introduction October 26, 2020 Public Hearing and Second Reading November 9, 2020.
- h. Ordinance 20-85, An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget in the Amount of \$97,000 from the HART Roads Fund and Authorizing the Homer Public Works Department to Execute an Engineered Solution to Relocate the Surface Water Discharge at the Confluence of the Sterling Highway and Mount Augustine Drive into a Natural Occurring Raving, Gully, Watercourse or Runnel. Mayor/Evensen. Recommended dates: Introduction October 26, 2020 Public Hearing and Second Reading November 9, 2020.

Memorandum 20-175 from Public Works Director as backup

- i. Resolution 20-105, A Resolution of the City Council of Homer, Alaska Authorizing the City Manager Apply for a Loan from the State of Alaska Department of Environmental Conservation, Alaska Drinking Water Fund, in an Amount not to Exceed \$469,874 to Finance Costs of the Alder Lane and Tasmania Court Water Improvement Projects. City Manager/Port Director. Recommend adoption.
- j. Resolution 20-106, A Resolution of the City Council of Homer, Alaska Approving an Amendment to the Northern Enterprises Inc. Lease for 60 Square Feet of City Tidelands known as KPB Parcel # 18107001 to Extend the term from 20 Years with Options for 2 Consecutive 5-Year Renewals to 40 Years with Options for 2 Consecutive 5-Year Renewals for an Annual Rate of \$3.74. City Manager. Recommend adoption.

Memorandum 20-176 from the Port & Harbor Advisory Commission as backup

- k. Resolution 20-107, A Resolution of the City Council of Homer, Alaska Awarding a Short-Term Term Contract for Professional Engineering Services to Bishop Engineering, LLC and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.
- l. Resolution 20-108, A Resolution of the City Council of Homer, Alaska Awarding a Short-Term Term Contact for Professional Surveying Services to Geovera, LLC, Ability Surveys, and Seabright Survey and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.
- m. Resolution 20-109, A Resolution of the City Council of Homer, Alaska Authorizing a Sole Source Contract with T2 Systems in an Amount not to Exceed \$85,000 to Furnish and Install Five Automatic Pay Kiosks and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director. Recommend adoption.

Memorandum 20-178 from Public Works Director as backup

Item e. moved to New Business item b. Aderhold.

City Clerk Jacobsen read the consent agenda and its recommendations.

LORD/VENUTI MOVED TO ADOPT THE RECOMMENDATIONS OF THE CONSENT AGENDA AS READ.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

## VISITORS

### a. Unified Command Update (20 Minutes)

Lorne Carroll, Public Health Nurse, reported we're currently at the highest rate of cases known to Alaska so far with over 300 new cases today. Most of the new infection are through community spread, socializing, school, and other similar circumstances. He thanked the public health nurses and contact tracers for their work which enables us to speak to where the new infections are coming from. The age group of 20-29 still represents the largest proportion of Alaskans with newly diagnosed COVID at 24% of total cases. The virus is more easily spread from person to person than seasonal influenza and the results are different from seasonal influenza in that there are more deaths and hospitalizations because there is no vaccine for COVID. Because of that, community mitigation measures like promoting behaviors that would prevent the spread of COVID from one person to the next, contact tracing efforts, and continuing to approach things in new and creative ways of doing business. The primary goals are to slow the spread of the virus from one host to the next and aiming to protect our elders, friends, and family, and reserve our limited healthcare capacity and other systems that are responsible for building resilience factors for our community. There are still many unknowns and the goal in ending a pandemic is reducing the overall rate of transmission from one host to the next to be less than one person on average.

Derotha Ferraro, South Peninsula Hospital Public Information Officer, added one of the ways to stop transmission is to limit indoor gatherings. She reported the hospital has moved from low to moderate risk level, visitation is reduced, and still closed to long term care. There are no employees who have tested positive to date, but some are quarantined due to close contact to a known positive. SPH has provided 10,985 tests, 10,755 negative, 146 positive, and the rest pending results. Since her last report to Council they've done 988 tests and 22 were positive and that give the hospital testing a 2 week positivity rate of 2.2%. She provided a brief response to testing questions from last meeting, addressing types of tests used and processes and will have a memo to Council with more information. She also reported there are two upcoming flu shot clinics, one October 27<sup>th</sup> at the Homer United Methodist Church and a drive through clinic on October 31<sup>st</sup> at the Specialty Clinic building on Bartlett Street.

Mark Kirko, City of Homer Fire Chief, reported as we see the uptick in numbers statewide and locally, the Incident Management Team has been meeting more frequently to stay current the numbers, consider what it means for our community, and get the word out again to remind the community of the safety precautions necessary to mitigate spread. He's been meeting with the City Manager and putting efforts into near and long range planning and the matrix for looking at changes in regular lifestyle in the community. New signage has come in from the State to continue to promote social distancing, mitigating large group gatherings, and keep the community informed.

In response to questions and comments from Mayor and Council there was discussion regarding hospitalizations, community transmission, and potential impacts of not having an emergency declaration in place for the city.

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

a. Worksession Report

City Manager Dumouchel reported Council had a presentation from Public Works Director Keiser on unpacking water and sewer rates, discussed some of staff's recommendations in the report, and touched on the information from the Finance Director on rate model scenarios. This is an ongoing issue that Council will continue to discuss.

b. Committee of the Whole Report

Councilmember Lord reported Council discussed the letter to the Kenai Peninsula Borough School District Superintendent O'Brien, the Northern Enterprises Lease Extension, heard an overview on term contracts, received clarification on self-pay kiosk locations, and discussed extending the emergency declarations and CARES Act closeout spending priorities.

c. Mayor's Report

Mayor Castner commented regarding the recent Tsunami warning and evacuation. He was concerned that this was the second evacuation during the pandemic and of impacts of crowding people into other people's homes or the high school, especially if it was a non-event. He shared information about Sand Point, the closest location to the earthquake, explained the emergency response team here has a process they go through but that review doesn't involve any elected officials, including the Mayor. He spoke to Cindi Preller, a tsunami expert, who said Homer shouldn't have been included in the evacuation. She explained to him that there should have been an arrival time of a wave to Homer, that there are three entities who deal with policy involving tsunami reaction, and that elected officials should have a seat at the table when talking about the policy of declaring emergencies and moving people. There are conditions of an event that guide the decision whether to evacuate or not. This is happening with some regularity and he's hopeful from this that we raise the level of discussion about how often we're going to have evacuations, because there will come a time where people get tired of crying wolf and stop reacting.

d. Borough Report

e. Library Advisory Board

Marcia Kuszmaul, Library Advisory Board Chair, commented about the Election 101 webinars, the Food for Kids and Teens Program at the library with pick up available by the library book

drop, board game checkout, and an upcoming reading by the 2019 National Book Award Finalist and Poet Carolyn Forché' on October 30<sup>th</sup>.

f. Planning Commission

A written report was provided by Scott Smith, Planning Commission Chair.

g. Economic Development Advisory Commission

Karin Mark, Economic Development Advisory Commission Chair, reported the Commission adopted their strategies and goals and she reported on KPEDD Regional Comprehensive Economic Development Strategy update schedule.

h. Parks Art Recreation and Culture Advisory Commission

i. Port and Harbor Advisory Commission

j. Americans with Disabilities Act Compliance Committee

k. Economic Relief Grant Report

Sara Perman, ERG Program Coordinator, reported the HERG Program closed out October 16<sup>th</sup> and we received 238 applications, 7 denied and 13 are still pending. The total HERG dollars awarded were just under \$340,000, leaving just over \$1.1 million remaining. There have been requests for a program extension. This morning NERG2 kicked off and she's been doing outreach on that.

Special Projects and Communications Coordinator Carroll reported SBERG2 is underway, so far 128 applications have come in, 114 were SBERG1 recipients and 14 new applicants, and 83 have been approved to date. To date just under \$1.1 million has been awarded and if the remaining requests be approved it will increase to \$1.79 million.

**PUBLIC HEARING(S)**

- a. Ordinance 20-68, An Ordinance of the City Council of Homer, Alaska, Amending the 2020 Capital Budget and Authorizing the Expenditure of \$234,105 from the Homer Accelerated Water & Sewer Program (HAWSP) Fund to Complete the Tasmania Court Water Improvement Project. City Manager/Public Works Director. Introduction September 28, 2020 Public Hearing and Second Reading October 26, 2020.

Memorandum 20-155 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 20-68 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

A correction was noted for the date on line 36.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- b. Ordinance 20-73, An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating an FY2018 State Homeland Security Program Reallocation Grant in the Amount of \$24,376 to fund a 911 Public Safety Answering Point at the Homer Police Station. City Manager/Police Chief. Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020.

Memorandum 20-163 from Police Chief as backup

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

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-73 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- c. Ordinance 20-74, An Ordinance of the City Council of Homer, Alaska Amending Homer City Code 14.08.040 Water Connection and Extension Permit to Require Property Owners Requesting Connection to the City's Water System be Connected to the City's Sewer System. Smith. Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020.

Memorandum 20-166 from Public Works Director as backup

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

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-74 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There were brief comments in support of the ordinance and thanking Councilmember Smith and Public Works Director Keiser for their work in bringing this forward.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- d. Ordinance 20-75, An Ordinance of the City Council of Homer, Alaska Providing for a Grant of \$230,000 to South Peninsula Behavioral Services, Inc. for the Purposes of Recovery of Losses and Additional Costs Associated with Meeting the Challenges of the Novel Coronavirus and in Support of the Continuation of their Programs and Services. Hansen-Cavasos. Introduction October 12, 2020, Public Hearing and Second Reading October 24, 2020.

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

LORD/VENUTI MOVED TO ADOPT ORDINANCE 20-75 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- e. Ordinance 20-76, An Ordinance of the City Council of Homer, Alaska Authorizing the City Manager to Purchase Kenai Peninsula Borough Parcel No. 17714011, T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER OF GL 2 TH S 89 DEG 57'30" E 1094.3 FT TO PT TH S 38 DEG 0' W 310 FT TO POB TH 90 DEG W 75 FT TO CORNER 2 TH S 38 DEG W 75 FT TO CORNER 3 TH 90 DEG E 75 FT TO CORNER 4 TH N 38 DEG E 75 FT TO POB for \$35,000 from the Land Reserves Account and Designating its use as part of Bishops Beach Park. Venuti/Hansen-Cavasos. Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020.

Memorandum 20-167 from PARCAC as backup

Mayor Castner opened the public hearing.

Rika Mouw, city resident, commented in support of Ordinance 20-76 and shared her support for extending the parkland with this purchase.

There were no further comments and the hearing was closed.

LORD/VENUTI MOVED TO ADOPT ORDINANCE 20-76 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.



ADERHOLD/LORD MOVED TO AMEND LINES 13 AND 40 TO READ AN AMOUNT NOT TO EXCEED \$35,000.

Councilmember Smith noted for clarification that the property is currently listed for \$35,000.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion on the main motion as amended.

VOTE (main motion as amended): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- f. Ordinance 20-77, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$13,480 from the City Hall CARMA Fund for Finance Office Remodel and Furnishings. City Manager/Finance Director. Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020.

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

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-77 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Lord requested that fund balances be provided with ordinances expending funds.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- g. Ordinance 20-79, An Ordinance of the City Council of Homer, Alaska Establishing a Fishermen Economic Recovery Grant (FERG) Program and Amending the 2020 Budget by Appropriating the Amount of \$1.3 Million from the General Fund Fund Balance to Provide Economic Relief to City of Homer-Based Vessel Owners Engaged in Commercial Fishing who are Impacted by the COVID-19 Pandemic. Mayor. Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020.

Mayor Castner opened the public hearing.

Jim Herbert, non-resident, commented in favor of Ordinance 20-79 and the Fisherman Economic Relief Grant Program. Homer is the base of operations for many commercial fishing businesses and their crews and he considers this a good use of the CARES Act funds.

Aaron Fleenor, Homer Marine Trades Association Board Vice President, commented in support of Ordinance 20-79 and the Fisherman Economic Relief Grant Program. It will benefit our local fishermen and their crews, as well as benefit our local economy.

There were no further comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-79 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Question was raised regarding reference to the general fund fund balance and it was confirmed with Finance Director Walton it would be correct to amend it to read COVID-19 Response Fund.

LORD/ADERHOLD MOVED TO AMEND LINE 10 STRIKE GENERAL FUND FUND BALANCE AND REPLACE WITH COVID-19 RESPONSE FUND.

There was no discussion.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmembers Lord and Evensen shared their appreciation for the feedback from the fishing community.

VOTE (main motion as amended): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Mayor Castner called for a recess at 7:36 p.m. and called the meeting back to order at 7:45 p.m.

- h. Ordinance 20-80, An Ordinance of the City Council of Homer, Alaska Providing for a Grant of \$34,789.24 to the Homer Foundation Homer Community Chest Fund to Assist Vulnerable Populations in order to Prevent Homelessness During the COVID-19 Pandemic through the Homer Community Chest Fund. Mayor. Introduction October 12, 2020, Public Hearing and Second Reading October 26, 2020.

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

LORD/VENUTI MOVED TO ADOPT ORDINANCE 20-80 BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- i. Ordinance 20-81(A), An Ordinance of the City Council of Homer, Alaska Establishing a Mortgage and Rent Relief Grant (MARRG) Program to City of Homer Residents Experiencing Economic Hardship due to the COVID-19 Public Health Emergency, Approving up to ~~\$339,200~~ **\$763,200** to be used for MARRG, and Authorizing the City Manager to Enter into an Agreement with Alaska Housing Finance Corporation (AHFC) for Program Administration. Adherhold. Introduction October 12, 2020 Public Hearing and Second Reading October 26, 2020.

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

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-81(A) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmembers Smith expressed appreciation for Councilmember Aderhold bringing this forward, and Councilmember Evensen for the amendment. This has the ability to have a positive impact for families that have suffered.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- j. Ordinance 20-82(A), An Ordinance of the City Council of Homer, Alaska, Unencumbering the Unexpended Funds of the City of Homer Economic Relief Grant Programs and City material, service, and personnel costs in the COVID-19 Response Fund to Cover Expenses as Directed by the CARES Act Project Close Out Plan. City Manager. Introduction October 12, 2020, Public Hearing and Second Reading October 24, 2020.

Memorandum 20-179 from Special Projects & Communications Coordinator as backup

Mayor Castner opened the public hearing.

Reid Brewer, Kachemak Bay Campus (KBC) Director, advocated for Kenai Peninsula Colleges proposed use of CARES Act funds as part of the closeout for the plan. KBC will use the funds to support distance learning and scholarships.

Todd Hindman, Fireweed Academy Principal, commented regarding Fireweed Academy's request for \$5,000 of CARES Act funding through the closeout plan to purchase a HEPA Air Filter Filtration System to provide an air exchange rate of 5 to 6 exchanges per hour.

There were no further comments and the hearing was closed.

LORD/ADERHOLD MOVED TO ADOPT ORDINANCE 20-82(A) BY READING OF TITLE ONLY FOR SECOND AND FINAL READING.

Councilmember Lord commented regarding Memorandum 20-179 that outlines the close-out plan, noting she doesn't have amendments to the ordinances itself but to the memorandum.

Special Projects and Communications Coordinator Carroll noted at their last meeting they agreed by resolution to work through the CARES Act closeout plan. The unexpended funds are being unencumbered through this ordinance in order to cover expenses as directed by the CARES Act Plan and the memorandum is attached to the ordinance. Staff requests they discuss the plan and make changes as needed so staff can move efficiently ahead toward expending the funds by the end of December.

LORD/ADERHOLD MOVED TO ADD THE \$5000 REQUEST FROM FIREWEED ACADEMY IN WITH ITEM 6.

There was discussion that there will be sufficient unexpended funds remaining after the ERG programs close to work down this list and prioritization of the list.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmembers reviewed the information on the list. Some members expressed concerns with the justification of some of the items listed in Memorandum 20-179 and suggested other avenues for appropriation are needed. Others expressed support to funding them all with CARES Act Funds for the betterment of the community. In response to questions, Fire Chief Kirko reviewed the emergency response equipment requests and how it would be distributed to emergency vehicle for responding in the community; and Special Projects and Communications Coordinator Carroll reviewed process for prioritizing and spending the funds unencumbered by this ordinance.

ADERHOLD/LORD MOVED AMEND AND MOVE ALL PROCUREMENT ITEMS TO THE TOP OF THE LIST OF MEMORANDUM 20-179 IN THE CURRENT ORDER THEY ARE AND EVERYTHING ELSE FOLLOW IN THAT LINE.

Councilmember Evensen addressed the comments in the memo regarding his request for funding an erosion mitigation proposal. He feels it's justified for using CARES Act Funds and doesn't want it to be eliminated by this motion.

Councilmember Aderhold explained the amendment moves all the ERG Programs below the currently listed procurement items.

It was noted for clarification that with this amendment, there is a new number 7, \$5000 to Fireweed Academy, so items 5, 6, the new 7 through 12 would be moved to the top of the list so they can get rolling, for a total of about \$365,000. The additional funds continue to get funded underneath those.

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

Motion carried.

In response to a question, Special Projects and Communications Coordinator Carroll reviewed the procurement process and timelines when making purchases with CARES Act Funds.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

## **ORDINANCE(S)**

### **CITY MANAGER'S REPORT**

a. City Manager's Report

City Manager Dumouchel reported on an update from the Clerk's office that the lobbyist RFP information had been emailed out, he attended a Volunteer Fire Fighter training over the weekend, and he and Chief Kirko have been using the general COVID plan and framework he addressed in his last report, as way to discuss the COVID context for City specific operations. We're seeing levels increase across the State and here locally so we're watching it closely.

In response to questions from Councilmember Lord, City Manager Dumouchel commented there is ongoing discussion about the open status of the library, currently it remains open and risk levels are being reviewed to make appropriate decisions on that status. He'll provide additional information regarding the GFOA award when it's available, but wanted to share the notice that the City had received it. Regarding the tsunami response there was an internal staff discussion on Thursday, on Friday there was a meeting with KPB and State and Federal agencies to share similar concerns that have been expressed tonight about the way information came in to the City. They discussed ways to better communicate and the need for better warning polygons. He agrees with the need to find better ways to loop in Council short of scheduling a meeting to talk when these events occur, and will work with staff on ways to make that happen.

Councilmember Venuti shared that she doesn't think the City can easily remove themselves from the tsunami warnings nor would we want to because there will come a time when we're impacted. These times can be used as practice. She noted his information about bears and

asked if people are being cited for leaving trash out. City Manager Dumouchel doesn't believe people are being cited, but would have to confirm that. Right now the focus is on education about it and it's his understanding it's primarily people camping right now.

Councilmember Aderhold congratulated the Finance Department on the GFOA award and all their work to receive the award. She commented about the Climate Action Plan and her participation with the Climate Cohort Group, they will continue to meet every other month or so. She noted the Community Engagement Team item in the report, she hopes we move forward with it and that other councilmembers are interested also, it reminds her of the letter they sent to the Governor earlier in the summer asking them to help us develop a mitigation plan. She thinks there are a number of ways we could get help from the State. As a Councilmember she'd like to have better information on what's happening with the local out breaks so we have a better understanding of what's happening in our community.

### **PENDING BUSINESS**

- a. Resolution 20-100, A Resolution of the City Council of Homer, Alaska Establishing a Fishermen Economic Recovery Grant (FERG) Program and Approving up to \$1.3 Million from the COVID-19 Response Fund to Provide Economic Relief to City of Homer-Based Vessel Owners Engaged in Commercial Fishing who are Impacted by the COVID-19 Pandemic. Mayor.

Memorandum 20-180 from Special Projects & Communications Coordinator as backup  
Memorandum 20-169 from Port Director/Harbormaster as backup

Mayor Castner advised that the motion on the floor from October 12<sup>th</sup> to adopt resolution 20-100 by reading of title only and that a Revised FERG program policy in the packet.

It was noted that reference to approving funding from the COVID-19 Response Fund shouldn't be included in the title.

LORD/ADERHOLD MOVED TO AMEND LINE 9 TO DELETE "AND APPROVING UP TO \$1.3 MILLION FROM THE COVID-19 RESPONSE FUND"

There was no discussion.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmember Aderhold was glad that Council received comments regarding the program. One thing she heard from fishermen who work in Bristol Bay, Prince William Sound, or Southeast who live in Homer and spend money for marine trades but because aren't based here, they aren't eligible for funds. She wondered how others felt about it.

Councilmembers Evensen and Smith commented it's difficult to encapsulate all the fishing industry and participants in it when providing this program. It's been a similar challenge with the other programs also. This is a great effort and will work for many.

Mayor Castner added they needed to establish a connection with the City and decided harbor usage would be the connecting point.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

### **NEW BUSINESS**

- a. Memorandum 20-181 Selection/Appointment of Mayor Pro Tempore 2020/2021

Mayor Castner opened the floor for nominations.

Councilmember Lord nominated Councilmember Aderhold and Councilmember Hansen-Cavasos nominated Councilmember Smith.

The vote was tied and three for each nominee.

Following discussion on next steps in relation to HCC 2.08.080 which states the Mayor Pro Tempore shall be appointed by majority vote of the Council, Mayor Castner re-opened the floor to nominations.

Councilmember Venuti nominated Councilmember Lord and Councilmember Hansen-Cavasos nominated Councilmember Smith.

After a vote of the Council, Councilmember Lord was appointed as Mayor Pro Tempore for 2020/2021.

- b. Memorandum 20-174 from City Clerk Re: Letter to KPBSD Superintendent O'Brien Re: Community Spread of COVID-19. Recommend approval.

LORD/ADERHOLD MOVED APPROVE THE RECOMMENDATION MEMORANDUM 20-174.

Councilmember Aderhold explained Council discussed this during Committee of the Whole and the intent of the letter is to address community spread of COVID-19 resulting from interscholastic activities.

Discussion ensued and based on feedback during the Unified Command report there isn't a direct link between interscholastic activities and community spread. It was suggested that the letter to Governor that was approved under the consent agenda was sufficient in addressing Council's message regarding concerns on community spread of COVID-19.

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

Motion failed.

## **RESOLUTIONS**

- a. Resolution 20-110, A Resolution of the City Council of Homer, Alaska Designating Signatories of City Accounts and Superseding and Previous Resolutions so Designating City Manager.

LORD/ADERHOLD MOVED TO ADOPT RESOLUTION 20-110 BY READING OF TITLE ONLY.

LORD/ADERHOLD MOVED TO AMEND TO ADD RACHEL LORD AS MAYOR PRO TEMPORE

There was no discussion on the motion to amend.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion on the main motion as amended.

VOTE (main motion as amended): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- b. Resolution 20-111, A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Homer Seawall Services to a Firm to be Announced in an Amount to be Disclosed and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director.

Resolution 20-111(S), A Resolution of the City Council of Homer, Alaska Awarding the Contract for the Homer Seawall Maintenance Work to East Road Services, Inc. of Homer, Alaska in the Amount of \$45,336 and Authorizing the City Manager to Negotiate and Execute the Appropriate Documents. City Manager/Public Works Director.

Memorandum 20-184 from City Engineer as backup

LORD/VENUTI MOVED TO ADOPT RESOLUTION 20-111 BY READING OF TITLE ONLY.

LORD/VENUTI MOVED TO SUBSTITUTE RESOLUTION 20-111(S) FOR 20-111.

There was no discussion.

VOTE (substitution): NON OBJECTION: UNANIMOUS CONSENT



Motion carried.

Councilmember Lord explained Public Works Director Keiser requested an amendment to include the purchase of shot rock for \$42,000 from Dibble Creek Rock that's necessary for the maintenance work.

LORD/VENUTI MOVED TO ADD DIBBLE CREEK ROCK TO THE CONTRACT AWARD FOR AN AMOUNT NOT TO EXCEED \$42,000 FOR SHOT ROCK AND ACCOMPANYING TYPOGRAPHICAL CHANGES.

There was no discussion.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

There was no further discussion on the main motion as amended.

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

Motion carried.

- c. Resolution 20-112, A Resolution of the City Council of Homer, Alaska Changing the City of Homer's Fiscal Year from the 12 Month Period Commencing January 1 through December 31 of each Calendar Year to the 12 Month Period Commencing July 1 through June 30 of the Succeeding Year. Smith.

Memorandum 20-177 from Finance Director as backup

LORD/ADERHOLD MOVED TO ADOPT RESOLUTION 20-112 BY READING OF TITLE ONLY.

Councilmember Smith commented he's discussed this with the City Manager and he understands a move like this will take additional resources but it brings us in line with other entities budget schedules. Another consideration for him is the timing with newly elected members being sworn in and moving right into budget adoption when using the calendar year budget. He recognizes there is a lot going on right now but next year is a budget year so this will shorten the budget process by 6 months, and finance will need increased capacity if Council passes this.

Councilmember Aderhold agrees it challenging to come onto Council and dive right into budget. She feels like it's too much of an ask right now and wonders about delaying it for a year with everything that's going on now.

Councilmember Evensen asked the City Manager for his thoughts. City Manager Dumouchel feels that in the long run it's a net positive and something that will help us better align with

other agencies. He acknowledged it's a very significant thing to do and if we move forward on this timeline he'll need Council to provide funding for help to do it, otherwise he agrees it will be too much work and too little time.

Councilmember Lord supports this generally, but is also unsure about timing given the current burden on the Finance Department. She's concerned about the timeline presented. If they're going to spend a lot on a consultant, she's not sure it needs to happen that quickly. If it had an effective date of 2022 or 2023. When it switched to the current budget cycle in 1986 it came with a timeline of event that needed to happen, and she has concerns with the capacity to be able to do this successfully in a short timeline.

Councilmember Venuti also supports the notion and suggested it be brought back to Council with a calendar so they see what's going to happen and when.

Councilmember Evensen commented in supporting this and learning what specific resources are needed to get there.

Mayor Castner commented our most current financial statement is 22 months old, that process along with quarterly reporting and other things create a higher priority of need from the Finance Department in his mind. He'd like to see an audit timeline that is not a 12 month timeline and that we come up with quarterly reporting. He supports the change but thinks this should be done in 2022.

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

Motion carried.

- d. Resolution 20-113, A Resolution of the City Council of Homer, Alaska Extending the City of Homer Disaster Emergency Declaration to a Date to be Determined, Due to the Current and Expected Impacts of the COVID-19 Novel Coronavirus Pandemic. Mayor.

LORD/VENUTI MOVED TO ADOPT RESOLUTION 20-113 BY READING OF TITLE ONLY.

LORD/ADERHOLD MOVED TO AMEND TO EXTEND THE EMERGENCY DECLARATION TO DECEMBER 31, 2020.

Councilmember Lord noted both Kenai and Soldotna have extended their declarations to December 31<sup>st</sup> and they can revisit at their meeting in December if needed.

Councilmember Smith isn't sure the added value of having an emergency declaration still exists, he'd like to postpone to find out what the Governor does. If the Governor doesn't renew the declaration for the State, then he doesn't know if they have grounds to. The situation will

continue to be monitored, but the hospitalization rate in our area is very low and we need to determine where the danger level is and how to respond to it.

VOTE (amendment): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Councilmember Lord requested the City Manager comment regarding advantages and disadvantages of having the emergency declaration in place.

City Manager Dumouchel responded this has been a discussion topic internally as we work through what those would be and has reached out to other entities to get a better idea of what's going on. Having the structure in place does add value, we have partnerships with the hospital and other levels of government, its unusual in that it's an ongoing situation, and we don't know if there will be a period when things become more substantially worse. Not having the declaration could impact funding availability and he wouldn't want to be in a situation where they didn't have it in place. If Council adopts this tonight they can always revisit it if the Governor makes changes.

Councilmember Lord commented in support of retaining the declaration. Our schools are closed and we're experiencing the highest rate of transmission since the pandemic started. She hopes the lag in hospitalizations and death maintains, but she can't vote to end the emergency declaration when we're seeing more activity than we have before, when our community is trying to figure out how to work, how to take care of families, how to maintain academics, and mental health.

Councilmember Venuti expressed her support for extending the declaration.

Councilmember Aderhold also supports the extension. She's interested in having higher resolution on what's actually happening in the community and requested more consistent updates from administration.

Councilmember Evensen noted the potential significance of maintaining the declaration while they're working with their CARES Act Funding and potential of being audited and not having it in place. Consistency is important.

Mayor Castner explained the Governor announced at a Mayor's conference call that he was not going to renew the State's emergency order on November 15<sup>th</sup>. We're into the 8<sup>th</sup> month of the pandemic and it's taken a lot of time and effort to do the administrative things Council can do. He's been pressing to come up with a comprehensive plan for the City. He's not interested in continuing on under emergency order, he wants to see how we emerge from this.

Councilmember Lord noted we all want to see how we emerge from this and see responsible plans. It's been confusing and difficult but they've done a good job getting the CARES Funds

out to the community and staff has done a good job taking care of City business. We aren't in control of the infection numbers, we can continue consistent messaging, and continue to be a strong local leader, regardless of what those above us are doing.

VOTE (main motion as amended): NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

### **COMMENTS OF THE AUDIENCE**

### **COMMENTS OF THE CITY ATTORNEY**

City Attorney Gatti had no comments.

### **COMMENTS OF THE CITY CLERK**

City Clerk Jacobsen commented absentee in person voting is still open during regular business hours up until Election Day.

### **COMMENTS OF THE CITY MANAGER**

City Manager Dumouchel commented that he voted today and it went very smoothly. He thanked everyone, we got through a lot of stuff today and set a good path for working with CARES Act funds. The fiscal year change will be a big lift but it's also a big opportunity. He looks forward to coming back with a more fleshed out plan to execute that movement.

### **COMMENTS OF THE MAYOR**

Mayor Castner thanked Council for starting at 4:00 and wading through a lot of good discussion and starts on projects that need to be addressed. He's called for a special meeting and committee of the whole on November 9<sup>th</sup>. Typically there is only one meeting in November due to AML but since its being done remotely he feels they can meeting and keep the work going.

### **COMMENTS OF THE CITY COUNCIL**

Councilmember Hansen-Cavasos thanked Council for approving the money for South Peninsula Behavioral Health Services and shared words of encouragement for families and home schooling.

Councilmember Smith shared his support for the Dodgers in the World Series and his exhaustion with the election season, he's ready for it to be over. He encouraged getting educated on the issues and getting out to vote.

Councilmember Venuti commented she visited the Pratt Museum exhibit *Shifting Tides*. She felt safe being there, the air handling is improved, masks are required, and there seems to be

a real respect to keeping people safe. The quilts are colorful and beautifully crafted and the exhibit runs until November 28<sup>th</sup>. She encouraged people to get educated on the candidates and issues, and vote. Enrollment for the KBC Spring 2021 classes is open.

Councilmember Aderhold concurred with the encouragement to learn and vote. There was a lot of necessary discussion tonight and hard choices to make, she appreciates everyone's work and dedication to making good decisions for the City. She made a request of the Mayor moving forward, that he'll return to the practice of passing the gavel when he speaks. She cited the chapter of Roberts Rules of Order regarding rules against the Chair participation in debate.

Mayor Castner responded he has a superior qualification on his ability to take part in debate in the State Statute.

Councilmember Lord commented she sees passing the gavel done at the State and Borough. It's not a preclusion of engaging in the debate and conversation, it's something that's welcome, but it's passing the control of the room when speaking. That's her vague understanding from every other elected body she's watched proceed in that manner. She encouraged voting; shared about her family outing to get flu shots and thanked Homer Medical and the hospital for providing free flu shots; and on a break she learned her 7 year old lost her 4<sup>th</sup> tooth.

Councilmember Evensen commented he too has been frustrated by the last earthquakes and evacuation announcements knowing full well, as a geoscientist, there's a zero chance of the arrival of a tsunami. He's shared information about conditions necessary to generate a tsunami, not to diminish what could be a risk but there's a great deal of room for improvement in messaging. He hopes everyone stays safe with COVID.

## **ADJOURN**

There being no further business to come before the Council Mayor Castner adjourned the meeting at 10:14 p.m. The next Regular Meeting is Monday, November 23, 2020 at 6:00 p.m., Committee of the Whole at 5:00 p.m. A Special Meeting is scheduled for Monday, November 9, 2020 at 6:00 p.m. and Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, via Zoom Webinar.

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Melissa Jacobsen, MMC, City Clerk

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



# City of Homer

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

## Office of the City Clerk

491 East Pioneer Avenue  
Homer, Alaska 99603

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

(p) 907-235-3130

(f) 907-235-3143

## Memorandum 20-186

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

FROM: MELISSA JACOBSEN, MMC, CITY CLERK

DATE: NOVEMBER 4, 2020

SUBJECT: VACATION OF CHERYL LANE, A 60 FOOT RIGHT-OF-WAY APPROXIMATELY 951 FEET MORE OR LESS IN LENGTH DEDICATED PER LILLIAN WALLI ESTATE PLAT HM 88-16 AND ASSOCIATED UTILITY EASEMENTS. KPB FILE 2020-119V.

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At their October 26, 2020 meeting, the Kenai Peninsula Borough Planning Commission approved the vacation of Cheryl Lane, a 60 foot right-of-way approximately 951 feet more or less in length dedicated per Lillian Walli Estate Plat HM 88-16 and Vacate the associated utility easements described as the front 10 feet of Cheryl Lane right-of-way and the full 20 feet within 5 feet of the side lot lines adjoining Cheryl Lane as dedicated per Lillian Walli Estate Plat HM 88-16. The right-of-way being vacated is unconstructed and located within the NE1/4 NE1/4 of Section 24, Township 6S, Range 14W, Seward Meridian, Alaska, within the Kenai Peninsula Borough. KPB File 2020-119V.

Per AS 29.40.140, no vacation of a City right-of-way and/or easement may be made without the consent of the City Council.

The City Council has thirty days from October 26, 2020 in which to veto the decision of the Kenai Peninsula Borough Planning Commission.

The Homer Planning Commission forwarded a recommendation for approval regarding this vacation as reflected in the June 10, 2020 Notice of Action and minutes from the May 20, 2020 regular meeting.

### RECOMMENDATION:

Voice non objection and consent to the vacation of Cheryl Lane, a 60 foot right-of-way approximately 951 feet more or less in length dedicated per Lillian Walli Estate Plat HM 88-16 and Vacate the associated utility easements described as the front 10 feet of Cheryl Lane right-of-way and the full 20 feet within 5 feet of the side lot lines adjoining Cheryl Lane as dedicated per Lillian Walli Estate Plat HM 88-16. The right-of-way being vacated is unconstructed and located within the NE1/4 NE1/4 of Section 24, Township 6S, Range 14W, Seward Meridian, Alaska, within the Kenai Peninsula Borough. KPB File 2020-119V.



# Planning Department

144 N. Binkley Street, Soldotna, Alaska 99669 • (907) 714-2200 • (907) 714-2378 Fax

Charlie Pierce  
Borough Mayor

October 28, 2020

**KENAI PENINSULA BOROUGH PLANNING COMMISSION  
NOTICE OF DECISION  
MEETING OF OCTOBER 26, 2020**

RE: Vacate Cheryl Lane a 60 foot right-of-way approximately 951 feet more or less in length dedicated per Lillian Walli Estate Plat HM 88-16 and Vacate the associated utility easements described as the front 10 feet of Cheryl Lane right-of-way and the full 20 feet within 5 feet of the side lot lines adjoining Cheryl Lane as dedicated per Lillian Walli Estate Plat HM 88-16. The right-of-way being vacated is unconstructed and located within the NE1/4 NE1/4 of Section 24, Township 6S, Range 14W, Seward Meridian, Alaska, within the Kenai Peninsula Borough. KPB File 2020-119V.

By unanimous consent the Kenai Peninsula Borough Planning Commission approved the proposed right-of-way and associated utility easement vacations during their regularly scheduled meeting of October 26, 2020 based on the means of evaluating public necessity established by KPB 20.70.

*Subject to:*

1. Consent by Homer City Council.
2. Compliance with the requirements for preliminary plats per Chapter 20 of the KPB Code.
3. Grant utility easements requested by the Homer City Council and utility providers.
4. Submittal of a final plat within a timeframe such that the plat can be recorded within one year of vacation consent (KPB 20.70.130).

In accordance with AS 29.40.140, no vacation of a city right-of-way and/or easement may be made without the consent of the city council. The proposed vacation has been forwarded to the Homer City Council. The City Council has 30 days from October 26, 2020 in which to veto the decision of the Planning Commission. If no veto is received from the Council within the 30-day period, the decision of the Commission will stand.

Please contact the Homer City Office to verify the date the subject vacation will be reviewed by the Council.

Please contact the Kenai Peninsula Borough's Planning Department at (907) 714-2200 if you have any questions.



## Planning Department

144 N. Binkley Street, Soldotna, Alaska 99669 • (907) 714-2200 • (907) 714-2378 Fax

Charlie Pierce  
Borough Mayor

October 27, 2020

Homer City Council  
491 East Pioneer Avenue  
Homer, AK 99603-7645

RE: Vacate Cheryl Lane a 60 foot right-of-way approximately 951 feet more or less in length dedicated per Lillian Walli Estate Plat HM 88-16 and

Vacate the associated utility easements described as the front 10 feet of Cheryl Lane right-of-way and the full 20 feet within 5 feet of the side lot lines adjoining Cheryl Lane as dedicated per Lillian Walli Estate Plat HM 88-16.

The right-of-way being vacated is unconstructed and located within the NE1/4 NE1/4 of Section 24, Township 6S, Range 14W, Seward Meridian, Alaska, within the Kenai Peninsula Borough. KPB File 2020-119V.

Dear Homer City Council Members:

In accordance with AS 29.40.140, no vacation of a city right-of-way and/or easement may be made without the consent of the city council. The KPB Planning Commission approved the referenced right-of-way vacation during their regularly scheduled meeting of October 26, 2020. This petition is being sent to you for your consideration and action.

The City Council has 30 days from October 26, 2020 in which to veto the decision of the Planning Commission. If no veto is received from the Council within the 30-day period, the decision of the Planning Commission will stand.

Attached are draft, unapproved minutes of the pertinent portion of the meeting and other related material.

Sincerely,

Marcus A. Mueller  
Acting Planning Director  
Kenai Peninsula Borough

Attachments:

Draft 10/26/20 Planning Commissioner Meeting Minutes  
10/26/20 Meeting Packet Information



**MOTION PASSED:** Seeing and hearing no discussion or objection, the motion passed by unanimous vote.

Yes	10	No	0	Absent	1
Yes	Brantley, Carluccio, Chesser, Ecklund, Fikes, Gillham, Martin, Morgan, Ruffner, Venuti				
No	None				
Absent	Bentz				

**AGENDA ITEM E. NEW BUSINESS**

2. Vacate Cheryl Lane a 60 foot right-of-way approximately 951 feet more or less in length dedicated per Lillian Walli Estate Plat HM 88-16 and

Vacate the associated utility easements described as the front 10 feet of Cheryl Lane right-of-way and the full 20 feet within 5 feet of the side lot lines adjoining Cheryl Lane as dedicated per Lillian Walli Estate Plat HM 88-16.

The right-of-way being vacated is unconstructed and located within the NE1/4 NE1/4 of Section 24, Township 6S, Range 14W, Seward Meridian, Alaska, within the Kenai Peninsula Borough. KPB File 2020-119V.

Staff report given by Scott Huff.

Purpose as stated in petition: Petitioners are vacating lot lines and rights-of-way under an agreement with the City of Homer. All resulting lots have access by existing rights-of-way

Petitioners: Weisser Homes, Miller, Walli, Johnson, Johnson

Notification: Public notice appeared in the October 15th issue of the Homer News as a separate ad. The public hearing notice was published in the October 22nd issue of the Homer News as part of the Commission's tentative agenda.

17 certified mailings were sent to owners of property within 300 feet of the proposed vacation. 8 receipts had been returned when the staff report was prepared.

Public hearing notices were sent by regular mail to 6 owners within 600 feet of the proposed vacation.

Public hearing notices were emailed to agencies and interested parties as show below:

- |  |                                      |
|--|--------------------------------------|
| State of Alaska Dept. of Fish & Game       | Kenai Peninsula Borough Office Homer |
| State of Alaska Dept. of Natural Resources | Alaska Communication Systems (ACS)   |
| State of Alaska Dept. of Transportation    | ENSTAR Natural Gas                   |
| City of Homer                              | General Communications Inc. (GCI)    |
| Emergency Services of Homer                | Homer Electric Association (HEA)     |

Public hearing notices were made available to 5 KPB staff/Departments (Addressing, Code Compliance, Planner, Roads Dept., River Center) via a shared database.

Notices were mailed to the Homer Post Office and the Homer Community Library with a request to be posted in public locations.

The notice and maps were posted on the Borough bulletin board and Planning Department public hearing notice web site.

Comments Received:

ACS: No objections.

ENSTAR: No comments, recommendations, or objections.

Homer Electric Association: No Comments.

KPB Addressing: The addressing officer is unavailable. Staff reviewed and noted that the City of Homer is responsible for the addressing within the City of Homer. Addressing concerns or issues will need to be addressed by the City. No comment on vacation. Street names shown are correct.

KPB Planning: KPB Planner is unavailable. Staff reviewed and determined that there are no material site or local option zone district issues as the property is inside city limits.

KPB Code Compliance: No comments.

KPB River Center: Not within a flood hazard area. Not within an Anadromous Waters Habitat Protection District.

KPB Roads Department: Outside jurisdiction. No comments.

Homer Planning Commission: The Homer Planning Commission heard this vacation at a special meeting held on May 20, 2020. The Homer Planning Commission also heard the utility easement vacation and the proposed drainage easement vacations (the drainage easements will be discussed at a future PC meeting). The vacation of Cheryl Lane right of way and the associated utility easements were approved.

State Parks: No comments.

Staff Discussion: A petition to vacate Cheryl Lane, a 60 foot right of way, was received by the Planning Department on September 29, 2020. Cheryl Lane was dedicated in 1988 with the recording of Lillian Walli Estate, Plat HM 88-16. Cheryl Lane provided access to lots 18 through 35. Cheryl Lane is not constructed.

The front 10 feet along Cheryl Lane, as well as 20 feet along the side lot lines was designated as utility easements on the parent plat. The petition also requests that those associated easements be vacated. No utility provider has placed a utility line within the easement petitioned for vacation.

If approved, Lillian Walli Estate 2020 Replat, KPB File 2020-119, will finalize the proposed right of way vacations. The Plat Committee is scheduled to review Lillian Walli Estate 2020 Replat on November 9, 2020.

There has also been a request to vacate several drainage easements. That petition is scheduled to be reviewed by the Planning Commission on November 9, 2020.

Staff notes the approval of the vacation will not create any block length compliance issues.

#### **KPB 20.70 – Vacation Requirements.**

*Platting staff comments:* Staff reviewed the vacation and all the items required by 20.70 were met, unless otherwise noted below:

20.70.040. Application—Petition required.

A. A platted right-of-way or platted public area may not be vacated, except upon petition by resolution of the governing body from a municipality in which the property is located or by the owners of the majority of land fronting or abutting the right-of-way or public area to be vacated. The petition shall be filed with the planning commission.

*Platting Staff Comments:* The application was submitted and complies with this section.

20.70.050. Petition—Information required.

D. If the proposed vacation lies within the boundaries of an incorporated city, comments from the city advisory planning commission must be submitted with the petition.

*Platting Staff Comments:* Minutes were provided from the City of Homer Planning Commission special

meeting held on May 20, 2020.

**Staff recommendation:** Review and apply requests when applicable.

20.70.130. Vacation plat—Preparation, approval and recording. Upon approval of the vacation request by the planning commission and no veto by the city council or assembly, the applicant shall have a surveyor prepare and submit a plat including the entire area approved for vacation in conformance with KPB 20.10.080. Only the area approved for vacation by the assembly or council may be included on the plat. The final plat must be recorded within one year of the vacation consent in KPB 20.70.110.

*Platting Staff Comments: If the Planning Commission approves the vacation it will be forwarded to the Homer City Council to be heard within 30 days.*

**Staff recommendation:** Comply with 20.70.130.

20.70.150. Title to vacated area.

A. The title to the street or other public area vacated on a plat attaches to the lot or lands bordering on the area in equal proportions, except that if the area was originally dedicated by different persons, original boundary lines shall be adhered to so that the street area which lies on one side of the boundary line shall attach to the abutting property on that side, and the street area which lies on the other side of the boundary line shall attach to the property on that side. The portion of a vacated street which lies within the limits of a platted addition attaches to the lots of the platted addition bordering on the area. If a public square is vacated, the title to it vests in the city if it lies within the city and to the borough if it lies within the borough outside a city. If the property vacated is a lot or tract, title vests in the rightful owner.

*Platting Staff Comments: The dedication came from one lot that has been subdivided. The proposed plat, Lillian Walli Estate 2020 Replat, will be combining and moving lot lines for a new configuration. The reversion of the land will for the most part go back equally to the property abutting.*

*Proposed Lot 28-A, 6-A, and 7-A will redesign the property boundary and not comply with KPB 20.70.150. However, all owners will be signing the plat and agreeing to the new lot configuration.*

**Staff recommendation:** All landowners will be required to sign the mylar to show they approve of the reversion. The owners of former lots 24 through 29 will need to sign another statement or a revised ownership statement that states which lots they own and that "I hereby forego the opportunity to receive half of the vacation of Cheryl Lane. I am allowing the 60 feet of right of way to be attached as shown on this plat."

**Staff recommendation:** Comply with 20.70.150.

20.70.170. Vehicular Access. The planning commission shall not approve the vacation of a right-of-way unless an equal or superior right-of-way for vehicular access exists or will be provided in exchange. Where two or more access points are necessary for large vacant or semi-vacant areas of land, the commission shall consider density, use, projected development, and maintain sufficient rights-of-way to serve potential use.

*Platting Staff Comments: All the lots proposed will continue to have access by way of Eric Lane or Linstrang Way. A portion of Eric Lane appears to be partially constructed, while Lingstrang Way does not appear to be constructed. Lingstrang Way is a 60 foot dedication and Eric Lane is an 80 foot dedication. Both right of ways have been proposed to be extended with the Foothills Subdivision Sunset View Estates 2020 Addition, KPB File 2020-113, which is scheduled to be heard by the Plat Committee on October 12, 2020. No lots will be denied access.*

**Staff recommendation:** Concur that Eric Lane and Linstrang Way are dedicated right of ways which will provide equal vehicular access when the road ways are constructed.

20.70.180. Other access. Other lawful uses that exist or are feasible for the right-of-way shall be considered when evaluating a vacation request. When such uses exist or could exist within rights-of-way which are not suited for general road use, the commission shall not approve the vacation request, unless it can be demonstrated that equal or superior access is or will be available. The planning commission shall consider whether alternate uses present public safety issues which support approval of the vacation.

*Platting Staff Comments: The right of way is not currently in use by other lawful activities. The City of Homer Planning Commission staff report noted that Eric Lane includes a sidewalk and paved bike lanes and that additional non-motorized access is not needed within the Cheryl Lane right of way.*

**Staff recommendation:** Concur that Eric Lane and Linstrang Way are dedicated right of ways which will provide equal access for other uses.

20.70.190. Utility provisions. All existing and future utility requirements shall be considered when evaluating a vacation request. Rights-of-way which are utilized by a public utility or which logically would be required by a public utility shall not be vacated, unless it can be demonstrated that equal or superior access is or will be available. Where an easement would satisfactorily serve the utility interests, and no other public need for the right-of-way exists, the commission may approve the vacation and require that a public utility easement be granted in place of the right-of-way.

*Platting Staff Comments: The existing utility easements that adjoin the proposed right of way vacation are also proposed to be vacated. Lots will continue to have utility easements along Linstrang Way and Eric Lane. The vacation was sent to the utility companies for comment.*

**Staff recommendation:** Comply with 20.70.190 and if necessary grant utility easements requested by utility providers, or work out an agreement between all parties.

20.70.210. Other public areas. Dedications of land for use other than rights-of-way, which are considered for vacation, shall be approved only when it is in the public interest. The commission shall consider the intended purpose of the area, and any future uses of the area when making a decision. When a legitimate public purpose is or would be served by use of the area proposed for vacation, the commission shall not approve the vacation, unless the ownership of the land by the city or borough in a form other than dedicated would adequately serve the intended use.

*Platting Staff Comments: Unless requested by a utility provider, this right of way and associated utility easements are not needed for other uses. Drainage easements currently exist and will be discussed under a separate platting action at a future meeting. Any potential need for additional drainage easements will be discussed at that time.*

**Staff recommendation:** Comply with 20.70.210.

#### STAFF RECOMMENDATION:

Based on the above means of evaluating public necessity established by KPB 20.70, the merits of the proposed vacations, and staff comments, staff recommends approval of the vacations as petitioned, subject to:

1. Consent by Homer City Council.
2. Compliance with the requirements for preliminary plats per Chapter 20 of the KPB Code.
3. Grant utility easements requested by the Homer City Council and utility providers.
4. Submittal of a final plat within a timeframe such that the plat can be recorded within one year of vacation consent (KPB 20.70.130).

#### KPB 20.70.110:

**A vacation of a city street, public right-of-way, public area, or public easement located within an incorporated city may not be approved without the consent of the city council.**

**The Homer City Council shall have 30 calendar days from the date of approval in which to veto the planning commission decision. If no veto is received by the planning director within the specified period, the city or borough shall be considered to have given consent to the vacation.**

#### KPB 20.70.120:

- A. Denial of a vacation petition is a final act for which no further consideration shall be given by the Kenai Peninsula Borough.
- B. Upon denial by the planning commission, no reapplication or petition concerning the same vacation may be filed within one calendar year of the date of the final denial action except in the case where new evidence or circumstances exist that were not available or present when the original petition was filed.

#### KPB 20.70.130:

**THE FINAL PLAT MUST BE RECORDED WITHIN ONE YEAR OF THE VACATION CONSENT IN KPB**

**20.70.110.**

**END OF STAFF REPORT**

Chair Martin opened the meeting for public comment.

Hearing no one wishing to comment Chair Martin closed public comment and discussion was opened among the commission.

**MOTION:** Commissioner Venuti motioned, seconded by Commissioner Gillham to approve the vacation as petitioned based on the means of evaluating public necessity established by KPB 20.70, subject to staff recommendations and compliance with borough code.

Commissioner Ruffner asked staff for clarification regarding lot access. He noticed quite a few lots fronted Cheryl Lane and he wanted to make sure this vacation would not leave any of the lots land locked. Mr. Huff replied the proposed replat would combine many of those lots making fewer but larger lots that would have access either to the north on Linstrange Way or to the south on Eric Lane.

**MOTION PASSED:** Seeing and hearing no further discussion or objection, the motion passed by unanimous consent.

Yes	10	No	0	Absent	1
Yes	Brantley, Carluccio, Chesser, Ecklund, Fikes, Gillham, Martin, Morgan, Ruffner, Venuti				
No	None				
Absent	Bentz				

**AGENDA ITEM F. PENDING ITEMS – None**

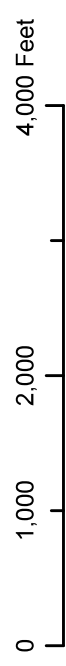
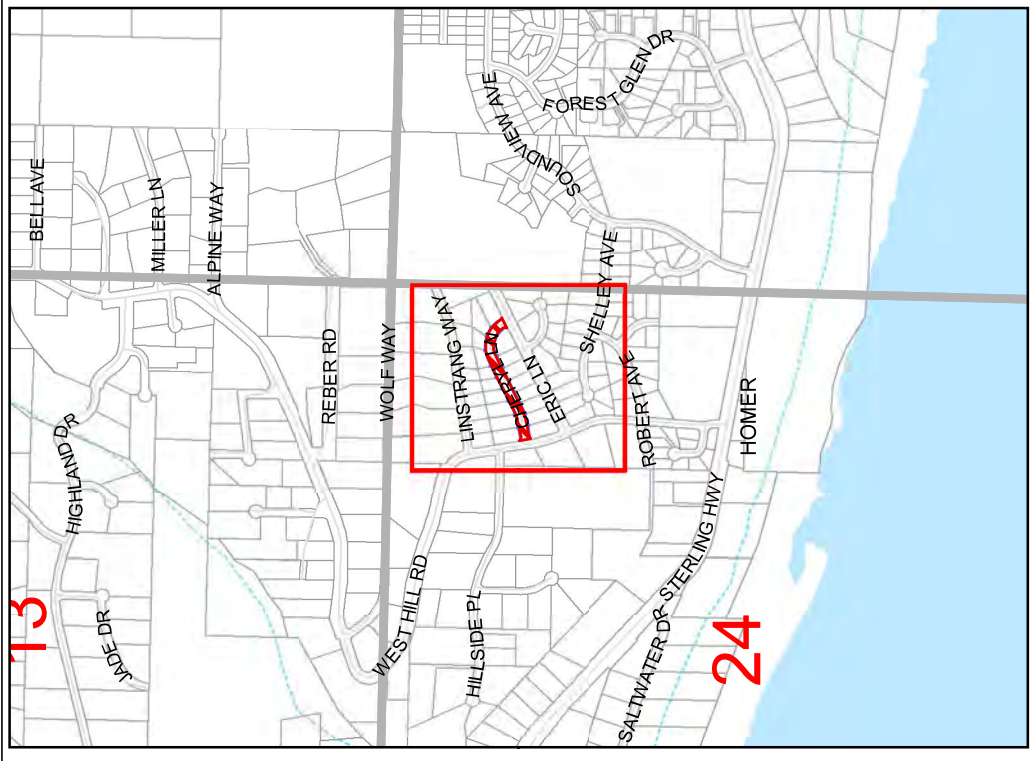
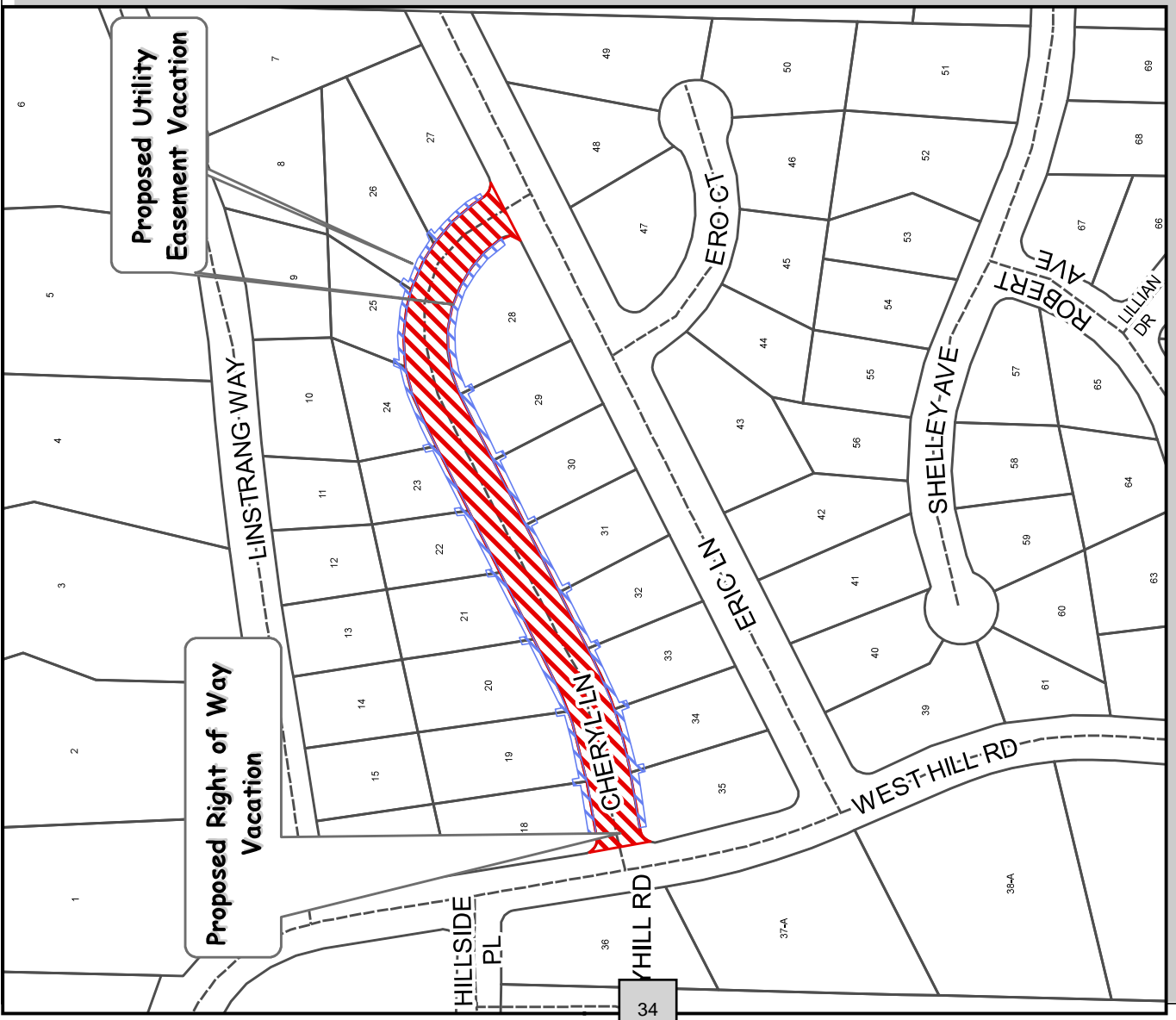
**AGENDA ITEM G PLAT COMMITTEE REPORT**

Commissioner Carluccio reported that the committee reviewed and approved five preliminary plats with one additional plat withdrawn by the landowner

**AGENDA ITEM H. OTHER**

1. Planning Commissioner Training: KPB 21.18 Condition Use Permits

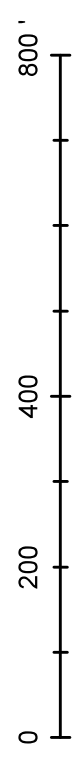




**KPB 2020-119V  
S14 T06S R14W  
HOMER**

PClements, KPB  
Date: 10/5/2020

The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.

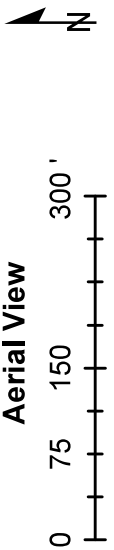




34





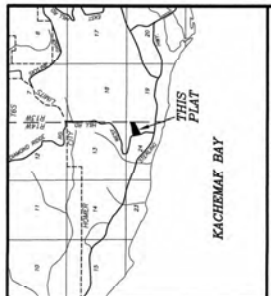
The information depicted hereon is for a graphical representation only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.



	Right of Way Vacation
	Utility Easement Vacation

PClements, KPB  
 Date: 10/5/2020  
 Imagery: Homer 2016





**VICINITY MAP**  
 U.S.C.S. GRID, BELLWIND 5-A-4 C-3  
 KACHEMAF BAY  
 THIS PLAT

**CERTIFICATE OF OWNERSHIP**  
 WHEREAS, THE UNDERSIGNED OWNERS AS THE REAL PROPERTY SHOWN AND DESCRIBED HEREON, THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION, AND BY PUBLIC AREAS TO PUBLIC USE, AND GRANT ALL EASEMENTS TO THE USE SHOWN HEREON.

- FOR: PAT W. MILLER**  
 ORIGINAL LOTS 7-12 AND 22-25  
 2020 NORTH STAR, APT. 1  
 ANCHORAGE, ALASKA 99503
- ERO STEVE WALLI**  
 ORIGINAL LOTS 13-16 AND 18-21  
 3077 FOREST GLEN DRIVE  
 ANCHORAGE, ALASKA 99506
- JOYCE OLIVER JOHNSON**  
 ORIGINAL LOTS 22-3  
 2073 PORCUPINE LANE  
 CLAM GULCH, AK 99568
- JUDITH ARLENE JOHNSON**  
 ORIGINAL LOTS 28-3  
 3077 FOREST GLEN DRIVE  
 CLAM GULCH, AK 99568
- AMON WESSER**  
 ORIGINAL LOTS 33-34  
 3077 FOREST GLEN DRIVE  
 HOMER, ALASKA 99603
- JENNY WESSER**  
 ORIGINAL LOT 32 (BY DEED)  
 HOMER, ALASKA 99603
- EUGENE P. DORBYTNSKI**  
 ORIGINAL LOTS 33-34  
 3077 FOREST GLEN DRIVE  
 FERNLEY, WA 98006

**HOMER RECORDING DISTRICT - KPB FILE NO. 2020-777**  
**ULLIAN WALLI ESTATE**  
**2020 REPLAT**  
 THE VACATION OF THE CHERYL LANE RIGHT-OF-WAY AND THE RECONFIGURATION OF LOTS 7-16 AND 18-15, ULLIAN WALLI ESTATE (HM 88-16)  
 T. 6 S., R. 15 E., S. 1/4, NE 1/4, SEC. 24, PINNACLA BOROUGH, THIRD JUDICIAL DISTRICT, ALASKA  
 CONTAINING ADDRESSES  
 ERO STEVE WALLI  
 3910 NORTH FOREST DRIVE  
 2020 NORTH STAR, APT. 1  
 ANCHORAGE, AK 99503  
 2073 PORCUPINE LANE, CLAM GULCH, AK 99568  
 3077 FOREST GLEN DRIVE, HOMER, AK 99603  
 EUGENE P. DORBYTNSKI  
 3077 FOREST GLEN DRIVE  
 FERNLEY, WA 98006

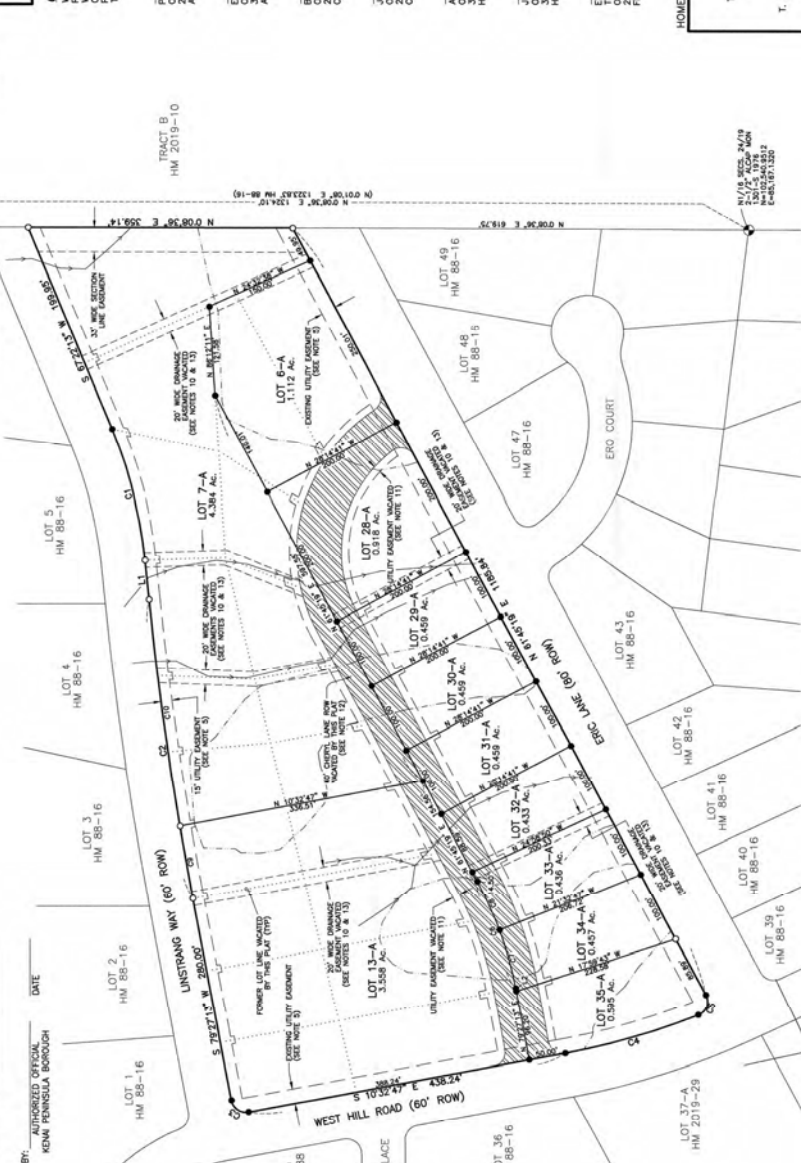
**GEORVERA, LLC**  
 801 S. 32nd Ave  
 Anchorage, Alaska 99503  
 (907) 399-4345  
 EMAIL: esmith@gei.net

DATE: SEPT. 2020  
 SCALE: 1" = 60'  
 SHEET 1 OF 1

**NOTARY'S ACKNOWLEDGMENT**  
 FOR: BRENT GUSTAVE JOHNSON AND JUDITH ARLENE JOHNSON  
 ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_, 2020,  
 DAY OF \_\_\_\_\_, 2020.  
 NOTARY PUBLIC FOR ALASKA  
 MY COMMISSION EXPIRES: \_\_\_\_\_

**NOTARY'S ACKNOWLEDGMENT**  
 FOR: ERO STEVE WALLI  
 ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_, 2020,  
 DAY OF \_\_\_\_\_, 2020.  
 NOTARY PUBLIC FOR ALASKA  
 MY COMMISSION EXPIRES: \_\_\_\_\_

**NOTARY'S ACKNOWLEDGMENT**  
 FOR: PAT W. MILLER  
 ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_, 2020,  
 DAY OF \_\_\_\_\_, 2020.  
 NOTARY PUBLIC FOR ALASKA  
 MY COMMISSION EXPIRES: \_\_\_\_\_



**PLAT APPROVAL**  
 THIS PLAT WAS APPROVED BY THE GRM PINNACLA BOROUGH PLANNING COMMISSION AT THE MEETING OF \_\_\_\_\_ DATE \_\_\_\_\_  
 BY: \_\_\_\_\_ KEM PINNACLA BOROUGH

**NOTES**  
 1. BASES OF BEARING FOR THIS SURVEY WAS DETERMINED BY A HIGH PRECISION GPS SURVEY PROCESSED WITH MAGNET OFFICE VERSION 3.1 SOFTWARE. THE MAGNITUDE OF THE STATE PLANE GRID COORDINATES (U.S. SURVEY FEET) OBTAINED FROM THE GPS OBSERVATIONS WERE BASED ON THE 1983 NAD 83 DATUM. PUBLISHED VALUES FOR FEDERAL BASE NETWORK CONTROL STATION TOSMART (701155). PUBLISHED VALUES FOR FEDERAL BASE NETWORK CONTROL STATION TOSMART (701155).  
 2. TRUE BEARINGS AND DISTANCES WERE OBTAINED BY ROTATING AND SCALING FROM GRID USING FEDERAL BASE NETWORK CONTROL STATION "TOSMART" AS A SCALING POINT. TRUE BEARINGS WERE DETERMINED BY ROTATING GRID INVERSE AZIMUTHS -117°13.47". TRUE DISTANCES WERE OBTAINED BY DIVIDING GRID INVERSE DISTANCES BY 0.999996696.  
 3. THE RESULTING SCALED COORDINATES WERE TRANSLATED TO A LOCAL COORDINATE SYSTEM REFER TO THE HOMER CITY CODE FOR ALL CURRENT SETBACK AND SITE DEVELOPMENT REQUIREMENTS. THE LOCAL COORDINATE SYSTEM IS THE CITY OF HOMER PLANNING DEPARTMENT PRIOR TO DEVELOPMENT ACTIVITIES.  
 4. ALL LOTS WITHIN THIS SUBDIVISION ARE SUBJECT TO CITY OF HOMER ZONING REGULATIONS. REFER TO THE HOMER CITY CODE FOR ALL CURRENT SETBACK AND SITE DEVELOPMENT REQUIREMENTS. THE LOCAL COORDINATE SYSTEM IS THE CITY OF HOMER PLANNING DEPARTMENT PRIOR TO DEVELOPMENT ACTIVITIES.  
 5. THE 15 FEET FRONTING THE LINSTRAND WAY RIGHT-OF-WAY HAS THE FRONT 20 FEET WITHIN 5 FEET OF THE SIDE LOT LINES IS A UTILITY EASEMENT. PER THE PARENT PLAT (HM 88-16), THE 20 FEET FRONTING THE WEST HILL ROAD AND ERO LANE RIGHT-OF-WAYS IS A UTILITY EASEMENT. PER THE PARENT PLAT (HM 88-16), THE 20 FEET FRONTING THE WEST HILL ROAD AND ERO LANE RIGHT-OF-WAYS IS A UTILITY EASEMENT WHICH WOULD INTERFERE WITH THE ABILITY OF A UTILITY TO USE THE EASEMENT.  
 6. PROPERTY OWNER SHOULD CONTACT THE ARMY CORPS OF ENGINEERS PRIOR TO ANY ON-SITE DEVELOPMENT OR CONSTRUCTION ACTIVITY TO OBTAIN THE MOST CURRENT METHOD AND REGULATIONS FOR OBTAINING PERMITS FROM THE ARMY CORPS OF ENGINEERS FOR LOCAL, STATE, AND FEDERAL PERMITS.  
 7. THESE LOTS ARE AFFECTED BY AN EASEMENT OF RECORD WITH NO DEFINED LOCATION GRANTED TO HOMER ELECTRIC ASSOCIATION (HEA), PG 328 (HOD).  
 8. THESE LOTS ARE SERVED BY CITY OF HOMER WATER AND SEWER.  
 9. ACCESS TO STATE MAINTAINED WEST HILL ROAD IS PROHIBITED WITHOUT PRIOR WRITTEN APPROVAL FROM THE ALASKA STATE DOT.  
 10. CHECKS AND DRAINAGES ARE SUBJECT TO A 15 FOOT BUILDING SETBACK PER HOMER CITY CODE. APPROXIMATE LOCATIONS OF DRAINAGES ARE SHOWN.  
 11. VACATION OF THE UTILITY EASEMENT ADDING THE CHERYL LANE RIGHT-OF-WAY PLANNING DEPARTMENT AT THE MEETING OF 7/77 AND BY THE HOMER CITY COUNCIL ON 7/77.  
 12. THE VACATION OF THE CHERYL LANE RIGHT-OF-WAY AND THE RECONFIGURATION OF LOTS 7-16 AND 18-15, ULLIAN WALLI ESTATE (HM 88-16) WAS APPROVED BY THE KEM PINNACLA BOROUGH PLANNING COMMISSION AT THE MEETING OF 7/77 AND BY THE HOMER CITY COUNCIL ON 7/77.  
 13. LOTS 33, 34, AND 35 ARE AFFECTED BY TERMS, CONDITIONS, PROVISIONS AND COVENANTS OF THE EUGENE P. DORBYTNSKI DECLARATION OF TRUST.

**WASTEWATER DISPOSAL**  
 PLANS FOR WASTEWATER DISPOSAL THAT MEET REGULATORY REQUIREMENTS SHALL BE SUBMITTED TO THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION.

**SURVEYOR** \_\_\_\_\_ LICENSE # \_\_\_\_\_ DATE \_\_\_\_\_

**LINE TABLE**

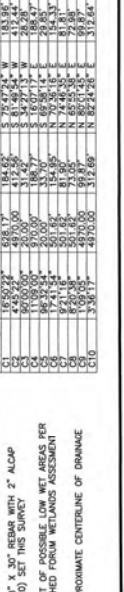
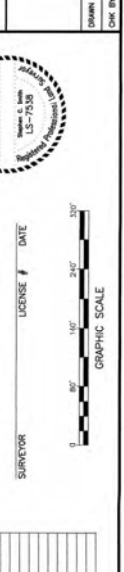
LINE	BEARING	DISTANCE
1	N 79°27'11" W	285.05'
2	N 79°27'11" W	13.50'

**CURVE TABLE**

CURVE	DELTA	RADIUS	LENGTH	CHORD	BRNG	CHORD DIST
C1	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C2	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C3	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C4	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C5	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C6	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C7	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C8	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C9	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'
C10	16°20'24"	281.14'	144.84'	144.84'	16°20'24"	144.84'

**LEGEND**

- ✦ INDICATES 1917 8-1/2" BC G.L.O. MONUMENT RECOVERED THIS SURVEY
- ⊙ INDICATES PRIMARY MONUMENT RECOVERED THIS SURVEY AS DESCRIBED
- INDICATES 5/8" REBAR WITH 1-1/2" ALCP (NO LSF OR DATE) RECOVERED THIS SURVEY
- INDICATES 5/8" X 30" REBAR WITH 2" ALCP (7/30-5, 2020) SET THIS SURVEY
- INDICATES LIMIT OF POSSIBLE LOW WET AREAS PER KEM INTERSECTED FORUM WETLANDS ASSESSMENT
- INDICATES APPROXIMATE CENTERLINE OF DRAINAGE



**NOTARY'S ACKNOWLEDGMENT**  
 FOR: EUGENE P. DORBYTNSKI  
 ACKNOWLEDGED BEFORE ME THIS \_\_\_\_\_, 2020,  
 DAY OF \_\_\_\_\_, 2020.  
 NOTARY PUBLIC FOR ALASKA  
 MY COMMISSION EXPIRES: \_\_\_\_\_

**KPB 2020-119V**



AGENDA ITEM E. NEW BUSINESS

1. Vacate Cheryl Lane a 60 foot right-of-way approximately 951 feet more or less in length dedicated per Lillian Walli Estate Plat HM 88-16 and

Vacate the associated utility easements described as the front 10 feet of Cheryl Lane right-of-way and the full 20 feet within 5 feet of the side lot lines adjoining Cheryl Lane as dedicated per Lillian Walli Estate Plat HM 88-16.

The right-of-way being vacated is unconstructed and located within the NE1/4 NE1/4 of Section 24, Township 6S, Range 14W, Seward Meridian, Alaska, within the Kenai Peninsula Borough. KPB File 2020-119V.

STAFF REPORT

PC Meeting: October 26, 2020

Purpose as stated in petition: Petitioners are vacating lot lines and rights-of-way under an agreement with the City of Homer. All resulting lots have access by existing rights-of-way

Petitioners: Weisser Homes, Miller, Walli, Johnson, Johnson

Notification: Public notice appeared in the October 15th issue of the Homer News as a separate ad. The public hearing notice was published in the October 22nd issue of the Homer News as part of the Commission's tentative agenda.

17 certified mailings were sent to owners of property within 300 feet of the proposed vacation. 8 receipts had been returned when the staff report was prepared.

Public hearing notices were sent by regular mail to 6 owners within 600 feet of the proposed vacation.

Public hearing notices were emailed to agencies and interested parties as shown below;

State of Alaska Dept. of Fish and Game	Kenai Peninsula Borough Office Homer
State of Alaska DNR	Alaska Communication Systems (ACS)
State of Alaska DOT	ENSTAR Natural Gas
City of Homer	General Communications Inc, (GCI)
Emergency Services of Homer	Homer Electric Association (HEA)

Public hearing notices were made available to 5 KPB staff/Departments (Addressing, Code Compliance, Planner, Roads Dept., River Center) via a shared database.

Notices were mailed to the Homer Post Office and the Homer Community Library with a request to be posted in public locations.

The notice and maps were posted on the Borough bulletin board and Planning Department public hearing notice web site.

Comments Received:

ACS: No objections.

ENSTAR: No comments, recommendations, or objections.

Homer Electric Association: No Comments.

KPB Addressing: The addressing officer is unavailable. Staff reviewed and noted that the City of Homer is responsible for the addressing within the City of Homer. Addressing concerns or issues will need to be addressed by the City. No comment on vacation. Street names shown are correct.

KPB Planning: KPB Planner is unavailable. Staff reviewed and determined that there are no material site or local option zone district issues as the property is inside city limits.

KPB Code Compliance: No comments.

KPB River Center: Not within a flood hazard area. Not within an Anadromous Waters Habitat Protection District.

KPB Roads Department: Outside jurisdiction. No comments.

Homer Planning Commission: The Homer Planning Commission heard this vacation at a special meeting held on May 20, 2020. The Homer Planning Commission also heard the utility easement vacation and the proposed drainage easement vacations (the drainage easements will be discussed at a future PC meeting). The vacation of Cheryl Lane right of way and the associated utility easements were approved.

State Parks: No comments.

Staff Discussion: A petition to vacate Cheryl Lane, a 60 foot right of way, was received by the Planning Department on September 29, 2020. Cheryl Lane was dedicated in 1988 with the recording of Lillian Walli Estate, Plat HM 88-16. Cheryl Lane provided access to lots 18 through 35. Cheryl Lane is not constructed.

The front 10 feet along Cheryl Lane, as well as 20 feet along the side lot lines was designated as utility easements on the parent plat. The petition also requests that those associated easements be vacated. No utility provider has placed a utility line within the easement petitioned for vacation.

If approved, Lillian Walli Estate 2020 Replat, KPB File 2020-119, will finalize the proposed right of way vacations. The Plat Committee is scheduled to review Lillian Walli Estate 2020 Replat on November 9, 2020.

There has also been a request to vacate several drainage easements. That petition is scheduled to be reviewed by the Planning Commission on November 9, 2020.

Staff notes the approval of the vacation will not create any block length compliance issues.

#### **KPB 20.70 – Vacation Requirements.**

Platting staff comments: *Staff reviewed the vacation and all the items required by 20.70 were met, unless otherwise noted below:*

20.70.040. Application—Petition required.

A. A platted right-of-way or platted public area may not be vacated, except upon petition by resolution of the governing body from a municipality in which the property is located or by the owners of the majority of land fronting or abutting the right-of-way or public area to be vacated. The petition shall be filed with the planning commission.

*Platting Staff Comments: The application was submitted and complies with this section.*

20.70.050. Petition—Information required.

D. If the proposed vacation lies within the boundaries of an incorporated city, comments from the city advisory planning commission must be submitted with the petition.

*Platting Staff Comments: Minutes were provided from the City of Homer Planning Commission special meeting held on May 20, 2020.*

**Staff recommendation:** *Review and apply requests when applicable.*

20.70.130. Vacation plat—Preparation, approval and recording. Upon approval of the vacation request by the planning commission and no veto by the city council or assembly, the applicant shall have a surveyor prepare and submit a plat including the entire area approved for vacation in conformance with KPB 20.10.080. Only the area approved for vacation by the assembly or council may be included on the plat. The final plat must be recorded within one year of the vacation consent in KPB 20.70.110.

*Platting Staff Comments: If the Planning Commission approves the vacation it will be forwarded to the Homer City Council to be heard within 30 days.*

**Staff recommendation:** *Comply with 20.70.130.*

20.70.150. Title to vacated area.

A. The title to the street or other public area vacated on a plat attaches to the lot or lands bordering on the area in equal proportions, except that if the area was originally dedicated by different persons, original boundary lines shall be adhered to so that the street area which lies on one side of the boundary line shall attach to the abutting property on that side, and the street area which lies on the other side of the boundary line shall attach to the property on that side. The portion of a vacated street which lies within the limits of a platted addition attaches to the lots of the platted addition bordering on the area. If a public square is vacated, the title to it vests in the city if it lies within the city and to the borough if it lies within the borough outside a city. If the property vacated is a lot or tract, title vests in the rightful owner.

*Platting Staff Comments: The dedication came from one lot that has been subdivided. The proposed plat, Lillian Walli Estate 2020 Replat, will be combining and moving lot lines for a new configuration. The reversion of the land will for the most part go back equally to the property abutting.*

*Proposed Lot 28-A, 6-A, and 7-A will redesign the property boundary and not comply with KPB 20.70.150. However, all owners will be signing the plat and agreeing to the new lot configuration.*

**Staff recommendation:** *All landowners will be required to sign the mylar to show they approve of the reversion. The owners of former lots 24 through 29 will need to sign another statement or a revised ownership statement that states which lots they own and that "I hereby forego the opportunity to receive half of the vacation of Cheryl Lane. I am allowing the 60 feet of right of way to be attached as shown on this plat."*

**Staff recommendation:** *Comply with 20.70.150.*

20.70.170. Vehicular Access. The planning commission shall not approve the vacation of a right-of-way unless an equal or superior right-of-way for vehicular access exists or will be provided in exchange. Where two or more access points are necessary for large vacant or semi-vacant areas of land, the commission shall consider density, use, projected development, and maintain sufficient rights-of-way to serve potential use.

*Platting Staff Comments: All the lots proposed will continue to have access by way of Eric Lane or Linstrang Way. A portion of Eric Lane appears to be partially constructed, while Lingstrang Way does not appear to be constructed. Lingstrang Way is a 60 foot dedication and Eric Lane is and 80 foot dedication. Both right of ways have been proposed to be extended with the Foothills Subdivision Sunset View Estates 2020 Addition, KPB File 2020-113, which is scheduled to be heard by the Plat Committee on October 12, 2020. No lots will be denied access.*

**Staff recommendation:** *Concur that Eric Lane and Linstrang Way are dedicated right of ways which will provide equal vehicular access when the road ways are constructed.*

20.70.180. Other access. Other lawful uses that exist or are feasible for the right-of-way shall be considered when evaluating a vacation request. When such uses exist or could exist within rights-of-way which are not suited for general road use, the commission shall not approve the vacation request, unless it can be demonstrated that equal or superior access is or will be available. The planning commission shall consider whether alternate uses present public safety issues which support approval of the vacation.

*Platting Staff Comments: The right of way is not currently in use by other lawful activities. The City of Homer Planning Commission staff report noted that Eric Lane includes a sidewalk and paved bike lanes and that additional non-motorized access is not needed within the Cheryl Lane right of way.*

**Staff recommendation:** *Concur that Eric Lane and Linstrang Way are dedicated right of ways which will provide equal access for other uses.*

20.70.190. Utility provisions. All existing and future utility requirements shall be considered when evaluating a vacation request. Rights-of-way which are utilized by a public utility or which logically would be required by a public utility shall not be vacated, unless it can be demonstrated that equal or superior access is or will be available. Where an easement would satisfactorily serve the utility interests, and no other public need for the right-of-way exists, the commission may approve the vacation and require that a public utility easement be granted in place of the right-of-way.

*Platting Staff Comments: The existing utility easements that adjoin the proposed right of way vacation are also proposed to be vacated. Lots will continue to have utility easements along Linstrang Way and Eric Lane. The vacation was sent to the utility companies for comment.*

**Staff recommendation:** *Comply with 20.70.190 and if necessary grant utility easements requested by utility providers, or work out an agreement between all parties.*

20.70.210. Other public areas. Dedications of land for use other than rights-of-way, which are considered for vacation, shall be approved only when it is in the public interest. The commission shall consider the intended purpose of the area, and any future uses of the area when making a decision. When a legitimate public purpose is or would be served by use of the area proposed for vacation, the commission shall not approve the vacation, unless the ownership of the land by the city or borough in a form other than dedicated would adequately serve the intended use.

*Platting Staff Comments: Unless requested by a utility provider, this right of way and associated utility easements are not needed for other uses. Drainage easements currently exist and will be discussed under a separate platting action at a future meeting. Any potential need for additional drainage easements will be discussed at that time.*

**Staff recommendation:** *Comply with 20.70.210.*

**STAFF RECOMMENDATION:**

~~Based on the above means of evaluating public necessity established by KPB 20.70, the merits of the proposed vacations, and staff comments, staff recommends approval of the vacations as petitioned, subject to:~~

1. Consent by Homer City Council.
2. Compliance with the requirements for preliminary plats per Chapter 20 of the KPB Code.
3. Grant utility easements requested by the Homer City Council and utility providers.
4. Submittal of a final plat within a timeframe such that the plat can be recorded within one year of vacation consent (KPB 20.70.130).

**KPB 20.70.110:**

**A vacation of a city street, public right-of-way, public area, or public easement located within an incorporated city may not be approved without the consent of the city council.**

**The Homer City Council shall have 30 calendar days from the date of approval in which to veto the planning commission decision. If no veto is received by the planning director within the specified period, the city or borough shall be considered to have given consent to the vacation.**

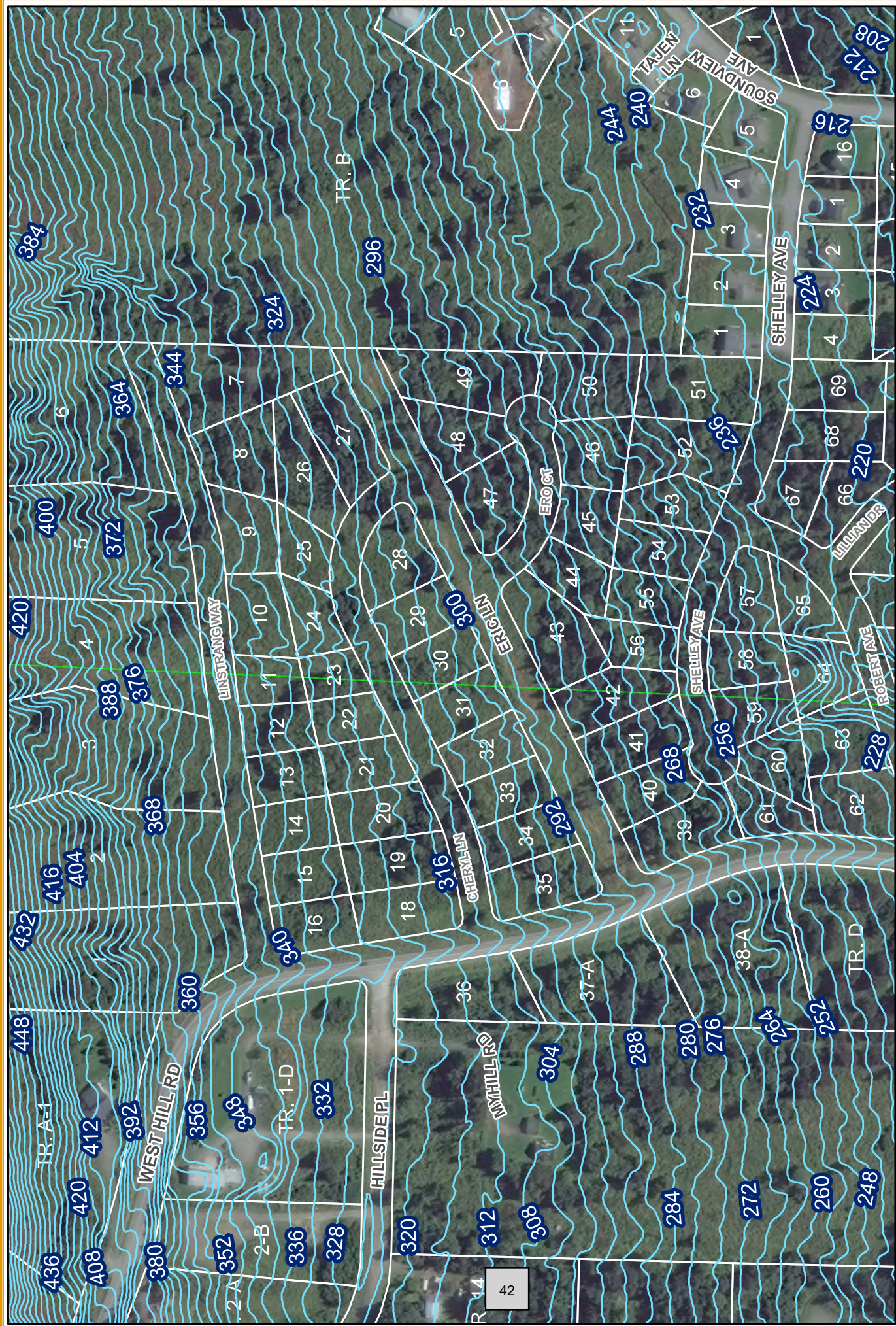
**KPB 20.70.120:**

- A. Denial of a vacation petition is a final act for which no further consideration shall be given by the Kenai Peninsula Borough.**
- B. Upon denial by the planning commission, no reapplication or petition concerning the same vacation may be filed within one calendar year of the date of the final denial action except in the case where new evidence or circumstances exist that were not available or present when the original petition was filed.**

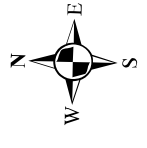
**KPB 20.70.130:  
THE FINAL PLAT MUST BE RECORDED WITHIN ONE YEAR OF THE VACATION CONSENT IN KPB  
20.70.110.**

END OF STAFF REPORT





Date: 10/15/2020  
 S. Huff, KPB



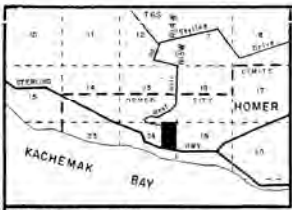
**AERIAL IMAGERY - 2016**  
**4 FOOT CONTOUR DATA**



The information depicted herein is for illustrative purposes only of best available sources. The Kenai Peninsula Borough assumes no responsibility for any errors on this map.







# Lillian Walli Estate

LOCATED IN E1/2NE1/4 SEC 24, T6S, R14W, S1M, HOMER REC. DISTRICT  
 SCALE 1" = 100' AREA 75.277 AC 4-30-1987  
 BY ERD STEVE WALLI P.O.B. 1266 HOMER, ALASKA 99603

### LEGEND

- ⊕ - 1917 brass cap monument by SLD, found
- ⊙ - Brass cap mon. by SLD, found
- ⊖ - 1976 aluminum mon. by SLD, found
- ⊙ - Aluminum mon. by SLD, found
- ⊙ - 1/2" x 4" rebar, found
- ⊙ - Concrete footing by SLD, found
- 20' easement
- Utility easement, 20' unless otherwise noted
- Point of curvature, 1/2" x 4" rebar, set

### PLAT APPROVAL

This plat was approved by the Kenai Peninsula Borough Planning Commission at the meeting of Dec. 1, 1987

KENAI PENINSULA BOROUGH  
 By: *Richard P. Trosper* 5-16-88  
 authorized official Date

- (1) No building permits will be granted for any lot within said subdivision until the subdivision is developed in accordance with the requirements of Homer Municipal Code Chapter 23.10.
- (2) The City of Homer has developed controls for lands in excess of 15 percent grade.

### SPECIAL NOTE

The purpose of this plat is to resolve ownership of Lillian Walli Estate. Any development of this subdivision will require a signed agreement between respective owners and the City of Homer, Alaska.

### NOTES

- (1) A building setback of 20' from all street lines is required unless a lesser setback is approved by a resolution of the appropriate planning commission.
- (2) A 10' building setback is also a utility easement and also the active setback within 4' of lines for gas wires.
- (3) All lots are to be served by the City of Homer municipal water and sewer systems.
- (4) There are 20' utility easements on both sides of West Hill Rd and Fairview Ave.
- (5) No direct access to state maintained roads permitted unless approved by the State of Alaska Dept. of Transportation.
- (6) All lots abutting Fairview Ave and West Hill Road are subject to 20' side set backs for ROW widening.
- (7) Lots 16 through 30 front on Cheryl Lane. Lots 31 through 42 front on Linstrang Lane. Lots 43 through 49 front on ERO Ct. Lots 50 through 70 front on Shelley Ave. Lots 71 through 77 front on Robert Ave. Lots 78 and 79 front on Hillside Place.

### CURVES

Curve No.	Start Station	End Station	Radius (ft)	Chord (ft)	Central Angle (deg)	Area (sq ft)
1	100+00	100+50	1000	100.00	18.01	15708
2	100+50	101+00	1000	100.00	18.01	15708
3	101+00	101+50	1000	100.00	18.01	15708
4	101+50	102+00	1000	100.00	18.01	15708
5	102+00	102+50	1000	100.00	18.01	15708
6	102+50	103+00	1000	100.00	18.01	15708
7	103+00	103+50	1000	100.00	18.01	15708
8	103+50	104+00	1000	100.00	18.01	15708
9	104+00	104+50	1000	100.00	18.01	15708
10	104+50	105+00	1000	100.00	18.01	15708
11	105+00	105+50	1000	100.00	18.01	15708
12	105+50	106+00	1000	100.00	18.01	15708
13	106+00	106+50	1000	100.00	18.01	15708
14	106+50	107+00	1000	100.00	18.01	15708
15	107+00	107+50	1000	100.00	18.01	15708
16	107+50	108+00	1000	100.00	18.01	15708
17	108+00	108+50	1000	100.00	18.01	15708
18	108+50	109+00	1000	100.00	18.01	15708
19	109+00	109+50	1000	100.00	18.01	15708
20	109+50	110+00	1000	100.00	18.01	15708
21	110+00	110+50	1000	100.00	18.01	15708
22	110+50	111+00	1000	100.00	18.01	15708
23	111+00	111+50	1000	100.00	18.01	15708
24	111+50	112+00	1000	100.00	18.01	15708
25	112+00	112+50	1000	100.00	18.01	15708
26	112+50	113+00	1000	100.00	18.01	15708
27	113+00	113+50	1000	100.00	18.01	15708
28	113+50	114+00	1000	100.00	18.01	15708
29	114+00	114+50	1000	100.00	18.01	15708
30	114+50	115+00	1000	100.00	18.01	15708
31	115+00	115+50	1000	100.00	18.01	15708
32	115+50	116+00	1000	100.00	18.01	15708
33	116+00	116+50	1000	100.00	18.01	15708
34	116+50	117+00	1000	100.00	18.01	15708
35	117+00	117+50	1000	100.00	18.01	15708
36	117+50	118+00	1000	100.00	18.01	15708
37	118+00	118+50	1000	100.00	18.01	15708
38	118+50	119+00	1000	100.00	18.01	15708
39	119+00	119+50	1000	100.00	18.01	15708
40	119+50	120+00	1000	100.00	18.01	15708
41	120+00	120+50	1000	100.00	18.01	15708
42	120+50	121+00	1000	100.00	18.01	15708
43	121+00	121+50	1000	100.00	18.01	15708
44	121+50	122+00	1000	100.00	18.01	15708
45	122+00	122+50	1000	100.00	18.01	15708
46	122+50	123+00	1000	100.00	18.01	15708
47	123+00	123+50	1000	100.00	18.01	15708
48	123+50	124+00	1000	100.00	18.01	15708
49	124+00	124+50	1000	100.00	18.01	15708
50	124+50	125+00	1000	100.00	18.01	15708
51	125+00	125+50	1000	100.00	18.01	15708
52	125+50	126+00	1000	100.00	18.01	15708
53	126+00	126+50	1000	100.00	18.01	15708
54	126+50	127+00	1000	100.00	18.01	15708
55	127+00	127+50	1000	100.00	18.01	15708
56	127+50	128+00	1000	100.00	18.01	15708
57	128+00	128+50	1000	100.00	18.01	15708
58	128+50	129+00	1000	100.00	18.01	15708
59	129+00	129+50	1000	100.00	18.01	15708
60	129+50	130+00	1000	100.00	18.01	15708
61	130+00	130+50	1000	100.00	18.01	15708
62	130+50	131+00	1000	100.00	18.01	15708
63	131+00	131+50	1000	100.00	18.01	15708
64	131+50	132+00	1000	100.00	18.01	15708
65	132+00	132+50	1000	100.00	18.01	15708
66	132+50	133+00	1000	100.00	18.01	15708
67	133+00	133+50	1000	100.00	18.01	15708
68	133+50	134+00	1000	100.00	18.01	15708
69	134+00	134+50	1000	100.00	18.01	15708
70	134+50	135+00	1000	100.00	18.01	15708
71	135+00	135+50	1000	100.00	18.01	15708
72	135+50	136+00	1000	100.00	18.01	15708
73	136+00	136+50	1000	100.00	18.01	15708
74	136+50	137+00	1000	100.00	18.01	15708
75	137+00	137+50	1000	100.00	18.01	15708
76	137+50	138+00	1000	100.00	18.01	15708
77	138+00	138+50	1000	100.00	18.01	15708

### OWNER'S CERTIFICATE

We hereby certify that we are the owners of the property shown and described herein, and that we hereby adopt this plan of subdivision, and dedicate all ROW's to public use, and grant all easements to uses shown.

*Eric Steve Walli*  
 Eric Steve Walli, Executor for Estate of Lillian M. Walli

*John Robert Gibson*  
 John Robert Gibson, Co-Executor for Estate of Lillian M. Walli

### NOTARY'S CERTIFICATE

Subscribed and sworn to before me this 18 day of May, 1987.

*Carol Givert*  
 NOTARY FOR ALASKA

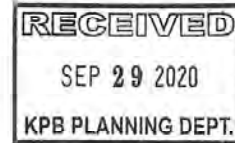
for Eric Steve Walli and John Robert Gibson  
 My commission expires 10/31/2001



88-16  
 HOMER FILED 20  
 5-17-88  
 H. Johnson  
 Clerk



Kenai Peninsula Borough Planning Department  
 144 North Binkley  
 Soldotna, Alaska 99669-7599  
 Toll free within the Borough 1-800-478-4441, extension 2200  
 (907) 714-2200



**Petition to Vacate Public Right-of-Way/Easement/Platted Public Area  
 Public Hearing Required**

Upon receipt of complete application with fees and all required attachments, a public hearing before the Planning Commission will be scheduled. The petition with all required information and attachments must be in the Planning Department at least 30 days prior to the preferred hearing date. By State Statute and Borough Code, the public hearing must be scheduled within 60 days of receipt of complete application.

- \$500 non-refundable fee to help defray costs of advertising public hearing.
  - City Advisory Planning Commission. Copy of minutes at which this item was acted on, along with a copy of City Staff Report.
  - Name of public right-of-way proposed to be vacated is dedicated by the plat of Lillian Walli Estate \_\_\_\_\_ Subdivision, filed as Plat No. 88-16 \_\_\_\_\_ in Homer \_\_\_\_\_ Recording District.
  - Are there associated utility easements to be vacated?  Yes  No
  - Are easements in use by any utility company? If so, which company Not in use \_\_\_\_\_
  - Easement for public road or right-of-way as set out in (specify type of document) \_\_\_\_\_ as recorded in Book \_\_\_\_\_ Page \_\_\_\_\_ of the \_\_\_\_\_ Recording District. (Copy of recorded document must be submitted with petition.)
  - Submit three copies of plat or map showing area proposed to be vacated. Must not exceed 11x17 inches in size. In the case of public right-of-way, the submittal must include a sketch showing which parcels the vacated area will be attached to. Proposed alternative dedication is to be shown and labeled on the sketch.
- Has right-of-way been fully or partially constructed?  Yes  No  
 Is right-of-way used by vehicles / pedestrians / other?  Yes  No  
 Is alternative right-of-way being provided?  Yes  No

The petitioner must provide reasonable justification for the vacation. Reason for vacating:  
 Petitioners are vacating lot lines and right-of-way under an agreement with the City of Homer. All resulting lots have access by existing rights-of-way

The petition must be signed (written signature) by owners of the majority of land fronting the right-of-way, easement, or platted public area proposed to be vacated. Each petitioner must include address and legal description of his/her property.

Submitted By: Name: \_\_\_\_\_ Address: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Signature as:  Petitioner  Representative

Petitioners:  
 Signature Brent Johnson  
 Name Brent Johnson  
 Address 20773 Porcupine Ln  
Clam Gulch, AK 99568  
Lot 26, 27, 28, 29 & 30  
 Owner of \_\_\_\_\_

Signature ERO S. WALLI  
 Name ERO S. WALLI  
 Address 35910 NORTH FORK RD  
ANCHORAGE, POINT ALASKA 99566  
13, 14, 15, 16, 18, 19, 20, 21  
 Owner of \_\_\_\_\_

Signature Judy Johnson  
 Name Judy Johnson  
 Address 20773 Porcupine Lane  
Clam Gulch AK 99568  
 Owner of lots 26, 27, 28, 29, 30, 31

Signature Pat W Miller  
 Name Pat W Miller  
 Address 7220 NORTH STAR ST #1  
ANCHORAGE AK 99503  
 Owner of lots 7, 8, 9, 10, 11, 12, 22, 23, 24, 25





# City of Homer

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

Planning  
491 East Pioneer Avenue  
Homer, Alaska 99603

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

## Staff Report 2020-29

TO: Homer Planning Commission  
 THROUGH: Rick Abboud, City Planner  
 FROM: Julie Engebretsen, Deputy City Planner  
 DATE: May 20, 2020  
 SUBJECT: Vacation of Cheryl Lane

**Requested Action:** Conduct a public hearing and make a recommendation on the vacation Cheryl Lane

Note: This action is only on the vacation of a right of way. Changes to the lot lines, utility and drainage easements are addressed separately in other staff reports.

### General Information:

Applicants:	Pat Miller, Steve Walli, Brent Johnson, Judith Johnson, Aaron Weisser, Jenny Weisser, Eugene Dobrzynski (see application petition)	Geovera LLC Steve Smith PO Box 3235 Homer, AK 99603
Location:	Between West Hill Road, Eric Lane and Linstrang Way	
Zoning Designation:	Rural Residential District	
Existing Land Use:	Vacant	
Surrounding Land Use:	North: Vacant South: Vacant East: Vacant West: Residential	
Comprehensive Plan:	1-C-1 Promote infill housing in all development districts.	
Wetland Status:	The 2005 Wetlands mapping shows wetlands in the area	
Flood Plain Status:	Zone D, flood hazards undetermined.	
Utilities:	City water and sewer are available	
Public Notice:	Notice was sent to 21 property owners of 71 parcels as shown on the KPB tax assessor rolls.	

**Analysis:** This vacation is within the Rural Residential District. This action would vacate Cheryl Lane. The accompanying preliminary plat shows the vacation of lot lines, so that Cheryl Lane is not needed for legal access to any lots. Additionally, the current lots on Eric Lane are double frontage lots, meaning they have right of way access on two or more sides. The vacation will eliminate the secondary access so that all access is from Eric Lane.

**KPB Code**

20.30.170. - Blocks—Length requirements.

Blocks shall not be less than 330 feet or more than 1,320 feet in length. Along arterial streets and state maintained roads, block lengths shall not be less than 800 feet. Block lengths shall be measured from centerline intersections.

Staff response: Block length along West Hill Road, a state maintained road, will be increased with the vacation of Cheryl Lane. The current block length is less than 300 feet. After the vacation, the new block length will be 627 feet. Block length along Eric Lane will remain unchanged since Cheryl Lane connects back to West Hill Road.

20.70.170. - Vehicular access.

The planning commission shall not approve the vacation of a right-of-way unless an equal or superior right-of-way for vehicular access exists or will be provided in exchange. Where two or more access points are necessary for large vacant or semi-vacant areas of land, the commission shall consider density, use, projected development, and maintain sufficient rights-of-way to serve potential use.

Staff response: Linstrang Way, West Hill Road, and Eric Lane provide adequate access to the proposed replatted lots. Lots 13-A and 7-A are large enough to be replatted in the future should re-subdivision be proposed.

20.70.180. - Other access.

Other lawful uses that exist or are feasible for the right-of-way shall be considered when evaluating a vacation request. When such uses exist or could exist within rights-of-way which are not suited for general road use, the commission shall not approve the vacation request, unless it can be demonstrated that equal or superior access is or will be available. The planning commission shall consider whether alternate uses present public safety issues which support approval of the vacation.

Staff response: Other access is not proposed. Eric Lane includes a sidewalk and paved bike lanes. Additional non-motorized access is not needed via the Cheryl Lane Right of Way.

20.70.190. - Utility provisions.

All existing and future utility requirements shall be considered when evaluating a vacation request. Rights-of-way which are utilized by a public utility or which logically would be required by a public utility shall not be vacated, unless it can be demonstrated that equal or superior access is or will be available. Where

an easement would satisfactorily serve the utility interests, and no other public need for the right-of-way exists, the commission may approve the vacation and require that a public utility easement be granted in place of the right-of-way.

Staff response: Equal or superior access is available along West Hill, Eric and Linstrang Way. Cheryl Lane is not needed for utility access.

**Public Works Comments:** None.

**Staff Recommendation:**

Planning Commission recommend approval of the vacation with the following comments:

**Attachments:**

1. Vacation petition and map
2. Surveyor's Letter
3. Public Notice
4. Aerial Map



June 10, 2020

## Homer Planning Commission

### **Notice of Action**

#### **Requests**

- 1) Approval of Vacation of Cheryl Lane
- 2) Approval of Lillian Wali Estate 2020 Replat Preliminary Plat
- 3) Approval of Vacation of utility and drainage easements within Lillian Wali Estate Subdivision

#### Surveyor:

Steve Smith  
Geovera LLC  
PO Box 3235  
Homer, AK 99603

#### Property Owners:

Pat W. Miller  
2020 North Star, Apt. 1  
Anchorage, AK 99503

Judith Arlene Johnson  
20773 Porcupine Lane  
Clam Gulch, AK 99568

Eugene P. Dobrzynski  
Declaration of Trust  
288 Season Drive  
Fernley, NV 89408

Ero Steve Walli  
35910 North Fork Road  
Anchor Point, AK 99556

Aaron Weisser  
3677 Forest Glen Dr.  
Homer, AK 99603

Brent Gustave Johnson  
20773 Porcupine Lane  
Clam Gulch, AK 99568

Jenny Weisser  
3677 Forest Glen Dr.  
Homer, AK 99603

At the special meeting of May 20, 2020, the Homer Planning Commission forwarded a **recommendation for approval** of all three requests with staff recommendations and the attached minutes to the Kenai Peninsula Borough Planning Commission.

Should you have any questions, please contact the planning office at 235-3106.

Chair Venuti closed the public hearing having no additional members of the public present for testimony and opened the floor to the Commission for questions.

There was a brief discussion between the Commission, City Planner and the Applicant on the following:

- Previously the lot held three structures and the one dilapidated structure would be removed and a new structure would be constructed.
- The sloped driveway was reworked to reduce the slope and mitigate the issues in the winter
- Prior discussion with Public Works Superintendent noted the previous problems of parking on the street and the applicant explained that he has provided plans for 6 parking spots and is only required to provide four places.
- The Zoning District does allow multiple structures on a parcel
- This Applicant plans to have this as a rental property and does not believe that there will be any need for his tenants to park on the street.
- Applicant explained that he will be providing the following services: water/sewer, sanding, plowing and garbage

HIGHLAND/BOS MOVE TO ADOPT STAFF REPORT 20-28 AND APPROVE CUP 20-08 WITH FINDINGS 1-10 AND THE FOLLOWING CONDITIONS:

1. OUTDOOR LIGHTING MUST BE DOWNWARD DIRECTIONAL AND MUST NOT PRODUCE LIGHT TRESPASS OR GLARE PER CDM AND HCC 21.59.030
2. DUMPSTER MUST BE SCREENED ON THREE SIDES

Brief discussion on the historical parking problems on Bayview which restricted thru traffic that any future or current issues are a police matter and that the applicant has provided parking over the requirement.

VOTE. YES. DAVIS, SMITH, HIGHLAND, BENTZ, VENUTI, BOS

Motion carried.

- A. Staff Report 20-29, Vacation of Cheryl Lane

Chair Venuti introduced the item by reading of the title into the record.

City Planner Abboud provided a summary of Staff Report 20-29 for the Commission.

Chair Venuti declared that he may have the appearance of a conflict of interest.

BENTZ/HIGHLAND - MOVED THAT COMMISSIONER VENUTI HAD A CONFLICT OF INTEREST.

A brief discussion ensued with Commissioner Venuti declaring that he was conducting inspection services for one of the applicants but the monetary amount was less than the stated limit. Chair Venuti did not feel that it would impact his decision.

VOTE. NO. BENTZ, HIGHLAND, BOS, DAVIS, SMITH

Motion carried.

Chair Venuti invited the applicant to provide a presentation if desired.

Mr. Steve Walli, applicant, provided a statement that it has been a plus to have the city working with his family on this project and his family have been residents of the city for many long years and looking forward to having it completed.

Chair Venuti opened the Public Hearing and there were no citizens registered to provide testimony so the Public Hearing was closed and opened the floor to the Commission for questions.

There were no questions from the Commission and Chair Venuti requested a motion.

HIGHLAND/BENTZ MOVED TO ADOPT STAFF REPORT 20-29 AND RECOMMEND APPROVAL OF THE VACATION OF CHERYL LANE.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **PLAT CONSIDERATION**

#### A. Staff Report 20-30, Lillian Walli Estate 2020 Replat Preliminary Plat

Chair Venuti introduced the item by reading of the title into the record.

City Planner Abboud provided a summary review of Staff Report 20-30 for the Commission.

There was no applicant present.

Chair Venuti opened the public comment period and confirming with the Clerk that there were no members of the public present to provide testimony he closed the public comment period and opened the floor to the Commission for questions.

There was a brief discussion on a memorandum which applied to the next agenda item.

Chair Venuti requested a motion.

BENTZ/HIGHLAND MOVED TO ADOPT STAFF REPORT 20-30 AND RECOMMEND APPROVAL OF THE VACATION OF CHERYL LANE.

No discussion.

No objection to the motion.

Motion approved.

Deputy City Clerk Krause called for a point of order noting the motion shown was in error and related to the previous action. The correct motion was shown on page 94 of the packet, page 4 of Staff Report 20-30. She requested Commissioner Bentz to restate the motion.

BENTZ/HIGHLAND MOVED TO ADOPT STAFF REPORT 20-30 AND RECOMMEND APPROVAL OF THE PRELIMINARY PLAT WITH THE FOLLOWING COMMENTS:

1. INCLUDE A PLAT NOTE STATING PROPERTY OWNER SHOULD CONTACT THE ARMY CORPS OF ENGINEERS PRIOR TO ANY ON-SITE DEVELOPMENT OR CONSTRUCTION ACTIVITY TO OBTAIN THE MOST CURRENT WETLAND DESIGNATION (IF ANY). PROPERTY OWNERS ARE RESPONSIBLE FOR OBTAINING ALL REQUIRED LOCAL, STATE, AND FEDERAL PERMITS.
2. INCREASE THE WIDTH OF THE UTILITY EASEMENT ALONG LINSTRANG WAY TO 15 FEET PER HCC 22.10.051(A)
3. AMEND PLAT NOTE 10 TO STATE THAT CREEKS AND DRAINAGES ARE SUBJECT TO A 15 FOOT BUILDING SETBACK PER HOMER CITY CODE.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

## **PENDING BUSINESS**

## **NEW BUSINESS**

- A. Staff Report 20-31, Vacation of utility and drainage easements within Lillian Walli Estate Subdivision
  - a. Memorandum from Deputy City Planner re: Amending Recommendations in Staff Report 20-31

Chair Venuti introduced the item into the record by reading of the title.

City Planner Abboud reviewed Staff Report 20-31 and the memorandum from the Deputy City Planner regarding the recommendations received from Public Works on the drainages.

There was no applicant present.

There was a brief discussion on the recommendations retaining drainage easements C, D, and E and vacating the easements A, B, F.

BENTZ/HIGHLAND MOVED TO ADOPT STAFF REPORT 20-31 AND RECOMMEND VACATION OF UTILITY EASEMENT THAT RUN PARALLEL TO CHERYL LANE WITH THE VACATION OF CHERYL LANE AND FURTHER RECOMMEND RETENTION OF DRAINAGE EASEMENTS C, D, E AND VACATION OF DRAINAGE EASEMENTS A, B, AND F.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

### **INFORMATIONAL MATERIALS**

#### **A. City Manager Reports for April 27 and May 11 City Council Meetings**

The Commission and City Planner Abboud held a brief discussion on the chemical storage building at the airport and what types of chemicals would be stored in there noting that more research would be needed and the City Planner did not want guess.

### **COMMENTS OF THE AUDIENCE**

### **COMMENTS OF THE STAFF**

Deputy City Clerk apologized for the oversight on the motion and expressed that it was a good meeting.

City Planner Abboud expressed his appreciation for the meeting going so well using this format he requested the Commission to contact him with any comments, questions or suggestions on the process. Mr. Abboud expressed some concerns on the larger items of interest and worksession items, since they are more disciplined using Zoom. He believed that having the opportunity to bounce ideas with each other very valuable to their discussions.

### **COMMENTS OF THE COMMISSION**



**From:** [durner1](#)  
**To:** [Clements, Peggy; Planning Dept.](#)  
**Subject:** <EXTERNAL-SENDER>Public comment re: Vacation of Cheryl Lane KPB 2020-119V  
**Date:** Thursday, October 22, 2020 9:04:36 AM  
**Attachments:** [HomerWetlandsMap.pdf](#)

---

CAUTION:This email originated from outside of the KPB system. Please use caution when responding or providing information. Do not click on links or open attachments unless you recognize the sender, know the content is safe and were expecting the communication.

To the Kenai Peninsula Borough Planning Commission,

At your Monday, October 26, 2020 Planning Commission meeting, you will be considering KPB 2020-119V, a proposed replat and vacation of a portion of the Walli Subdivision in Homer.

I am the owner of lots 48 and 49 in the Walli Subdivision, on the south side of Eric Lane, directly downhill of the proposed re-plat and vacation.

While I think the replat makes sense and am generally supportive of it, I am concerned about the proposed vacation of the six existing drainage easements on the replatted property.

The Walli Subdivision is at the bottom of West Hill in a particularly steep slope. There are known drainage and flooding problems in the subdivisions adjacent and to the east of the Walli Subdivision.

One of the owners of the largest lots at the top of this proposed replat, has stated verbally, and in writing, that he is planning to remove all the trees on his lot, and has pressured all the owners of the other lots along Eric Lane to do the same.

With all these trees removed, I am concerned with the potential for buildup of considerable flooding and water damage to homes and roads in our subdivision and adjacent subdivisions. This area is part of a moderate wetlands and drainage area. Please see the attached Homer Wetlands map.

On May 20, 2020, the City of Homer Planning Commission Special Meeting approved a recommendation to retain drainage easements C, D, and E on the proposed replat. Please see the attached map from the City of Homer Planning Commission packet.

I respectfully ask the KPB Planning Commission to revisit the drainage easements on the proposed replat, and vote to recommend retention of all six of the easements, A, B, C, D, E, and F.

Thank you for your consideration.

Respectfully,

Fran Durner

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Fran



**VICINITY MAP**  
 REF. PLAT NO. 2010-111  
 DATE OF RECORDING: 01/23/10  
 COUNTY: HILLSBORO, OREGON

**DEED OF CONVEYANCE**  
 THE SIGNED PARTIES HAVE REVIEWED THE RECORDS OF THE COUNTY OF HILLSBORO, OREGON, AND HAVE FOUND THAT THE PROPERTY DESCRIBED IN THIS INSTRUMENT IS THE SAME AS THE PROPERTY DESCRIBED IN THE INSTRUMENTS REFERRED TO IN THIS INSTRUMENT.

LOT 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

**NOTARY'S ACKNOWLEDGMENT**  
 I, the undersigned, a Notary Public for the State of Oregon, do hereby certify that the foregoing instrument was acknowledged before me by the parties named therein on this 1st day of July, 2010.

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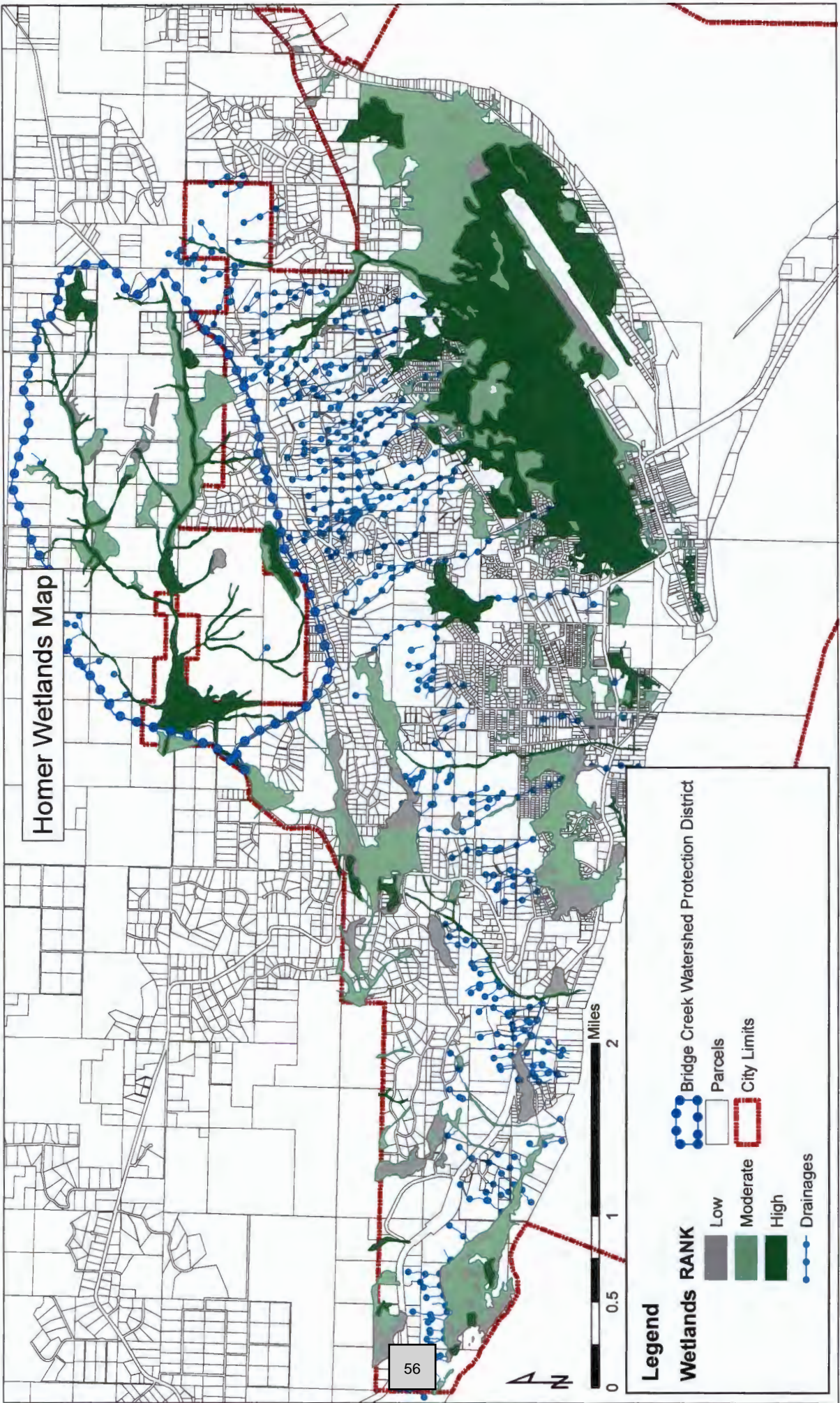
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


# Homer Wetlands Map



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**Legend**

 Low	 Drainages
 Moderate	 City Limits
 High	 Parcels
 Bridge Creek Watershed Protection District	

**ORDINANCE REFERENCE SHEET**  
**2020 ORDINANCE**  
**ORDINANCE 20-86**

An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating an Arts and Culture CARES Act Matching Grant from the Rasmuson Foundation in the Amount of \$50,000 and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. City Council Regular Meeting November 9, 2020 Introduction

**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**ORDINANCE 20-86**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
ACCEPTING AND APPROPRIATING AN ARTS AND CULTURE CARES  
ACT MATCHING GRANT FROM THE RASMUSON FOUNDATION IN  
THE AMOUNT OF \$50,000 AND AUTHORIZING THE CITY MANAGER  
TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The City of Homer Nonprofit Economic Relief Grant (NERG) program responded to the economic hardships City of Homer nonprofits suffered due to lost revenue as a result of the COVID-19 pandemic and associated health mandates between March 1 and December 30, 2020; and

WHEREAS, City Council Resolution 20-066 authorized the City of Homer to apply for a Rasmuson Foundation Municipal Arts and Culture Matching Grant to leverage funds to augment the NERG program impact; and

WHEREAS, the City is pleased to have been awarded \$50,000 from the Rasmuson Foundation in CARES Act municipal matching funds for distribution to the following local arts and culture organizations in the following amounts:

- Bunnell Street Arts Center at \$8,646.78;
- Homer Council on the Arts at \$8,646.78;
- Homer OPUS at \$8,646.78;
- Homer Society of Natural History, Inc. at \$8,646.78;
- Pier One Theatre, Inc. at \$8,646.78; and
- StoryKnife Writer’s Retreat at \$6,766.10.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby accepts and appropriates a Municipal Arts and Culture Matching Grant to the City of Homer from the Rasmuson Foundation in the amount of \$50,000.00 for the purpose of supporting local arts and culture organizations.

Revenue:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	Rasmuson Foundation CARES Act Matching Grant Program	\$50,000.00

Expenditure:

43	<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
44		COVID-19 Response Fund	\$50,000.00

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46 Section 2. The City Manager is authorized to execute the appropriate documents.

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48 Section 3. This is a budget amendment ordinance, is temporary in nature, and shall  
49 not be codified.

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51 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 23 day of November, 2020.

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54 CITY OF HOMER

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58 KEN CASTNER, MAYOR

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60 ATTEST:  
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64 MELISSA JACOBSEN, MMC, CITY CLERK

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68 Introduction:  
69 Public Hearing:  
70 Second Reading:  
71 Effective Date:

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73 YES:  
74 NO:  
75 ABSENT:  
76 ABSTAIN:

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78 Reviewed and approved as to form:

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80 \_\_\_\_\_  
81 Robert Dumouchel, City Manager

82 \_\_\_\_\_  
83 Michael Gatti, Attorney

84 Date: \_\_\_\_\_  
85 Date: \_\_\_\_\_

**ORDINANCE REFERENCE SHEET**  
**2020 ORDINANCE**  
**ORDINANCE 20-88**

An Ordinance of the City Council of Homer, Alaska Accepting and Appropriating an FY 2020 State Homeland Security Program Grant in the Amount of \$65,685 to Upgrade the City's Radio Communication System with the Purchase and Deployment of Portable Radios and Mobile Repeaters for the Homer Volunteer Fire Department and Authorizing the City Manager to Execute the Appropriate Documents.

Sponsor: City Manager

1. City Council Regular Meeting November 9, 2020 Introduction
  - a. Memorandum 20-188 from Fire Chief as backup



**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**ORDINANCE 20-88**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA ACCEPTING AND APPROPRIATING AN FY 2020 STATE HOMELAND SECURITY PROGRAM GRANT IN THE AMOUNT OF \$65,658 TO UPGRADE THE CITY'S RADIO COMMUNICATION SYSTEM WITH THE PURCHASE AND DEPLOYMENT OF PORTABLE RADIOS AND MOBILE REPEATERS FOR THE HOMER VOLUNTEER FIRE DEPARTMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The City's entire radio communication system is aging and must be replaced soon to keep up with technological advances in order to support the City of Homer's ability to prevent, protect against, respond to and recover from all hazard events; and

WHEREAS, Homer Volunteer Fire Department radio communication system upgrades is a project in the City of Homer Capital Improvement Plan; and

WHEREAS, the City is pleased to have been awarded \$65,658 from the Division of Homeland Security and Emergency Management (DSH&EM) to purchase and deploy mobile repeaters and upgrade vehicle mounted mobile radios for the Homer Volunteer Fire Department.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby accepts and appropriates a 2020 State Homeland Security Program Grant to the City of Homer from the DHS&EM in the amount of \$65,658.00 for the purpose of upgrading the City's radio communication system as follows:

Revenue:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	State Homeland Security Grant Program	\$65,658

Expenditure:

<u>Account No.</u>	<u>Description</u>	<u>Amount</u>
	Homer Volunteer Fire Department Mobile Repeaters And Portable Radio Replacements	\$65,658

43            Section 2. The City Manager is authorized to execute the appropriate documents.

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45            Section 3. This is a budget amendment ordinance, is temporary in nature, and shall  
46 not be codified.

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48            Section 4. Sole source procurement from the manufacturer is hereby authorized.

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50            ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_ day of \_\_\_\_\_, 2020.

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CITY OF HOMER

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KEN CASTNER, MAYOR

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59 ATTEST:

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MELISSA JACOBSEN, MMC, CITY CLERK

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66 Introduction:

67 Public Hearing:

68 Second Reading:

69 Effective Date:

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71 YES:

72 NO:

73 ABSENT:

74 ABSTAIN:

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76 Reviewed and approved as to form:

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79 \_\_\_\_\_  
Robert Dumouchel, City Manager

\_\_\_\_\_  
Michael Gatti, Attorney

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81 Date: \_\_\_\_\_

Date: \_\_\_\_\_



## City of Homer

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

## Volunteer Fire Department

604 East Pioneer Ave  
Homer, Alaska 99603

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

(p) 907-235-3155

(f) 907-235-3157

### Memorandum 20-188

TO: Mayor and City Council  
THROUGH: Rob Dumouchel, City Manager  
FROM: Mark Kirko, Fire Chief  
DATE: November 5, 2020  
SUBJECT: FY2020 SHSP Grant Acceptance & Procomm Alaska Sole Source Request

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We have received an FY2020 grant award from Homeland Security to make important upgrades to the HVFD Public Safety Communications System.

The grant of \$56,658.00 is to purchase hand-held radios carried by first responders and installing mobile repeaters in the Department's command vehicles.

This equipment will enhance our operational capabilities and bring us in line with ICS compliance. HVFD portable radio units are used on a daily basis and subject to the daily wear and tear, constant exposure to temperature fluctuations, a harsh coastal climate, dust, dirt, saltwater and unimproved bumpy roads common in our area.

I recommend accepting this grant as the units are sixteen years old and have aged out of their expected functional life span. Due to their age, they are no longer supported by the manufacturer with spare parts or software upgrades. Without manufacturer support, they are highly vulnerable to hardware/parts failure, software glitches and malfunction due to computer virus without recourse.

I also request that this purchase be approved for a sole source purchase through ProComm Alaska.

We have to purchase Motorola Brand equipment. The Motorola equipment is the only equipment that will interface properly with our existing system allowing system functionality to remain the same. We currently conduct the vast majority of our radio communications on the State Of Alaska's Land Mobile Radio System, (ALMR). Utilizing ALMR gives us the capability to easily and efficiently coordinate and participate in mutual-aid and multi-agency responses to any natural disaster or serious public safety incident and provides for complete interoperability between all responders.

We request to complete this project with a sole source contract to ProComm Alaska for the following reasons:

ProComm Alaska, (PCA), has serviced our radio system for over 17 years. Their service has been superb and delivered in an extremely professional manner. They are intimately familiar with our system and the unique radio frequency anomalies in our area. They have installed every piece of radio equipment in our system.

PCA is the only firm in the state authorized to function as a full service manufacturer's representative for Motorola. They are the only firm in the state capable of providing new Motorola brand equipment to us and integrating it into our system.

PCA is Motorola's only certified APCO P25 Systems Specialist in the State of Alaska. Public safety radio systems must meet P25 standards.

PCA is the only radio service provider in the state that provides public safety certified technicians with Motorola factory training. PCA technicians are also third party certified by the Electronics Technicians Association International.

To help ensure we are obtaining the best possible pricing, we contacted the Motorola Factory Representative for Alaska. Our pricing is based on the annually re-negotiated NASPO Value Point.



**CITY OF HOMER  
HOMER, ALASKA**

City Clerk

**RESOLUTION 20-114**

A RESOLUTION OF THE HOMER CITY COUNCIL APPOINTING  
RENEE KRAUSE, DEPUTY CITY CLERK, AS THE ADA  
COORDINATOR FOR THE CITY OF HOMER.

WHEREAS, As an effort to comply with Title II of the Americans with Disabilities Act (ADA), City Council adopted Resolution 16-019 and established an ADA Compliance Committee (ADACC) to develop a Transition Plan and Grievance Procedure and appointed City Clerk Melissa Jacobsen as ADA Coordinator for the City of Homer; and

WHEREAS, Title II is intended to protect qualified individuals with disabilities from discrimination on the basis of disability in the services, programs, or activities of all State and local governments; and

WHEREAS, Title II requires that public entities take several steps designed to achieve compliance with the ADA to include the preparation of a self-evaluation. In addition, public entities with 50 or more employees are required to:

- 1) Develop a grievance procedure;
- 2) Designate an individual to oversee Title II compliance;
- 3) Develop a transition plan if structural changes are necessary for achieving program accessibility; and
- 4) Retain the self-evaluation for three years.

WHEREAS, The ADACC and the City of Homer has developed a grievance procedure, completed self-evaluations and developed a Transition Plan for city facilities; and

WHEREAS, Resolution 19-055 confirmed the ADACC as a standing committee of the City Council and acknowledged the ongoing need for committee oversight of the current Transition Plan and the need for transition planning for City parks, trails, camp grounds and programs; and

WHEREAS, In an effort to increase the availability of experienced and capable staff members that are prepared to assume key roles in the City, Renee Krause, Deputy City Clerk will take on the duties of ADA Coordinator for the City of Homer.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby appoints Renee Krause, Deputy City Clerk, as ADA Coordinator for the City of Homer.

43 PASSED AND ADOPTED by the Homer City Council this 9<sup>th</sup> day of November, 2020.

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CITY OF HOMER

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KEN CASTNER, MAYOR

49 ATTEST:

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52 MELISSA JACOBSEN, MMC, CITY CLERK

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54 Fiscal information: N/A

**CITY OF HOMER  
HOMER, ALASKA**

Lord

**RESOLUTION 20-115**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA  
AMENDING THE CARES ACT PROGRAM SPENDING PLAN TO  
PROVIDE A \$56,500 GRANT TO THE PRATT MUSEUM .

WHEREAS The Pratt Museum was closed in 2018-2019 for renovations with plans to fully re-open in 2020; and

WHEREAS, The Pratt Museum experienced a 90% loss in anticipated earned revenue due to the Covid-19 pandemic, posing a threat to its long-term financial health; and

WHEREAS, The City of Homer’s Nonprofit Economic Recovery Grant program requires a 2019 comparison in revenue, which is not applicable to the Pratt as they were closed last year for planned renovations; and

WHEREAS, As a partner in archiving documents and preserving the natural and social history of Homer it is in the City’s best interest to ensure continued operations of the Pratt Museum; and

WHEREAS, The City of Homer’s CARES Act funds have been specifically designated to stabilize businesses, nonprofits, and households across the community,

NOW THEREFORE BE IT RESOLVED the City’s CARES Act Project Close Out Plan shall be amended to include a grant of \$56,500 to the Pratt Museum to be prioritized alongside the Nonprofit Economic Recovery Grant (NERG) program funds.

PASSED AND ADOPTED by the Homer City Council this 9<sup>th</sup> day of November, 2020.

CITY OF HOMER

\_\_\_\_\_  
KEN CASTNER, MAYOR

ATTEST:

\_\_\_\_\_  
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: COVID-19 Response fund - \$56,500



**Memo**

**To: Rachel Lord  
Homer City Council**

**From: Jennifer Gibbins  
Executive Director, Pratt Museum**

The COVID pandemic continues to threaten the museum's financial health. It is critically important to the museum's future that we end this year in the strongest financial position possible so that we are well poised for the challenges of 2021.

Pursuant to the Pratt Museum's NBERG2 application, we respectfully request the City's consideration of a relief grant in the amount of \$56,500.

**Background:**

- During 2018-2019 the museum was closed for renovation for a period of 9 months which negatively impacted earned revenue from admissions, membership, group tour sales, special events, fee-for-service programming, merchandise sales, etc.
- Our projected budget for 2020 was based on a full return to business. However, the projected budget was scrapped in March due to the pandemic which again closed the museum. We anticipated a 90% loss in earned revenue for 2020 as a result of the pandemic and this has proven out.
- CARES Act relief funding through federal, state and local grants has been critical to offsetting revenue losses. As a result we:
  - Kept museum staff employed.
  - Re-opened the museum to the public in July under significantly reduced public capacity.
  - Maintained operation of our facilities and grounds.
  - Designed and continue to deliver new "COVID-safe" programming outside, online and on the radio.
  - Make the museum facilities and grounds available at no cost to individuals and groups across the community for recreation, meetings, productions, etc. Some of these groups cannot access/utilize their buildings/facilities as a result of the pandemic.

**Purpose of Funds Requested:**

We have been successful thus far in securing relief funding and applying it in a transformative manner (i.e. bridge revenue losses while also moving our work forward ). However, we have \$56,500 in essential staff costs (payroll) that are not covered by CARES Act funds we have received. These positions are: executive director, grants & finance manager, facilities manager.

We appreciate your consideration of our request.





**CITY OF HOMER  
HOMER, ALASKA**

City Manager

**RESOLUTION 20-116**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING AN AMENDMENT TO EXTEND THE PROPERTY IMPROVEMENT CONSTRUCTION TIMELINE ON THE COPPER RIVER SEASFOODS LEASE FOR A PORTION OF LOT 13B, CITY OF HOMER PORT INDUSTRIAL SUBDIVISION NO.2, ACCORDING TO PLAT NO. 80-92, CONTAINING 15,300 SQ FT, ALSO KNOWN AS KPB PARCEL # 18103425.

WHEREAS, Copper River Seafoods entered into a 20 year lease with the City on May 16 2019 where they stated that they wished to build a new 42' by 47' office structure with a construction timeline beginning September 1 2020 and with a completion date of Dec 31 of 2020; and

WHEREAS, On October 13 2020 the City received a letter from Copper River Seafoods stating that, due to Covid-19 challenges, they are requesting an amendment to the proposed property development timeline listed in Exhibit D of the lease; and

WHEREAS, This requested amendment would alter Exhibit D of the lease to extend the property development construction timeline to a start date of February 1 2022 and with a completion date of Dec 31 2022; and

WHEREAS, Article 6.04 Extensions of Time for Completion of Required Improvements, of the lease states that Landlord shall grant an extension for the time to Complete the Required Improvements for a period of time equal to the duration of an Excusable Delay; and

WHEREAS, "Excusable Delay" is defined per the lease as any delay due to strikes, acts of God, inability to obtain labor or materials, orders of governmental authority, enemy action, civil commotion, fire, unusual inclement weather, unavoidable casualty or similar causes beyond the reasonable control of Tenant; and

WHEREAS, On October 28 2020, the Port and Harbor Advisory Commission discussed the proposed change and , with unanimous consent, moved to recommend that Council approve the Copper River Seafoods proposed lease amendment; and

WHEREAS, HCC 18.08.160(e) States that any significant changes in the terms (use) of the existing lease must be reviewed by the Port and Harbor Commission and approved by City Council by resolution as an amendment to the lease; and

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NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves the amendment of the Copper River Seafoods lease extending the property improvement construction timeline to a new start date of February 1 2022 and a new completion date of December 31 2022 for a portion of Lot 13B, City of Homer Port Industrial Subdivision No. 2, according to Plat No. 80-92, containing 15,300 square feet, Also known as KBP Parcel #18103425 ,and authorizes the City manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council on this \_\_\_day of \_\_\_\_\_, 2020.

CITY OF HOMER

\_\_\_\_\_  
KEN CASTNER, MAYOR

ATTEST:

\_\_\_\_\_  
MELISSA JACOBSEN, MMC, CITY CLERK



# City of Homer

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

Port and Harbor

4311 Freight Dock Road  
Homer, AK 99603

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

(p) 907-235-3160

(f) 907-235-3152

## Memorandum 20-187

TO: MAYOR CASTNER AND HOMER CITY COUNCIL

THRU: ROB DUMOUCHEL, CITY MANAGER

FROM: PORT AND HARBOR ADVISORY COMMISSION

DATE: OCTOBER 30 2020

SUBJECT: COPPER RIVER SEAFOODS LEASE AMMENDMENT REQUEST, LOT 13B

---

Copper River Seafood's current lease, signed in May of 2019, states in the "property development" section, their intention and wish to construct a 42' x47' new construction building. The time line for this construction is currently set to begin in September 2020 and be complete by Dec 31 2020. On October 13 2020 the City received a letter from Copper River requesting an amendment to that construction timeline to change it to a start date of February 2022 and a completion dated of end of year 2022, because of challenges encountered with the Covid 19 pandemic.

Staff recommend accepting the proposed amended timeline. The City has been supportive of working with the community during this Covid crisis, and Copper River Seafoods is a competitively active business in the harbor who is up to date on all account payments with the Port. The letter addressing the construction timeline and requesting the amendment, before that existing timeline had elapsed, indicates that they are responsive to their lease and its requirements.

The Port and Harbor Advisory Commission met on October 28 2020 and reviewed Copper River Seafoods' request for amendment to the lease construction timeline. The Commission made the below listed motion:

STOCKBURGER/DONICH MOVE TO RECOMMEND TO CITY COUNCIL TO APPROVE THE COPPER RIVER SEAFOODS LEASE AMENDMENT TO EXTEND THE PROPERTY IMPROVEMENT CONSTRUCTION TIMELINE TO THE NEW START DATE OF FEBRUARY 1, 2022 AND A NEW COMPLETION DATE OF DECEMBER 31, 2022.

Discussion

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

**RECOMMENDATION**

The Port and Harbor Advisory Commission recommend that Council approve the Copper River Seafoods' lease amendment to extend the property improvement construction timeline to the new start date of February 2 2022 and a new completion date of December 31 2022.



COPPER RIVER SEAFOODS  
Main Administrative Office  
1118 East 5<sup>th</sup> Avenue · Anchorage, AK 99501  
Phone: (907) 522-7806 · (888) 622-1197 · Fax: (907) 274-0348  
[www.CopperRiverSeafoods.com](http://www.CopperRiverSeafoods.com)

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October 13, 2020

City Manager  
City of Homer  
491 East Pioneer Avenue  
Homer, AK 99603

Re: Request for Revision of Construction Timeline

Copper River Seafoods, Inc., as the Tenant, would like to request an extension of time for the construction for our building that we intend to build. This property is located on the Homer spit and is Portion of Lot 13B, City of Homer Port Industrial Subdivision No. 2, Tax Parcel # 18103425.

Copper River Seafoods, Inc., would like to request an extension for 18 months, or until February of 2022. The Coronavirus Covid 19 pandemic has put tremendous pressure on our company as we continue to fight through these challenges moving into the 2021 fiscal year. The Kenai fishery returns have also been very poor for the past two seasons. Article 1, page 2 of our Ground Lease Agreement, 101(h) discusses “excusable delay” and that would appear to be in play at this time. We would therefore ask that you approve our extension request.

Further, please change the contact person for this contract to the following:

Mark Hansen, COO  
Copper River Seafoods, Inc.  
1118 E 5<sup>th</sup> Avenue  
Anchorage, AK 99501  
(907) 522-7806 office  
(206) 465- 4512 cell  
[mhansen@crsalaska.com](mailto:mhansen@crsalaska.com)

I look forward to hearing your thoughts and answer any questions which might have.

Sincerely,

Mark Hansen  
Copper River Seafoods, Inc. COO

1<sup>ST</sup> AMENDMENT TO LEASE AGREEMENT

This amendment is made and entered into effect as of \_\_\_\_\_, 2020 between the City of Homer, an Alaska municipal corporation ("Landlord") whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and Copper River Seafoods Inc., an Alaskan business corporation ("Tenant"), whose address is 1118 E. 5<sup>th</sup> Ave. Anchorage , Alaska 99501 , and amends the Ground Lease Agreement ("Lease") entered into between Copper River Seafoods Inc., and the City of Homer, dated March 1 2019 and recorded by the Kenai Peninsula Borough's recorder's office on May 20 2019, Number 2019-001382-0, Homer Recording District 309, Alaska.

Landlord and Tenant agree as follows:

In Exhibit D -Tenant's Proposed Use of the Property, under the section listed as "2. Development Plan":

<u>Dates</u>	<u>Tasks</u>
<u>9/1/20</u>	<u>Framing</u>
<u>12/31/2020</u>	<u>Completion</u>

Shall be amended to the following:

<u>Dates</u>	<u>Tasks</u>
<u>2/1/2022</u>	<u>Framing</u>
<u>12/31/2022</u>	<u>Completion</u>

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

Landlord:  
City of Homer

Tenant:  
Copper River Seafoods Inc.

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Rob Dumouchel, City Manager

\_\_\_\_\_  
Mark Hansen, COO

**ACKNOWLEDGMENTS**

STATE OF ALASKA                    )  
  ) SS.  
THIRD JUDICIAL DISTRICT        )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 2020 by Rob Dumouchel, City Manager of the City of Homer, an Alaska municipal corporation, on behalf of the City of Homer.

\_\_\_\_\_  
**Notary Public in and for Alaska**  
**My Commission Expires: \_\_\_\_\_**

STATE OF                                )  
  ) SS.  
  )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 2020 by Mark Hansen, as COO of Copper River Seafoods Inc.

\_\_\_\_\_  
**Notary Public in and for the state of \_\_\_\_\_**  
**My Commission Expires: \_\_\_\_\_**

After recording return to:  
Melissa Jacobsen, MMC, City Clerk  
City of Homer  
491 E. Pioneer Avenue  
Homer, AK 99603



**CITY OF HOMER  
PUBLIC HEARING NOTICE  
CITY COUNCIL MEETING**

**Ordinances 20-83, 20-84, 20-85**

A **public hearing** is scheduled for **Monday, November 9, 2020** during the Special 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

Ordinance 20-83, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$253,193 from the HAWSP Fund to Complete the Alder Lane Water Improvement Project. City Manager/Public Works Director.

Ordinance 20-84, An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget to Authorize the Expenditure of \$90,000 from the Ocean Drive Loop Special Service District Maintenance Accounts to Perform Maintenance on the Homer Seawall. City Manager/Public Works Director.

Ordinance 20-85, An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget in the Amount of \$97,000 from the HART Roads Fund and Authorizing the Homer Public Works Department to Execute an Engineered Solution to Relocate the Surface Water Discharge at the Confluence of the Sterling Highway and Mount Augustine Drive into a Natural Occurring Raving, Gully, Watercourse or Runnel. Mayor/Evensen

\*\*Copies of proposed Ordinances in entirety, are available for review online at <https://www.cityofhomer-ak.gov/ordinances>, and will be provided by request at the Homer City Clerk's Office while City Offices are closed to the public during this COVID-19 pandemic. Contact the Clerk's Office at City Hall if you have any questions. 235-3130, Email: [clerk@ci.homer.ak.us](mailto:clerk@ci.homer.ak.us)

Melissa Jacobsen, MMC, City Clerk  
Ad 20-094 110520

**CLERK'S AFFIDAVIT OF POSTING**

I, Melissa Jacobsen, City Clerk for the City of Homer, Alaska, do hereby certify that a copy of the Public Hearing Notice for:

Ordinance 20-83, An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$253,193 from the HAWSP Fund to Complete the Alder Lane Water Improvement Project. City Manager/Public Works Director.

Ordinance 20-84, An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget to Authorize the Expenditure of \$90,000 from the Ocean Drive Loop Special Service District Maintenance Accounts to Perform Maintenance on the Homer Seawall. City Manager/Public Works Director.

Ordinance 20-85, An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget in the Amount of \$97,000 from the HART Roads Fund and Authorizing the Homer Public Works Department to Execute an Engineered Solution to Relocate the Surface Water Discharge at the Confluence of the Sterling Highway and Mount Augustine Drive into a Natural Occurring Raving, Gully, Watercourse or Runnel. Mayor/Evensen

was published in the Homer News November 5, 2020 posted at City Hall and the Homer Public Library on November 4, 2020, and posted on the City website on November 4, 2020.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of said City of Homer this 5<sup>th</sup> day of November, 2020



Melissa Jacobsen, MMC, City Clerk



**ORDINANCE REFERENCE SHEET**  
**2020 ORDINANCE**  
**ORDINANCE 20-83**

An Ordinance of the City Council of Homer, Alaska Amending the 2020 Capital Budget and Authorizing the Expenditure of \$253,193 from the HAWSP Fund to Complete the Alder Lane Water Improvement Project.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting October 26, 2020 Introduction
2. City Council Regular Meeting November 9, 2020 Public Hearing and Second Reading

**CITY OF HOMER  
HOMER, ALASKA**

City Manager/  
Public Works Director

**ORDINANCE 20-83**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE 2020 CAPITAL BUDGET AND AUTHORIZING THE EXPENDITURE OF \$253,193 FROM THE HAWSP FUND TO COMPLETE THE ALDER LANE WATER IMPROVEMENT PROJECT.

WHEREAS, The City Council created the Alder Lane Water Improvement Special Assessment District (SAD) with the passage of Ordinance 20-095, and

WHEREAS, The properties within this district will be assessed 75% of the costs of the project and the Homer Accelerated Water and Sewer Program (HAWSP) will pay 25%; and

WHEREAS, All project costs are anticipated to be financed through the ADEC/EPA Revolving Loan Program, and

WHEREAS, Public Works has estimated the cost of this project to be \$253,193.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 2020 Capital Budget by appropriating \$253,193 from the HAWSP for the construction of the Alder Lane Water Improvements.

<u>Account</u>	<u>Description</u>	<u>Amount</u>
205-xxxx	Alder Lane Water Improvements	\$253,193

Section 2. This is a budget amendment ordinance only, is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_\_<sup>th</sup> day of November, 2020.

CITY OF HOMER

\_\_\_\_\_  
KEN CASTNER, MAYOR

43 ATTEST:

44

45

46 \_\_\_\_\_

47 MELISSA JACOBSEN, MMC, CITY CLERK

48

49 YES:

50 NO:

51 ABSTAIN:

52 ABSENT:

53

54 First Reading:

55 Public Reading:

56 Second Reading:

57 Effective Date:

58

59

60 Reviewed and approved as to form:

61

62 \_\_\_\_\_

63 Rob Dumouchel, City Manager

64

65 Date: \_\_\_\_\_

\_\_\_\_\_  
Michel Gatti, City Attorney

Date: \_\_\_\_\_

**ORDINANCE REFERENCE SHEET**  
**2020 ORDINANCE**  
**ORDINANCE 20-84**

An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget to Authorize the Expenditure of \$90,000 from the Ocean Drive Loop Special Service District Maintenance Accounts to Perform Maintenance on the Homer Seawall.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting October 26, 2020 Introduction
2. City Council Regular Meeting November 9, 2020 Public Hearing and Second Reading

1 **CITY OF HOMER**  
2 **HOMER, ALASKA**

3 City Manager/  
4 Public Works Director

5 **ORDINANCE 20-84**  
6

7 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
8 AMENDING THE FY 2020 CAPITAL BUDGET TO AUTHORIZE THE  
9 EXPENDITURE OF \$90,000 FROM THE OCEAN DRIVE LOOP  
10 SPECIAL SERVICE DISTRICT MAINTENANCE ACCOUNTS TO  
11 PERFORM MAINTENANCE ON THE HOMER SEAWALL.  
12

13 WHEREAS, The City Council created the Homer Seawall Armor Rock Improvement  
14 Special Assessment District (SAD), and

15 WHEREAS, Seawall maintenance work (repair erosion on top of wall) is required prior  
16 to construction of the Homer Seawall Armor Rock Improvement project; and  
17

18 WHEREAS, The approved 2020 budget for seawall maintenance (See Ordinance 20-01)  
19 has been expended; and  
20

21 WHEREAS, The Finance Department forecasts that sufficient funds will be available  
22 from the seawall maintenance accounts upon receipt of Special Service Area mil rate  
23 assessments on benefitted properties before the end of the year, if SAD design expenses  
24 previously authorized by the Council to be paid out from the maintenance accounts are  
25 transferred to the Seawall project account for reimbursement under the ADEC loan.  
26

27 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:  
28

29 Section 1. The Homer City Council hereby amends the FY 2020 Capital Budget by  
30 appropriating an additional \$90,000 from the Seawall Maintenance Accounts for Homer  
31 Seawall Armor Rock Maintenance  
32

<u>Account</u>	<u>Description</u>	<u>Amount</u>
156-0369-5261	City Seawall Maintenance Fund	\$16,200 (18%)
808-0375-5261	Seawall Special Service Area Fund	\$73,800 (82%)
	Total Expenditure	\$90,000





**ORDINANCE REFERENCE SHEET**  
**2020 ORDINANCE**  
**ORDINANCE 20-85**

An Ordinance of the City Council of Homer, Alaska Amending the FY2020 Capital Budget in the Amount of \$97,000 from the HART Roads Fund and Authorizing the Homer Public Works Department to Execute an Engineered Solution to Relocate the Surface Water Discharge at the Confluence of the Sterling Highway and Mount Augustine Drive into a Natural Occurring Ravine, Gully, Watercourse or Runnel.

Sponsor: City Manager/Public Works Director

1. City Council Regular Meeting October 26, 2020 Introduction
  - a. Memorandum 20-175 from Public Works Director as backup
2. City Council Regular Meeting November 9, 2020 Public Hearing and Second Reading

**CITY OF HOMER  
HOMER, ALASKA**

Mayor/Evensen

**ORDINANCE 20-85**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA AMENDING THE FY2020 CAPITAL BUDGET IN THE AMOUNT OF \$97,000 FROM THE HART ROADS FUND AND AUTHORIZING THE HOMER PUBLIC WORKS DEPARTMENT TO EXECUTE AN ENGINEERED SOLUTION TO RELOCATE THE SURFACE WATER DISCHARGE AT THE CONFLUENCE OF THE STERLING HIGHWAY AND MOUNT AUGUSTINE DRIVE INTO A NATURAL OCCURRING RAVING, GULLY, WATERCOURSE OR RUNNEL.

WHEREAS, The City Council directed the Homer Dept. of Public Works to explore an engineered solution to redirect storm water discharge from the confluence of the Sterling Hwy and Mount Augustine Dr., into a naturally occurring ravine, gully, watercourse or runnel; and

WHEREAS, The Public Works Department developed an engineered solution, which could be implemented at the estimated cost of \$97,000; and

WHEREAS, Funding is available in the HART-Roads Fund, which is authorized to address drainage issues.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The Homer City Council hereby amends the FY 2020 Capital Budget by appropriating an estimated \$97,000 for an engineered solution to redirect storm water discharge from the confluence of the Sterling Hwy and Mount Augustine Dr., into a naturally occurring ravine, gully, watercourse or runnel.

<u>Account</u>	<u>Description</u>	<u>Amount</u>
160-xxxx	HART Roads Fund	\$97,000

Section 2. This is a budget amendment ordinance only, is not permanent in nature, and shall not be codified.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this \_\_\_<sup>th</sup> day of November, 2020.

CITY OF HOMER

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\_\_\_\_\_  
KEN CASTNER, MAYOR

ATTEST:

\_\_\_\_\_  
MELISSA JACOBSEN, MMC, CITY CLERK

YES:

NO:

ABSTAIN:

ABSENT:

First Reading:

Public Reading:

Second Reading:

Effective Date:

Reviewed and approved as to form:

\_\_\_\_\_  
Rob Dumouchel, City Manager

\_\_\_\_\_  
Michel Gatti, City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## **Memorandum 20-175**

TO: City Council  
THROUGH: Rob Dumouchel, City Manager  
FROM: Janette Keiser, Director of Public Works  
DATE: October 21, 2020  
SUBJECT: Mt. Augustine Drive Drainage Project

---

**Issue:** We were directed to explore an engineering solution to relocate the surface water discharge at the confluence of the Sterling Highway and Mount Augustine Drive into a naturally occurring ravine, gully, watercourse or runnel. This memorandum presents the results of our exploration.

### **Background:**

Mt. Augustine Drive is located in the Baycrest Subdivision, located near the City's western limits. This subdivision was certified in 1967, not long after the City was first incorporated in 1964. While the road is not built to City standards, it is part of the City's Road Maintenance Map and the City provides rural road maintenance – grading, dust control, brushing, snow plowing and drainage ditching. Mt. Augustine Drive connects the subdivision to the Sterling Highway, with its point of ingress/egress on the south side of the highway.

In 1996, the Alaska Department of Public Transportation and Public Facilities ("ADOT/PF") converted the Sterling Highway from a 2-lane to a lane 4-lane highway. That project included the installation of roadside drainage ditches on both sides of the highway. Cross-culverts were installed to convey water from the north side of the highway to the south. One such cross-culvert comes out at Mt. Augustine Drive. Further, the ADOT/PF installed a "beehive" to capture surface water from the south side of the highway. The combined flows are carried under Mt. Augustine Drive through an aluminum culvert. Over the years, the property owner and other residents of the subdivision have complained this drainage was causing, or had the potential to cause, damage and sought help from the City.

In 2018, the City Council adopted Resolution 18-008 requesting the Alaska Department of Public Transportation and Public Facilities ("ADOT/PF"), *"work to fix drainage issues that are adversely affecting the Baycrest Subdivision including, but not limited to redirecting the outflow from the Sterling Highway Beehive."* The ADOT/PF denied any responsibility and took no action.

We have explored options for an engineering solution, which involves capturing the water, where it crosses Mt. Augustine Road, in a new storm drain line that would empty into a nearby ravine. Once there, the water would flow to Kachemak Bay. The estimated cost of our engineered solution is

\$97,000. We propose to fund this solution through the HART-Roads Fund, which is authorized to address drainage problems.

**Funds are available:**

- I. **Funding is available.** The City Council, on April 24, 2017, passed Resolution 17-038, which adopted the Homer Accelerated Roads and Trails Program (“HART”) Manual. The HART Manual identified a set of criteria for projects that may be considered for HART funding. The criteria that would be addressed by the Mt. Augustine Drive Storm Drain Improvement Project include addressing drainage issues.

Our estimated cost of the recommended solution is \$97,000. If this project is funded from the HART-Roads Fund, the remaining balance in that Fund would be \$4,836,314.62. (See chart below.)

Project Item	HART - Roads
<b>Starting Balance as of 3/31/20</b>	<b>\$ 5,995,992.62</b>
<b>Funds Obligated Balance thru 9/14/20</b>	
Fuel Island Replacement	\$ 95,000.00
Small Works Drainage Improvement Program	\$ 110,000.00
Small Works Road Repair Program	\$ 175,000.00
Main Street Storm Drain and Sidewalk Project - Pioneer Avenue North	\$ 98,000.00
Update 1979 Drainage Management Plan	\$ 90,000.00
Woodard Creek Culvert Replacement Project	\$ 500,000.00
Horizon Court	\$ 20,000.00
Homer Soil & Water Conservation District	\$ 25,000.00
<b>Funds obligated thru 9-14-20 from HART Roads</b>	<b>\$1,113,000</b>
Lake Street ROW and other easement elements of Seawall Armor Revetment Project	\$ 46,678.00
<b>New Requests from HART - Roads</b>	<b>\$46,678.00</b>
<b>Balance Remaining</b>	<b>\$4,836,314.62</b>

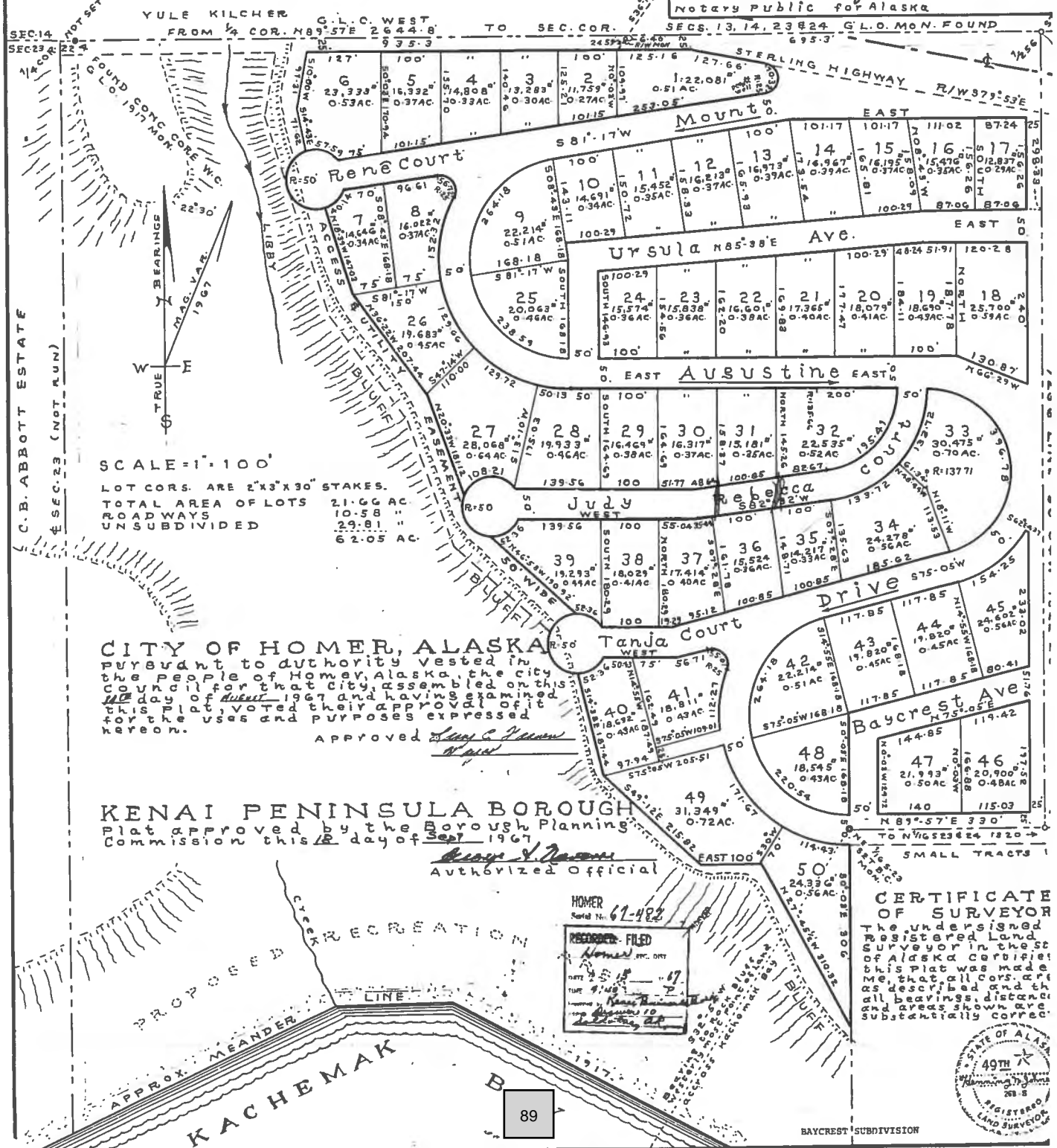
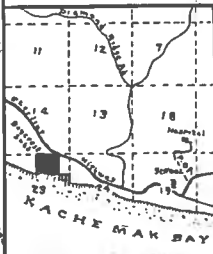
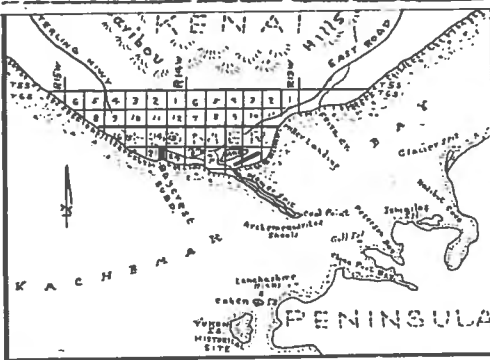
# BAYCREST SUBDIVISION

LOCATED IN LOT 1 AND W 1/2 W 1/2 NE 1/4 NE 1/4, SEC. 23, T6S. R14W. S.M. HOMER, ALASKA.

CERTIFICATE OF OWNERSHIP & DEDICATION  
I (we) certify that I (we) are the owners of the property shown and described hereon. I (we) hereby request approval of this Plat, showing such easements for public utilities, roadways and alleys dedicated by me (us) for public use.

NOTARY'S ACKNOWLEDGEMENT  
Subscribed and sworn before me this 2 day of August 1967

My commission expires August 1969  
*Marjorie Anderson-Pete*  
Notary Public for Alaska



SCALE = 1" = 100'  
LOT CORNS. ARE 2"x3"x30" STAKES.  
TOTAL AREA OF LOTS 21.66 AC.  
ROADWAYS 10.58 AC.  
UNSUBDIVIDED 29.81 AC.  
62.05 AC.

CITY OF HOMER, ALASKA  
Pursuant to authority vested in the people of Homer, Alaska, the city council for that city, assembled on this day of August 1967 and having examined this plat, voted their approval of it for the uses and purposes expressed hereon.  
Approved *Larry C. Hansen*  
Mayor

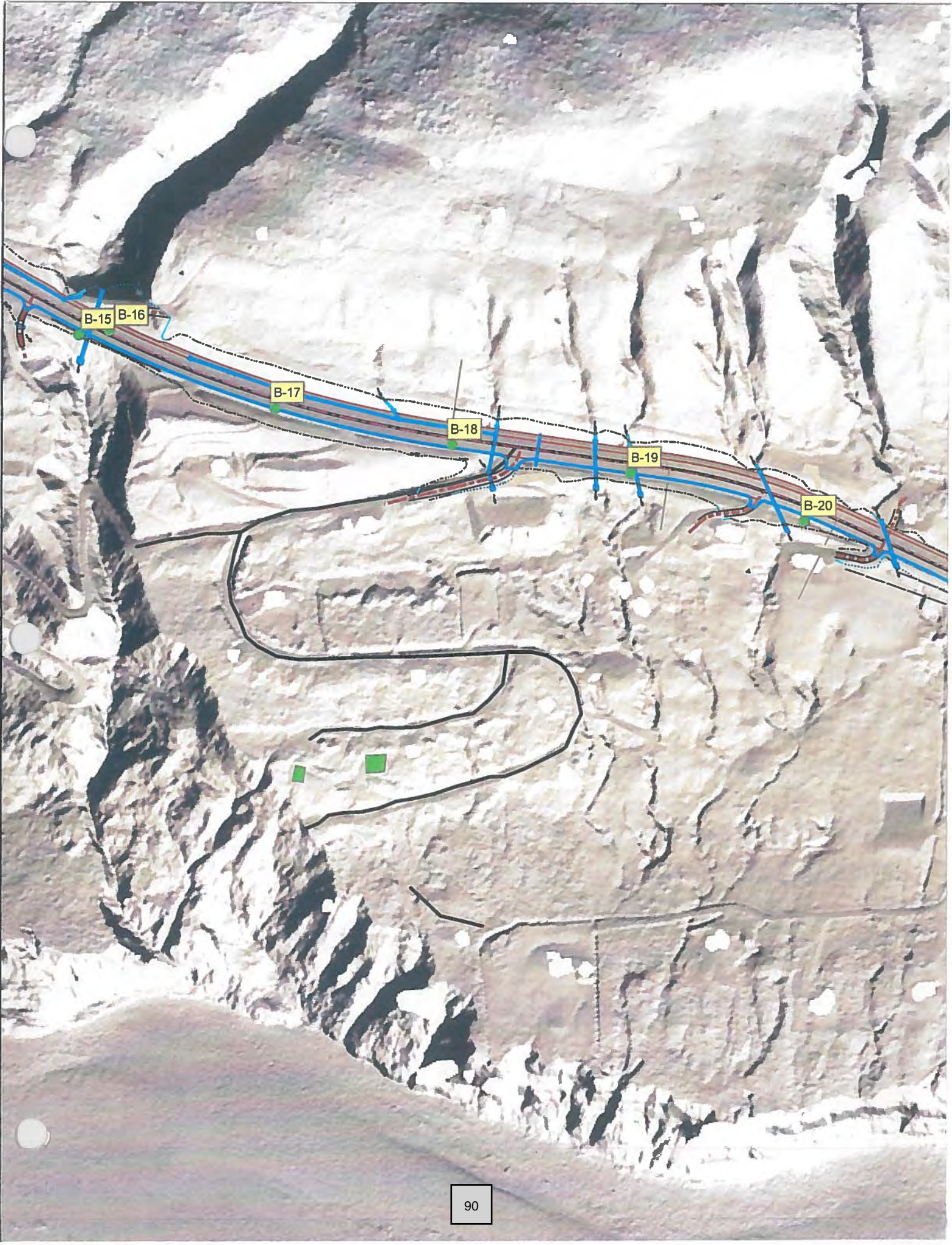
KENAI PENINSULA BOROUGH  
Plat approved by the Borough Planning Commission this 2 day of August 1967  
Approved *Larry C. Hansen*  
Authorized official

HOMER  
Serial No. 67-482  
RECORDED - FILED  
DATE 8-15-67  
TUESDAY  
HOMER, ALASKA

CERTIFICATE OF SURVEYOR  
The undersigned Registered Land Surveyor in the State of Alaska certifies that this Plat was made by me, that all corners are as described and that all bearings, distances and areas shown are substantially correct.









Drainage Improvement - Mt. Augustine Drive Beehive  
 Conceptual Cost Estimate

Item of Work

Item of Work	Quantity	Unit	Unit Price	Cost
Construct Storm Drain Manhole	1	LS	\$12,000.00	\$12,000.00
Install 24" Dia. Gal. Steel CMP	150	LF	\$75.00	\$11,250.00
Construct Ditch	600	LF	\$12.00	\$7,200.00
Abandon Existing Storm Drain Manhole	1	LS	\$8,000.00	\$8,000.00
Type II Gravel Import	40	CY	\$40.00	\$1,600.00
Asphalt Paving Removal/Replacement	1000	SF	\$9.00	\$9,000.00
Topsoil/Seeding	1000	SF	\$6.50	\$6,500.00
Traffic Control	1	LS	\$10,000.00	\$10,000.00

Total Construction \$65,550.00  
 Design \$16,000.00  
 Permitting \$2,500.00  
 Contingency (15%) \$12,607.50  
 \$96,657.50

**ORDINANCE REFERENCE SHEET**  
**2020 ORDINANCE**  
**ORDINANCE 20-87**

An Ordinance of the City Council of Homer, Alaska Amending Extending the Suspension of Homer City Code Chapter 5.42 Single-Use Plastic Bags to December 31, 2020 and Affirming January 1, 2021 as the date in which Merchants Shall Discontinue Providing Single-Use Plastic Carryout Bags.

Sponsor: Aderhold/Venuti

1. City Council Regular Meeting November 9, 2020 Introduction

**CITY OF HOMER  
HOMER, ALASKA**

Aderhold/Venuti

**ORDINANCE 20-87**

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA  
EXTENDING THE SUSPENSION OF HOMER CITY CODE CHAPTER  
5.42 SINGLE-USE PLASTIC BAGS TO DECEMBER 31, 2020 AND  
AFFIRMING JANUARY 1, 2021 AS THE DATE IN WHICH MERCHANTS  
SHALL DISCONTINUE PROVIDING SINGLE-USE PLASTIC  
CARRYOUT BAGS.

WHEREAS, At the October 1, 2019 City of Homer Regular Election Proposition A was passed by voters to add Homer City Code (HCC) Chapter 5.42 Single-Use Plastic Carryout bags, the purpose of which is to prohibit a seller from providing a buyer a single-use plastic carryout bag under 2.5 mils thick; and

WHEREAS, Ordinance 20-14 was adopted on April 13, 2020 and changed the deadline for providing single-use plastic bags from February 14, 2020 to September 15, 2020; and

WHEREAS, Emergency Ordinance 20-18 was adopted on March 23, 2020 and suspended Chapter 5.42 allowing single-use plastic bags until the state of emergency due to COVID-19 is lifted; and

WHEREAS, Homer City Council extended the City's emergency declaration to December 31, 2020 with the adoption of Resolution 20-113; and

WHEREAS, The suspension of HCC Chapter 5.42 will be lifted on January 1, 2021 and merchants shall discontinue providing single-use plastic carryout bag in accordance with said chapter.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. The suspension of HCC Chapter 5.42 shall expire on December 31, 2020.

Section 2. Merchants shall discontinue providing single-use plastic carryout bags in accordance with HCC 5.42 effective January 1, 2021.

Section 3. This Ordinance is of a permanent and general character.

ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 23<sup>rd</sup> day of November, 2020.

CITY OF HOMER

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ATTEST:

\_\_\_\_\_  
MELISSA JACOBSEN, MMC, CITY CLERK

YES:  
NO:  
ABSTAIN:  
ABSENT:

Reviewed and approved as to form:

\_\_\_\_\_  
Robert Dumouchel, City Manager

Date: \_\_\_\_\_

\_\_\_\_\_  
KEN CASTNER, MAYOR

\_\_\_\_\_  
Michael Gatti, City Attorney

Date: \_\_\_\_\_



# City of Homer

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

## Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

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

(p) 907-235-8121 x2222

(f) 907-235-3148

### Memorandum

TO: Mayor Castner and Homer City Council  
FROM: Rob Dumouchel, City Manager  
DATE: November 5, 2020  
SUBJECT: City Manager's Report for November 9<sup>th</sup> Council Meeting

#### **Fiscal Year Change Update**

The Finance Director, City Attorney, and myself have held multiple meetings to discuss the process and identify any potential challenges or pitfalls to changing the City's current fiscal year structure. After receiving some input from the public accountant firm Porter & Allison, we were able to narrow in on a key component of how to move forward (18 month FY20 vs. 6 month FY21). At this time, it appears that a truncated FY21 (January to June 2021) will be the best path for our organization. Director Walton has worked up a tentative timeline and we're working with staff, vendors, and consultants to get a clear view of what help may be available and how much it would cost to engage. We are planning to bring action items related to this issue to the November 23<sup>rd</sup> Council Meeting.

#### **Community Recreation Sports Equipment Lending Library Pilot Project**

Community Recreation Manager Illg, with assistance from Library Director Berry, is evaluating the feasibility of community recreation sports equipment lending library pilot project. I think this is an exciting concept that could give members of our community access to new recreational opportunities during the winter and beyond. Individuals or organizations who may have sporting equipment to donate to a lending library are encouraged to contact Mike Illg at [Mlllg@ci.homer.ak.us](mailto:Mlllg@ci.homer.ak.us) or 235-6090.

#### **GFOA Budget Award Follow Up**

As a follow up to the notice of the GFOA Budget Award last month, please see a memo and supporting materials attached to this report which provide more information related to the comments from GFOA.

#### **Welcome to New HPD Officer Charles Lee**

Officer Lee comes to us after a 2 ½ year stint with the Unalaska Police Department and five years with the Kenai Police Department. Officer Lee holds bachelor's degrees in Criminal Justice and Psychology. He also has an advanced certificate from the Alaska Police Standards Council and approximately 2000 hours of law enforcement related training.

### **COVID-Related Updates**

#### **COVID Emergency Declaration Information**

While it remains uncertain if the Governor will extend the State's emergency declaration (on November 4<sup>th</sup> the Mayor and I attended a meeting via conference call with State officials who remain noncommittal on the

matter), questions remain as to how continuing to have an emergency declaration impacts the City. I was not able to give a thorough rundown of the pros and cons of having a local emergency declaration at our last meeting. Staff from my office have taken time to research this issue and have provided the following notes in consultation with former HVFD Fire Chief Purcell who has worked many years with FEMA and Derotha Ferraro at SPH for her perspective as a Unified Command partner:

The Disaster Emergency Declaration formally recognizes the presence of COVID-19 in the community and the attendant public health and safety risks of its transmission, including the potential to compromise the provision of essential healthcare and city services. Ending the disaster declaration indicates the COVID-19 pandemic is a normal condition and the City and response partners can handle it with their own resources.

Cons:

1. Closes communication avenues for response. Under a disaster declaration, the City has:
  - A framework for working with community partners to share concerns about the direction the pandemic is taking, anticipating response needs and taking coordinated action to mitigate negative impacts on public health and safety.
  - A framework for local officials to mobilize quickly to respond to an outbreak, support healthcare partners with public information/resource acquisition during crisis situation or to carry out an immunization program.
  - Public educational opportunities which media outlets are offering free of charge and at reduced rates (radio updates, PSAs, etc.)
2. Necessary resources to respond to and recover from the COVID-19 pandemic may exceed the resources available in the City of Homer. Ending the emergency declaration could carry financial implications by closing opportunity for:
  - Financial assistance and/or
  - Other resource assistance through formal resource requests from FEMA, other Federal agencies and the State of Alaska to help meet challenges COVID-19 poses to our healthcare system and our economy. For instance, without an emergency declaration it is hard to make a case for resource assistance or reimbursement for City personnel response costs incurred for a prolonged amount of time that are associated with COVID-19. Currently the Federal public health emergency is extended to January 21, 2021, unless an earlier termination date is announced or a further extension is granted.
3. Sends a mixed message to public, potentially undermining efforts to:
  - Inform and encourage public participation in health and safety mitigation measures
  - Implement City department/facility contingency of operations plans aimed at protecting staff health and insuring continued provision of city services.

Pros:

1. Allows reassignment of personnel time which has primarily been responding to the pandemic, i.e. PIOs and Incident Commander.
2. Minus a State disaster declaration, the AK Department of Health & Social Services or other state agencies may have their own authority to provide assistance to communities regardless of a local disaster declaration, so some assistance with COVID-19 response may continue.



### **Change in City COVID Risk Level**

Beginning October 29<sup>th</sup>, I transitioned the City organization to the “Orange” risk level. This change was made based on an analysis using the risk assessment framework presented as part of my CM Report on October 12<sup>th</sup>. As a result we returned to an alternative service delivery program for the Library, suspended in-person recreation at the HERC, and reverted to an intercom system at the public door of the Harbormaster’s Office. Voting continued without modification or interruption. We also recommitted to COVID best practices like face coverings and social distancing. I will continue to work with staff to re-evaluate our COVID risk level as our local context continues to evolve.

### **COVID Conflict**

Prior to shifting to an “Orange” risk level, some of our facilities were seeing increased conflict with members of the public who were not willing to adhere to the rules within City facilities. My office has initiated outreach to groups that can help us with de-escalation training for public facing employees. I hope to select a provider and offer this training in the very near future.

### **Homer Airport Terminal Update – COVID Adaptation**

In anticipation of flights being offered out of the Homer Airport Terminal once more, staff met to discuss COVID conscious protocols for the terminal building. These protocols include: requiring the use of masks while at the terminal; encouraging the public to wait in their cars prior to a flight or picking someone up; spacing out seating to encourage social distancing if someone must wait in the terminal; and providing hand sanitizer, among other practices implemented as COVID mitigation measures. Staff have yet to receive notice from RAVN concerning when they plan to take flight out of Homer. According to the company’s FAQ webpage (<https://ravnalaska.com/faq>), RAVN hopes to “return to flight in Alaska, hopefully by mid-November.” RAVN will be requiring all customers to wear face masks while on board flights and every plane will be sanitized prior to customers entering for their flight.

Enclosures:

1. GFOA Update: Memo and Supporting Materials



# City of Homer

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

Finance Department

491 East Pioneer Avenue  
Homer, Alaska 99603

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

(p) 907-235-8121

(f) 907-235-3140

## Memorandum

TO: Mayor Castner and Homer City Council  
THROUGH: Rob Dumouchel, City Manager  
FROM: Elizabeth Walton, Finance Director  
DATE: November 4, 2020  
SUBJECT: GFOA Distinguished Budget Presentation Award

---

The Finance Department received official notice on October 14, 2020 that the City of Homer received the GFOA Distinguished Budget Presentation Award for our FY20/21 Budget.

The department received a packet of information from GFOA that included: a confirmation letter, a press release template, an award to be included in our next budget document, and a completed rating form with accompanying commentary. This packet of information is attached with this memo.

The most informative portion of this packet is the rating form and accompanying commentary. Three separate people reviewed our budget document and assigned a rating to each of the categories. This rating form allows us to easily identify the weakest areas in our budget document. Those areas needing the most attention are “Strategic goals and strategies”, “Long-range financial plans”, and “Impact of capital investments on operating budget”. The lone area where the City received an outstanding rating is “Fund balance”.

### Strategic Goals and Strategies:

City Administration spent a significant amount of time during the last budget cycle identifying strategic goals and priorities for each of the city departments. Per included commentary, the City budget could benefit from “providing long-term, entity wide strategic goals”.

### Long-Range Financial Plans:

There is a requirement that “long range financial plans be identified for at least two years beyond the budget year”. We are lacking in this area. “Any impacts of the long range plan on the current budget” should also be noted.

### Impact of Capital Investments on Operating Budget:

Per commentary, more information should be given about the potential impacts on the operating budget that are associated with nonrecurring capital maintenance costs.

October 14, 2020

Elizabeth Walton  
Finance Director  
City of Homer  
491 E. Pioneer Ave.  
Homer, AK 99603

Dear Ms. Walton:

We are pleased to inform you, based on the examination of your budget document by a panel of independent reviewers, that your budget document has been awarded the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for the current fiscal period. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant achievement by your organization.

The Distinguished Budget Presentation Award is valid for two years. To continue your participation in the program, it will be necessary to submit your next biennial budget document to GFOA within 90 days of the proposed budget's submission to the legislature or within 90 days of the budget's final adoption. A Distinguished Budget Program application is posted on GFOA's website. This application must be completed and accompany your next submission. (See numbers 12 and 13 on page 2 of the application for fee information and submission instructions.)

Each program participant is provided with confidential comments and suggestions for possible improvements to the budget document. Your comments are enclosed. We urge you to carefully consider the suggestions offered by our reviewers as you prepare your next budget.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for its having achieved the award. Enclosed is a Certificate of Recognition for Budget Preparation for:

#### **Finance Department**

Continuing participants will find a brass medallion enclosed with these results. First-time recipients will receive an award plaque that will be mailed separately and should arrive within eight to ten weeks. Also enclosed is a camera-ready reproduction of the award for inclusion in your next budget. If you reproduce the camera-ready image in your next budget, it should be accompanied by a statement indicating continued compliance with program criteria.

The following standardized text should be used:

Elizabeth Walton

October 14, 2020

Page 2

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **City of Homer, Alaska**, for its Biennial Budget for the biennium beginning **January 1, 2020**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

A press release is enclosed.

Upon request, GFOA can provide a video from its Executive Director congratulating your specific entity for winning the Budget Award.

We appreciate your participation in this program, and we sincerely hope that your example will encourage others in their efforts to achieve and maintain excellence in governmental budgeting. The most current list of award recipients can be found on GFOA's website at [www.gfoa.org](http://www.gfoa.org). If we can be of further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,



Michele Mark Levine  
Technical Services Center

Enclosure

**FOR IMMEDIATE RELEASE**

October 14, 2020

**For more information, contact:**

**Technical Services Center**

**Phone: (312) 977-9700**

**Fax: (312) 977-4806**

**E-mail: [budgetawards@gfoa.org](mailto:budgetawards@gfoa.org)**

(Chicago, Illinois)--Government Finance Officers Association is pleased to announce that **City of Homer, Alaska**, has received GFOA's Distinguished Budget Presentation Award for its budget.

The award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- n a policy document
- n a financial plan
- n an operations guide
- n a communications device

Budget documents must be rated "proficient" in all four categories, and in the fourteen mandatory criteria within those categories, to receive the award.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for having achieved the award. This has been presented to **Finance Department**.

There are over 1,600 participants in the Budget Awards Program. The most recent Budget Award recipients, along with their corresponding budget documents, are posted quarterly on GFOA's website. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

*Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources and practical research for more than 20,500 members and the communities they serve.*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Homer**

**Alaska**

For the Biennium Beginning

**January 1, 2020**

*Christopher P. Morill*

Executive Director

**BUDGET REVIEW COMPOSITE RATING FORM**  
**GFOA Distinguished Budget Presentation Awards Program**

Agency: **Homer, AK**

Fiscal Year beginning: **January 2020**

Document number: **B9942545**

At least 2 of the three reviewers must rate the document "proficient" or "outstanding" on all four overall categories and all mandatory criteria in order for the document to receive the award

Information Not Present (1)			Does Not Satisfy (2)			Proficient (3)			Outstanding (4)			
R1	R2	R3	R1	R2	R3	R1	R2	R3	R1	R2	R3	
												<b>Introduction and Overview</b>
			✓	✓	✓	✓	✓	✓				* C1 Table of contents (mandatory)
						✓	✓	✓				P1 Strategic goals & strategies
						✓	✓	✓				P2 Short-term organization-wide factors influencing decisions
						✓	✓	✓				* P3 Priorities and issues (mandatory)
						✓	✓	✓				* C2 Budget overview (mandatory)
												<b>Financial Structure, Policy, and Process</b>
						✓	✓	✓				* O1 Organizational chart (mandatory)
						✓	✓	✓				F1 Fund descriptions and fund structure
						✓	✓	✓				O2 Department/fund relationship
						✓	✓	✓				F2 Basis of budgeting
						✓	✓	✓				* P4 Financial policies (mandatory)
						✓	✓	✓				* P5 Budget process (mandatory)
												<b>Financial Summaries</b>
						✓	✓	✓				* F3 Consolidated financial schedule (mandatory)
						✓	✓	✓				* F4 Three (four) year consolidated & fund financial schedules (mandatory)
						✓	✓	✓	✓			* F5 Fund balance (mandatory)
			✓	✓	✓	✓	✓	✓				* F6 Revenues (mandatory)
												F7 Long-range financial plans
												<b>Capital &amp; Debt</b>
	✓	✓	✓			✓	✓	✓				* F8 Capital expenditures (mandatory)
						✓	✓	✓				F9 Impact of capital investments on operating budget
						✓	✓	✓				* F10 Debt (mandatory)
												<b>Departmental Information</b>
						✓	✓	✓				* O3 Position summary schedule (mandatory)
						✓	✓	✓				* O4 Department descriptions (mandatory)
						✓	✓	✓				O5 Unit goals and objectives
				✓		✓	✓	✓				O6 Performance measures
												<b>Document-wide Criteria</b>
						✓	✓	✓				C3 Statistical/supplemental section
						✓	✓	✓				C4 Glossary
						✓	✓	✓				C5 Charts and graphs
					✓	✓	✓	✓				C6 Understandability and usability
												<b>Overall</b>
						✓	✓	✓				<b>Overall as a policy document</b>
						✓	✓	✓				<b>Overall as a financial plan</b>
						✓	✓	✓				<b>Overall as a operations guide</b>
						✓	✓	✓				<b>Overall as a communications device</b>

- N Special Capital recognition (three "outstanding" ratings on F8 and F9)
- N Special Performance Measure recognition (three "outstanding" ratings on O6)

**GOVERNMENT FINANCE OFFICERS ASSOCIATION  
DISTINGUISHED BUDGET PRESENTATION AWARDS PROGRAM  
BUDGET REVIEWER'S COMMENTS AND SUGGESTIONS**

**FOR: CITY OF HOMER, AK**

**YEAR: 2020-2021**

**INTRODUCTION AND OVERVIEW:**

The Table of Contents is included.

Strategic goals and strategies does not meet the criterion. This criterion relates to the long term, entity wide, strategic goals that provide the context for decisions within the annual budget. Consider including action plans or strategies on how the goals will be achieved. Refer to GFOA's best practice on Establishment of Strategic Plans.

Budget message is included and informative.

**FINANCIAL STRUCTURE, POLICY, AND PROCESS:**

Organization chart is included.

The description of funds is included.

Consider adding a matrix to explain the department / fund relationship.

Expand your Financial Policies. Refer to GFOA's best practices on Adopting Financial Policies.

**FINANCIAL SUMMARIES:**

Consolidated financial schedules are included and include the requisite years.

Expand the section on Revenues – include methods used to estimate revenues for the budget year – trend analysis, assumptions, etc.

Presentation of long range financial plans does not meet this criterion. This criterion requires the identification of long range financial plans that extend at least two years beyond the budget year. The impacts of the long range financial plan on the current budget and future years should be noted. Refer to GFOA best practices on Long Term Financial Planning.

**CAPITAL & DEBT:**

A presentation of Capital expenditures is included.

The impact of capital improvements on the operating budget does not meet the criterion. Anticipated operating costs associated with significant nonrecurring capital maintenance costs or additional utility costs should be included. Anticipated savings or revenues



**GOVERNMENT FINANCE OFFICERS ASSOCIATION  
DISTINGUISHED BUDGET PRESENTATION AWARDS PROGRAM  
BUDGET REVIEWER'S COMMENTS AND SUGGESTIONS**

**FOR: CITY OF HOMER, AK**

**YEAR: 2020-2021**

**CAPITAL & DEBT: (continued)**

expected to result from significant nonrecurring capital expenditures should be described and quantified such as reduced utility costs and lower maintenance costs

Debt information is included

**DEPARTMENT INFORMATION:**

The Position summary schedule is included.

Unit goals and objectives are included.

Performance measures do not meet the criterion. Performance measures should include the outputs of individual units and provide a meaningful way to assess the effectiveness and efficiency of those units. The measures should be related to the mission, goals, and objectives of each unit. Include information for at least three years – the prior year actual, current year estimate or budget and budget year. Refer to GFOA's best practice on A Systematic Approach to Managing Performance and Performance Management for Decision Making.

**DOCUMENT WIDE CRITERIA:**

Interesting and informative statistical information.

A glossary is included.

Document includes relevant charts and graphs.

Format all pages in portrait mode.

Reviewer I.D. # R909

Reviewer ID: T062  
Name of Entity: City of Homer  
Record Number:

Document Number: B994  
State/Province: AK  
Order Rec'd Number:

**Comments**

- \* **C1**      Pagination on pdf does not match document.
- P1      Strategic goals are not clear
- P2
- \* **P3**      Additional information on local economy and legislative considerations would be helpful.
- \* **C2**
  
- \* **O1**      Present on one page, if possible, even if page is landscape in document.
- F1
- O2      Consider a high-level chart showing funds and departments
- F2
- \* **P4**      Not clear if both sections are considered financial policies or just those in code
- \* **P5**
  
- \* **F3**      Clearly presented in tables--charts should be shown as landscape in document
- \* **F4**      Presentation of previous biennium meets this criterion.
- \* **F5**      Fund balance and policy are both shown on p. 52--outstanding.
- \* **F6**      Trend data on revenue sources would be helpful
- F7      Long-term projections for both operating and capital are needed to meet this criterion.
  
- \* **F8**
- F9      Information should be provided for individual projects.
- \* **F10**     Good information--see previous comments on formating.
  
- \* **O3**      Consider rounding to nearest tenth.
- \* **O4**      Good format for department pages.
- O5      Objectives should be measureable and clearly linked to strategic goals.
- O6      Keep working on measures--some are much stronger than others.
  
- C3      City Profile information (pp 36-7) well presented.
- C4      Good, thorough glossary--consider separate acronym list
- Good number of charts with informative content, but they are often not presented in landscape so
- C5      they can be viewed easily by the reader.
- C6

**OVERALL:** Budget contains good information. Additional work on strategic goals, measures and long-term financial planning will help ensure that policy makers understand the direction in which the city is headed. Keep up the good work.

**GOVERNMENT FINANCE OFFICERS ASSOCIATION**  
**DISTINGUISHED BUDGET PRESENTATION AWARDS PROGRAM**  
**BUDGET REVIEWERS COMMENTS AND SUGGESTIONS**

For: City of Homer AK  
Fiscal Year: 2020/2021  
Reviewer: T288  
Document Number: B9942545  
Order Received Number: 85623001

**Introduction and Overview**

There was little discussion of organization wide strategic goals or priorities that addressed long term goals. You did a good job discussing short term goals but there was a lack of any discussion how this fits in with the city's goals and mission statement.

**Financial Structure, Policy, and Process**

There was a good description and discussion of financial policies, and I liked the budget calendar, but I would have preferred that the budget calendar on page 41 was closer to the narrative on page 23.

**Financial Summaries**

The financial summaries covered the required years. Too many of the charts and tables were oriented the wrong way so that it was difficult to read on-line. This was very distracting and made the charts unusable.

**Capital and Debt**

Capital expenditures were shown, I would put more into the description so it would be clear why it is a capital project and not operating.. There was nothing about the impact on operations for the capital expenditures you had, nothing about any anticipated savings or increased costs that would result from the investments in capital.

**Departmental Information**

The performance measures were shown in separate tables and were clear and focused on results and accomplishments.

**Document-wide Criteria**

This was a good first submission, and the budget book will be greatly improved by only minor changes in the budget calendar, overview of the budget process, financial policies, operating impact of capital investments, and easier readability of the charts and graphs.

1 **CITY OF HOMER**  
2 **HOMER, ALASKA**

3 City Manager

4 **RESOLUTION 20-117**

5  
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
7 APPROVING A LEASE ASSIGNMENT ORIGINALLY HELD BY HARBOR  
8 LEASING LLC AND ASSUMED BY ALASKA GROWTH CAPITAL BIDCO,  
9 INC. TO SALMON SISTERS HOLDINGS LLC AND AUTHORIZING THE  
10 CITY MANAGER TO NEGOTIATE AND EXECUTE THE APPROPRIATE  
11 DOCUMENTS FOR A NEW TWENTY YEAR LEASE WITH OPTIONS  
12 FOR TWO CONSECUTIVE FIVE YEAR RENEWALS FOR A PORTION  
13 OF LOT 12C, PORT INDUSTRIAL SUBDIVISION NO. 4, PLAT 99-43,  
14 AT AN ANNUAL RATE OF \$29,785.32.

15  
16 WHEREAS, Alaska Growth Capital BIDCO (“AGC”) has requested to transfer its leasehold  
17 interest assumed from Harbor Leasing, LLC to Salmon Sisters Holdings, LLC as a result of their  
18 pending, time sensitive sale; and

19  
20 WHEREAS, Per Section 14.04 (f) of the lease originally held by Harbor Leasing LLC, as  
21 mortgagee AGC has the right to assign or transfer the estate to Salmon Sisters Holdings, LLC  
22 upon obtaining the City’s consent, which will not be unreasonably withheld or delayed; and

23  
24 WHEREAS, HCC 18.08.160 Assignment (b) states the City Manager must make a  
25 determination that a lessee is in full compliance with a lease before an assignment will be  
26 effective; and

27  
28 WHEREAS, Salmon Sisters Holdings, LLC submitted a lease application pursuant Homer  
29 City Code (HCC) 18 and will provide the City with any required additional documents prior to  
30 Port and Harbor Advisory Commission review and execution of the lease; and

31  
32 WHEREAS, HCC 18.08.70 and HCC 18.08.160 (c) 5. requires the Port and Harbor Advisory  
33 Commission review of the proposal prior to Council approval; and

34  
35 WHEREAS, Given the pending, time sensitive sale of the improvements from AGC to  
36 Salmon Sisters Holdings, LLC, HCC 18.08.70 and HCC 18.08.160 (c)5. are waived so that lease  
37 assignment approval is contingent upon receiving all required materials and a positive  
38 recommendation from the Port and Harbor Advisory Commission; and

39  
40 WHEREAS, Per both Section 14.04 (f) of the current lease and HCC 18.08.160 (4), Council  
41 shall approve or deny the request for lease assignment via resolution.

42 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves the  
43 lease assignment from Alaska Growth Capital BIDCO to Salmon Sisters Holdings, LLC, and  
44 authorizes the City Manager to negotiate and execute a new lease for a twenty year term with  
45 options for two consecutive five year renewals on a portion of Lot 12C, Port Industrial  
46 Subdivision No. 4, Plat 99-43, at an annual base rent of \$29,785.32.

47  
48 BE IT FURTHER RESOLVED that the City Manager will make a determination that AGC is  
49 in full compliance with a lease before an assignment to Salmon Sisters Holdings, LLC will be  
50 effective.

51  
52 BE IT FURTHER RESOLVED that the lease assignment to Salmon Sisters Holdings, LLC is  
53 contingent upon the City receiving all required documents and a positive recommendation  
54 from the Port and Harbor Advisory Commission.

55  
56 PASSED AND ADOPTED by the Homer City Council on this 9<sup>th</sup> day of November, 2020.

57  
58 CITY OF HOMER  
59  
60  
61  
62 \_\_\_\_\_  
63 KEN CASTNER, MAYOR

64 ATTEST:  
65  
66  
67 \_\_\_\_\_  
68 MELISSA JACOBSEN, MMC, CITY CLERK

69  
70 Fiscal Note: \$29,785.32 annually



## City of Homer

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

## Office of the City Manager

491 East Pioneer Avenue  
Homer, Alaska 99603

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

(p) 907-235-8121 x2222

(f) 907-235-3148

### Memorandum 20-189

TO: Mayor Castner and Homer City Council  
FROM: Rob Dumouchel, City Manager  
DATE: November 5, 2020  
SUBJECT: Lease Assignment to Salmon Sisters Holdings LLC

---

Alaska Growth Capital BIDCO assumed the 2008 lease from Harbor Leasing LLC. As mortgagee, AGC has requested to transfer the lease to Salmon Sisters Holdings LLC; approval of the transfer is contingent upon their cure of the defaults associated with the lease currently held by AGC.

Salmon Sisters Holdings LLC proposes using the “existing space to further develop their e-commerce, direct to consumer fish and merchandise sales” among the other proposed uses outlined in the October 20, 2020 lease application. As confirmed by the Planning Department on November 5, 2020, the proposed business uses Salmon Sisters Holdings LLC has listed for the property conform with Marine Industrial zoning code. Assigning the lease to Salmon Sisters Holdings LLC would cure AGC’s “occupational default” associated with the property, for the mortgagee will have found a tenant that can occupy the building and operate a business permissible under zoning code.

**GROUND LEASE AND SECURITY AGREEMENT**

**BETWEEN**

**CITY OF HOMER, ALASKA**

**AND**

**Dated \_\_\_\_\_, 20\_\_**

## GROUND LEASE AND SECURITY AGREEMENT

GROUND LEASE AND SECURITY AGREEMENT (“Lease”) dated as of [REDACTED], 20 [REDACTED], between the CITY OF HOMER, an Alaska municipal corporation (“Landlord”), whose address is 491 East Pioneer Avenue, Homer, Alaska 99603, and Salmon Sisters Holdings LLC, an Alaskan Limited Liability Company (“Tenant”), whose address is 1450 Candlelight Ct. Homer AK 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.

(l) "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

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

Lot 12(c) Port Industrial Subdivision No. 4, Plat 99-43, Homer Recording District, State of Alaska, as depicted on **Exhibit C**, containing 34,413 square feet, more or less, also known as Kenai Peninsula Borough Tax Parcel No. 18103452;

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

**3.01 Lease Term.** The term of this Lease is 20 years, commencing on December 1, 2020, and ending on November 30, 2040 (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.

**3.04 Holding Over.** 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 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 \$ 29,785.32(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 \$2,482.11, plus sales and all other taxes Landlord is authorized or obligated to collect on such transactions, on December 1, 2020, and on the 1<sup>st</sup> 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.** In the fifth year of the Term, 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 as 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.

**4.04 Utility Charges.** 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 commingle 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.

**4.08 Outfall Line Connection Agreement.** Tenant shall connect to the City of Homer fish processor outfall line. On or before the commencement of the Term of this Lease, Tenant shall enter into a Fish Processor Outfall Line Connection Agreement with Landlord, and thereafter at its own expense install and maintain a fish grinder as required by the Fish Processor Outfall Line Connection Agreement. Tenant shall comply with the terms of the Fish Processor Outfall Line Connection Agreement until the earlier to occur of (i) the expiration or earlier termination of the Term, and (ii) the date the City of Homer ceases to maintain the outfall line. Any default under the Fish Processor Outfall Line Connection Agreement shall be considered a default under this Lease.]

## **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.

**6.03 Construction Prerequisites.** 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;
- (2) 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.

**7.04 Compliance with Laws.** 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.

**7.10 Fish Dock Use Permit.** Before using the City of Homer Fish Dock, Tenant shall obtain a City of Homer Fish Dock Use Permit. Tenant shall continue to have a current Fish Dock Use Permit in force until the earlier to occur of (i) the expiration or earlier termination of the Term, and (ii) the date Tenant ceases to use the Fish Dock. ]

**7.11 Terminal Use Permit.** Before using City of Homer Docks other than the Fish Dock, Tenant shall obtain a City of Homer Terminal Use Permit. Tenant shall continue to have a current Terminal Use Permit in force until the earlier to occur of (i) the expiration or earlier termination of the Term, and (ii) the date Tenant ceases to use City of Homer Docks other than the Fish Dock.

## 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.

**9.03 Indemnity for Emergency Service Costs.** 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) Environmental remediation and environmental impairment liability, including sudden and accidental coverage, gradual pollution coverage, and clean-up 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.

**10.02 Prevention of Releases.** 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.

**10.03 Compliance with Environmental Laws.** 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.

**10.05 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 property. 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).

**10.07 Survival of Obligations.** 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.

**10.08 Claims against Third Parties.** 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.

**11.02 Total Taking.** 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.

**12.02 Landlord's Remedies.** 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.

**12.03 Assignment of Rents.** 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 Mortgagee 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

**14.01 Authority.** 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.

**14.04 Addresses for Notices.** 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:

Salmon Sisters Holdings LLC  
1450 Candlelight Ct  
Homer AK 99603  
Email: Claire.neaton@gmail.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.

**14.08 Captions.** 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.

**14.10 Parties Interested Herein.** 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.

**14.12 Broker's Commissions.** 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.

**14.16 Severability.** 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.

**14.18 Governing Law and Venue.** 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.

**14.19 Execution in Counterparts.** 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.** Landlord and Tenant are parties to a prior lease affecting the Property dated March 26, 2008, a memorandum of which has been recorded in the records of the Homer Recording District under Document No. 2009-000543-0 (the "Prior Lease"). This Lease replaces and supersedes the Prior Lease effective as of \_\_\_\_\_, 20\_\_, 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**

**SALMON SISTERS HOLDINGS LLC**

By: \_\_\_\_\_  
Robert Dumouchel, City Manager

\_\_\_\_\_  
Claire Neaton, Manager

**ACKNOWLEDGMENTS**

STATE OF ALASKA                    )  
  ) ss.  
THIRD JUDICIAL DISTRICT        )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 20\_\_, by Robert Dumouchel, City Manager of the City of Homer, an Alaska municipal corporation, on behalf of the City of Homer.

\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission Expires:

STATE OF ALASKA                    )  
  ) ss.  
THIRD JUDICIAL DISTRICT        )

The foregoing instrument was acknowledged before me on \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, as \_\_\_\_\_ (title) of Salmon Sisters Holdings LLC on behalf of Salmon Sisters Holdings LLC.

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Notary Public in and for Alaska

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**

**SCHEDULE OF ORGANIZATION, OWNERS,  
PERCENTAGE OF OWNERSHIP**

Tenant, Salmon Sisters Holdings LLC, is a Limited Liability Corporations 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. If Tenant is a foreign entity authorized to conduct business in Alaska, its certificate of authority is also attached

The managing members and their percentage of ownership are as follows:

Name <u>Claire Neaton</u>	<u>25.5</u> %
Address: <u>1450 Candlelight Ct. Homer AK 99603</u>	
Name <u>Emma Laukitis</u>	<u>25.5</u> %
Address: <u>1101 17<sup>th</sup> Ave Apt 204 Seattle WA 98122</u>	
Name <u>Michael Laukitis</u>	<u>24.5</u> %
Address: <u>41630 Gladys Ct. Homer AK 99603</u>	
Name <u>Shelly Laukitis</u>	<u>24.5</u> %
Address: <u>41630 Gladys Ct. Homer AK 99603</u>	
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)**

**Lot 12(c) Port Industrial Subdivision No.4, Plat 99-43, Homer Recording District, State of Alaska,  
also known as Kenai Peninsula Borough Tax Parcel No. 181-034-52**

**The described parcel contains approximately 34,413 square feet, more or less**

**EXHIBIT D**

**TENANT'S PROPOSED USE OF THE PROPERTY**

**(Section 6.01)**

## City of Homer Lease Application

Preamble --Salmon Sisters Holdings LLC. supports a working waterfront on the Homer Spit. The owners of the proposed lease are all commercial and sport fishermen who desire to maintain competitive buyers and fish processing in Homer.

We view our purchase of this bank owned facility as a distressed sale in that the facility was bankrupt and has been inoperable for over two years. Many prospective buyers have looked at this facility for their needs and passed. The enterprise value of the plant has declined dramatically. The condition of freezing and ice making plants is unknown. The status of fish stocks is dramatically lower than in 2008 when the last lease was adopted. Halibut landings in Homer in 2007 were 5 mil pounds and the Alaska total harvest was over 35 mil pounds. Last year Homer only processed approximately 2.5 mil pounds and state-wide only 17 million pounds of halibut were processed. The pacific cod GOA stocks declined 85% YOY in 2019, and the Kenai River Sockeye fishery is in long-term decline -- fishermen and processors are seeking a disaster declaration in 2020.) The VALUE of all of these fisheries has declined dramatically since 2008. On top of this there is only so much market share for fish landings to Homer. Any new processor potentially impacts existing processors that might be marginally healthy. The Covid pandemic magnifies business uncertainty. Our plans are under development, and we need flexibility to develop a sustainable business on this lease in Homer.

Type of business:

The facility has four spaces (see sublease description).

Salmon Sisters LLC will use existing space to further develop their e-commerce, direct to consumer fish and merchandise sales. They will use the retail counter for fish and merchandise, and the kitchen for "fresh catch" takeaway. They will use the warehouse for shipping and receiving, labeling, packaging and logistics.

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The processing, shop, mechanical, warehouse space will be used for processing commercial and sport seafood products, for secondary processing and manufacturing of food products, fish buying, cold storage, staging and logistical support, maintenance and repairs, as a general fisherman's and shipyard mechanical support facility, drydock and storage. Magic Fish Co. (owner of three boats) will immediately occupy this and some outside space.

The outside spaces will be used in support of the indoor facility and separately for storage, drydock, marine support, parking and mobile food service.

It may be necessary to have temporary seasonal caretaker housing.

And other uses as permitted under the City of Homer Marine Industrial District.

4. Subleases: Salmon Sisters Holdings LLC is currently developing plans for the lease and buildings. Our immediate identified business use will not fully utilize the facility or land. It is imperative that we sublet portions of the building and land to afford overhead costs.

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- 1.) upstairs office space (1600 ft sq);
- 2.) retail counter, commercial kitchen, warehouse e-commerce fulfillment space (approx. 1600 ft sq);
- 3.) processing/warehouse with blast and storage freezers and processing equipment, salt water pump and outfall line (2400 ft sq.)

All of the above have separate entrances and defined divisions.

4.) Outside spaces on the balance of the lot. Some of the outside space holds an ice machine and the refrigeration plant. We are determining at this time if these have value. Renting outside space for storage, logistics, maintenance, parking, etc. (as compatible with marine industrial zoning and our current use of the facility) will be developed.

We plan on immediately only occupying and using the number 2.) space. We are working on developing the best use for the other spaces either by our own businesses, partners or by others. For example, at this time we would look to rent the office space. (Possible tenants might be NMFS enforcement office, USCG, marine shipping or transportation companies, etc.)

**EXHIBIT E**  
**SITE PLANS**  
**(Section 6.02)**

HM 99-43

**SURETIES CERTIFICATE**

I hereby certify that I am a Registered Lead Surveyor and that this plan represents a survey made by me or under my direct supervision and the monument shown hereon clearly exist as described and that the dimensions and other data are correct to the best of my knowledge.

*Roger W. Knorr*  
 Date: 12-27-99  
 15 5760

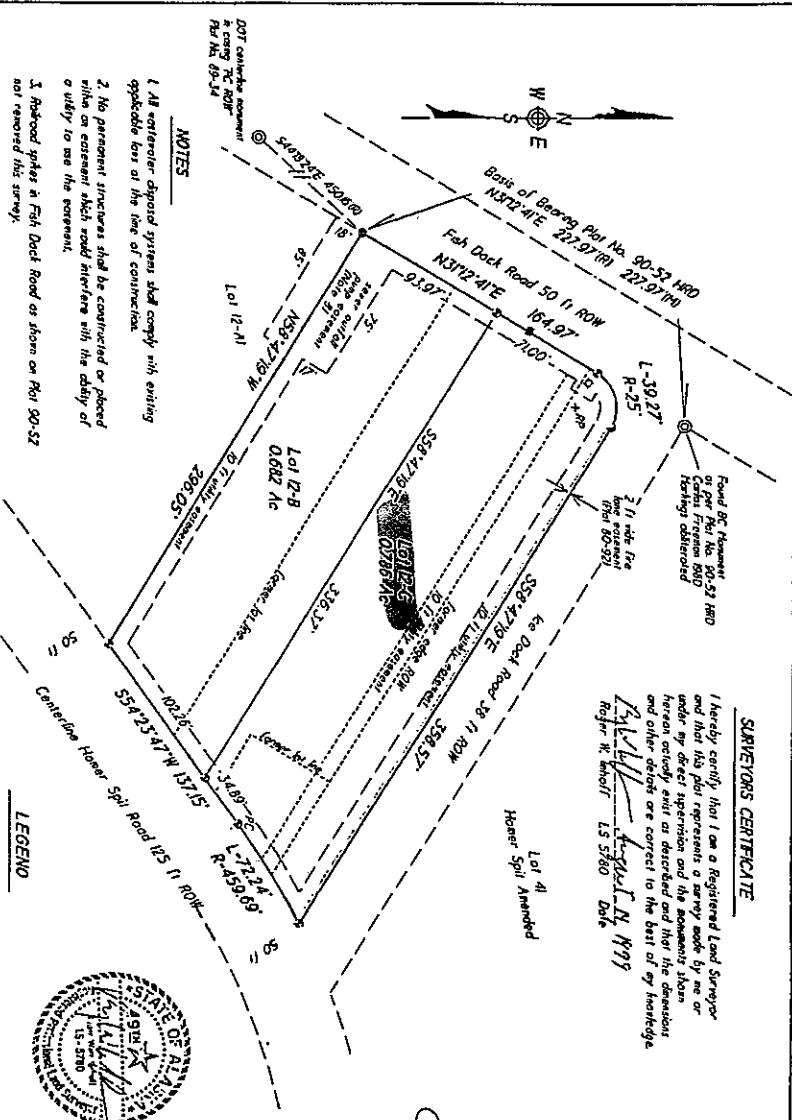
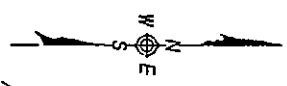
**OWNERSHIP CERTIFICATE**

We hereby certify that we are the owners of the real property shown and described hereon and that we hereby adopt this plan of subdivision and by our free consent consent of right-of-way to public use and grant all easements to the use shown.

*R. D. ...*  
 Date: 8-16-99  
 City of Homer  
 Ron Drachman, City Manager  
 491 East Pioneer Ave  
 Homer, AK 99603

Notary's Acknowledgment:  
 Subscribed and sworn to me before me this 16th day of August 1999.

*Mary E. ...*  
 Notary Public for Alaska  
 Commission Expires 12-24-99



**NOTES**

1. All exterior disposal systems shall comply with existing applicable law at the time of construction.
2. No permanent structures shall be constructed or placed within an easement which shall interfere with the ability of a utility to use the easement.
3. Railroad spikes in Fish Dock Road or shown on Plat 90-52 HRD not removed this survey.
4. 30 ft portion of Ke Dock Road received by action of the KPB Planning Commission at their meeting on July 12, 1999.
5. No access to State maintained rights-of-way permitted unless approved by State of Alaska Department of Transportation.
6. Source of data for Homer Spit Road is Plat No. 90-52 HRD.
7. All found and set monuments are buried 24 ft below grade.
8. Sewer outfall pump easement includes the front 10 ft of the 20 ft building setback of Fishdock Road and the remaining 10 ft of Lot 1G.

**LEGEND**

- Found 2 1/2" PVC Red Cap Monuments on per Plat 90-52 HRD
- Set self denuding 2" Aluminum Cap on 5/8" diameter x 16" long steel rebar this survey with a cross
- Set 1/2" square headed steel bolt stopped with a cross
- PVI Rhoads Pedestal
- Fire Hydrant with 15 x 15 ft utility and maintenance easement

**PLAT APPROVAL**

This plat was approved by the Kenai Peninsula Borough Planning Commission at the meeting of July 12, 1999.

KENAI PENINSULA BOROUGH

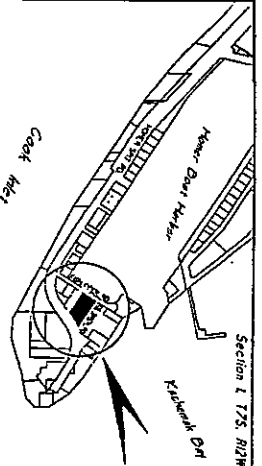
*Roger W. Knorr*  
 Authorizing Official

**WASTEWATER DISPOSAL**

Plans for wastewater that meet regulatory requirements are on file at the State of Alaska Department of Environmental Conservation.

*Roger W. Knorr*  
 August 11, 1999  
 15 5760

99-43-2002  
 Home Inspection  
 Date: 9/10/99  
 Time: 2:59 PM  
 Inspected by: EMANUELE  
 Address: [Redacted]



**City of Homer**

Being a Replat of Lot R-12, 12-A1 and 0 designated as Parking Reserve as shown on Record Plat 90-52 Homer Recording District

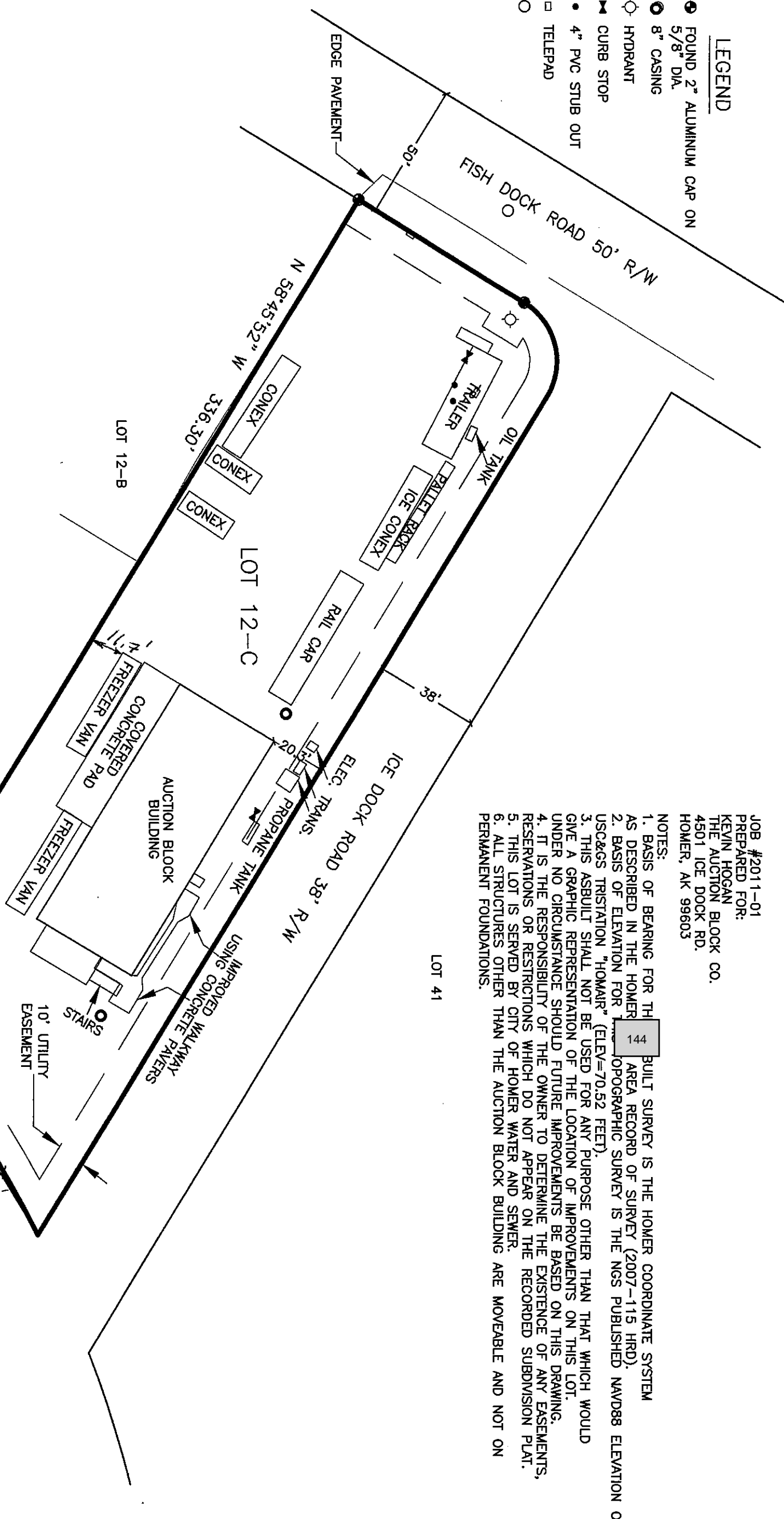
Located within the N 1/2 Sec. 1, T2S, R10W, S1K in the City of Homer, Third Judicial District, Alaska  
 Contains 1.468 Acres, more or less

Client: Homer 491 E. Pioneer Ave Homer, AK 99603	Surveyor: Roger W. Knorr, RLS P.O. Box 1288 Homer, AK 99603
Drawn: RWH   Case: KK E1 R1   FB 99-03	Date: 7-19-99
Scale: 1" = 30 ft	File: recheck.wcd
	KPB File No. 99-080

**EXHIBIT F**  
**FLOOR PLANS**  
**(Section 6.02)**

**LEGEND**

- FOUND 2" ALUMINUM CAP ON 5/8" DIA.
- 8" CASING
- HYDRANT
- ⊠ CURB STOP
- 4" PVC STUB OUT
- TELEPAD



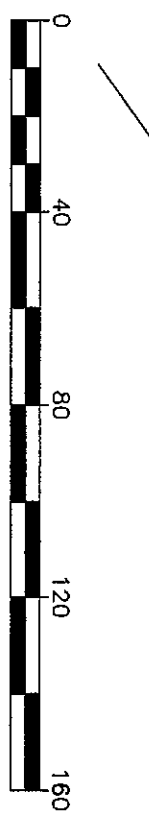
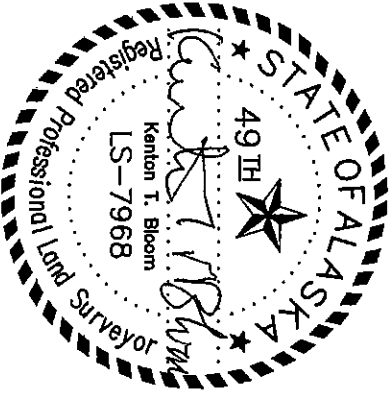
JOB #2011-01  
 PREPARED FOR:  
 KEVIN HOGAN  
 THE AUCTION BLOCK CO.  
 4501 ICE DOCK RD.  
 HOMER, AK 99603

- NOTES:
1. BASIS OF BEARING FOR THIS SURVEY IS THE HOMER COORDINATE SYSTEM AS DESCRIBED IN THE HOMER AREA RECORD OF SURVEY (2007-115 HRD).
  2. BASIS OF ELEVATION FOR THIS SURVEY IS THE NGS PUBLISHED NAVD88 ELEVATION OF USC&GS TRISTATION "HOMER" (ELEV=70.52 FEET).
  3. THIS ASBUILT SHALL NOT BE USED FOR ANY PURPOSE OTHER THAN THAT WHICH WOULD GIVE A GRAPHIC REPRESENTATION OF THE LOCATION OF IMPROVEMENTS ON THIS LOT. UNDER NO CIRCUMSTANCE SHOULD FUTURE IMPROVEMENTS BE BASED ON THIS DRAWING.
  4. IT IS THE RESPONSIBILITY OF THE OWNER TO DETERMINE THE EXISTENCE OF ANY EASEMENTS, RESERVATIONS OR RESTRICTIONS WHICH DO NOT APPEAR ON THE RECORDED SUBDIVISION PLAT.
  5. THIS LOT IS SERVED BY CITY OF HOMER WATER AND SEWER.
  6. ALL STRUCTURES OTHER THAN THE AUCTION BLOCK BUILDING ARE MOVEABLE AND NOT ON PERMANENT FOUNDATIONS.

I HEREBY CERTIFY THAT I HAVE SURVEYED THE FOLLOWING REAL PROPERTY:  
 LOT 12-C, PORT INDUSTRIAL NO. 4 (PLAT No. 99-43 HRD)  
 LOCATED IN THE N 1/2 SEC. 1, T. 7 S., R. 13 W., S.M., ALASKA, HOMER RECORDING DISTRICT,  
 AND THAT THE IMPROVEMENTS SITUATED THEREON ARE LOCATED AS SHOWN ON THIS PLAT AND  
 THAT THERE ARE NO ROADWAYS, TRANSMISSION LINES OR OTHER VISIBLE EASEMENTS OR  
 ENCROACHMENTS ON SAID PROPERTY EXCEPT AS SHOWN.

DATED, AT HOMER, ALASKA THIS 30TH DAY OF MARCH, 2011.

SEABRIGHT SURVEY + DESIGN  
 1044 EAST END ROAD, SUITE A  
 HOMER, ALASKA 99603  
 (907) 235-4247



SEABRIGHT SURVEY + DESIGN  
 1044 EAST RD. SUITE A  
 HOMER, ALASKA 99603  
 (907) 235-4247  
 SEABRIGHT@SEABRIGHTALASKA.COM

**THE AUCTION BLOCK CO.**  
 PORT INDUSTRIAL NO. 4  
 ASBUILT AND TOPO

DATE APRIL 2008  
 DRAWN SCS  
 CHECKED SCS  
 SCALE AS SHOWN  
 PROJ NO. 08-11



**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 \_\_\_\_\_ (“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: \_\_\_\_\_

**TENANT NAME**

By:

\_\_\_\_\_ (printed name)  
\_\_\_\_\_ ( title)

By: \_\_\_\_\_  
\_\_\_\_\_ (printed name)  
\_\_\_\_\_ ( title)



## 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:	
Business Name:	Salmon Sisters Holdings LLC.
Email Address:	claire.neaton@gmail.com
Mailing Address:	1450 candlelight ct.
City, State, ZIP code:	Homer, AK 99603
Business Telephone No.:	907-299-0112
Representative's Name:	Claire Newton
Mailing Address:	1450 candlelight ct.
City, State, ZIP code:	Homer, AK 99603
Business Telephone No.:	907-299-0112
Property Location:	1401 Ice Dock Rd.
Legal Description:	Lot 12 Port Industrial Subdivision 4 tax parcel 181-034-52
Type of Business to be placed on property:	see attached:
Duration of Lease requested:	20 yrs
Options to re-new:	5 yrs + 5 yrs

**The following materials must be submitted when applying for a lease of  
City of Homer real property**

<p>1.</p>	<p><b>Plot Plan</b>  <i>ON File</i></p>	<p><u>A drawing of the proposed leased property showing:</u></p> <p><input type="checkbox"/> Size of lot - dimensions and total square footage (to scale)</p> <p><input type="checkbox"/> Placement and size of buildings, storage units, miscellaneous structures planned (to scale).</p> <p><input type="checkbox"/> Water and sewer lines – location of septic tanks, if needed.</p> <p><input type="checkbox"/> Parking spaces – numbered on the drawing with a total number indicated</p>																				
<p>2.</p>	<p><b>Development Plan</b>  <i>NA</i></p>	<p><input type="checkbox"/> <u>List the time schedule from project initiation to project completion, including major project milestones.</u></p> <table border="0"> <thead> <tr> <th align="left">Dates</th> <th align="left">Tasks</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table> <p>For each building, indicate:</p> <table border="0"> <thead> <tr> <th align="left">Building Use</th> <th align="left">Dimensions and square footage</th> </tr> </thead> <tbody> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> <tr><td>_____</td><td>_____</td></tr> </tbody> </table>	Dates	Tasks	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	Building Use	Dimensions and square footage	_____	_____	_____	_____	_____	_____
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_____	_____																					
<p>3.</p>	<p><b>Insurance</b> <i>see letter</i></p>	<p><input checked="" type="checkbox"/> 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.</p>																				
<p>4.</p>	<p><b>Subleases</b> <i>See Attachment</i></p>	<p><input checked="" type="checkbox"/> 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.</p>																				
<p>5.</p>	<p><b>Health Requirements</b> <i>City water + sewer</i>  <i>at Fall DEC permit # AKG520000</i></p>	<p><input checked="" type="checkbox"/> 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.</p>																				

6.	<b>Agency Approval</b> <i>on file for existing buildings</i>	<input checked="" type="checkbox"/> 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.
7.	<b>Fees</b>	<u>All applicable fees must be submitted prior to the public meeting preparation.</u>  <input checked="" type="checkbox"/> <b>Application fee - \$30.00.</b> Please make check payable to the City of Homer.  <input checked="" type="checkbox"/> <b>Lease fee - \$300.00.</b> Please make check payable to the City of Homer.
8.	<b>Financial Data</b>    <i>Attached ←</i>	<u>Please indicate lessee's type of business entity:</u>  <input type="checkbox"/> Sole or individual proprietorship. <input type="checkbox"/> Partnership. <input type="checkbox"/> Corporation. <input checked="" type="checkbox"/> Other – Please explain: <u>LLC</u>  <hr/> <input type="checkbox"/> <b>Financial Statement</b> – <u>Please attach a financial statement showing the ability of the lessee to meet the required financial obligations.</u>  <input type="checkbox"/> <b>Surety Information</b> – 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 <input checked="" type="checkbox"/> No <input type="checkbox"/> 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.  <input type="checkbox"/> <b>Bankruptcy information</b> - 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? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach a statement indicating state, date, Court having jurisdiction, case number and to amount of assets and debt.  <input type="checkbox"/> <b>Pending Litigation</b> – Are you or any of the principals of your organization holding more than a 10% interest presently a party to any pending litigation? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. If yes, please attach detailed information as to each claim, cause of action, lien, judgment including dates and case numbers.

9. Partnership Statement

NA

If the applicant is a partnership, please provide the following:

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 \_\_\_\_\_

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 Incorporation: Oct 15, 2020

State of Incorporation: AK

Is the Corporation authorized to do business in Alaska?

No  Yes. Is so, as of what Date? Oct 15, 2020

Corporation is held?  Publicly  Privately If publicly held, how and where \_\_\_\_\_ is \_\_\_\_\_ the \_\_\_\_\_ stock \_\_\_\_\_ traded?

Officers & Principal Stockholders [10%+]:

Name	Title	Address	Share
CLAIRE NENTON	MANAGER	1450 Candlelight Ct.	25.5%
EMMA LAUKITIS	MANAGER	1101 17th Ave Apt 204 Seattle, WA 98122	25.5%
Michael LAUKITIS	MGR	41630 GLADYS Ct.	24.5%
Shelley LAUKITIS	MGR	"	24.5%

Please furnish a copy of Articles of Incorporation and By-laws.

Please furnish name and title of officer authorized by Articles and/or By-laws to execute contracts and other corporate commitments.

Name	Title
Claine Nenton	Manager Agent



<p>11. Applicant References</p>	<p>Please list four persons or firms with whom the Applicant or its owners have 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.</p> <hr/> <p>Name: <u>CINDA MARTIN</u>  Firm: <u>WELLS FARGO</u>  Title: <u>VICE PRESIDENT</u>  Address: <u>88 STERLING HIGHWAY HOMER AK 99003</u>  Telephone: <u>907 399 4574</u>  Nature of business association with Applicant: <u>Applicants have worked with Cinda Martin at Homer Wells Fargo branch for the past three years - knowledge of business expertise.</u></p> <p>Name: <u>DANA CARRELL</u>  Firm: <u>CRYSTAL CREEK LOGISTICS</u>  Title: <u>ACCOUNT MANAGER</u>  Address: <u>2900 SALASHAN LOOP FERNDALE WA 98248</u>  Telephone: <u>360 325 8129</u> <u>dana@crystalcreeklogistics.com</u>  Nature of business association with Applicant: <u>salmon systems <sup>salmon</sup> <sup>systems</sup> <sup>com</sup> has used Crystal Creek Logistics for the past three years to fulfill orders for frozen sea food.</u></p> <p>Name: <u>MARK ANDERSON</u>  Firm: <u>SILVER BAY SEAFOODS</u>  Title: <u>MANAGER - FLEET + FALSE PASS ALASKA</u>  Address: <u>4039 21ST AVE W SUITE 201, SEATTLE WA 98119</u>  Telephone: <u>206-300-1358</u> <u>907 204 1123</u>  Nature of business association with Applicant: <u>Applicants have worked with Mark Anderson in commercial fishing sector for the past three years - knowledge of business expertise.</u></p> <p>Name: <u>MEMO TORRES</u>  Firm: <u>HONEYWELL SAFETY PRODUCTS - XTRATUF</u>  Title: <u>COLLECTIONS SPECIALIST</u>  Address: <u>20 THURBER BLVD, SMITHELD RI 02917-1879</u>  Telephone: <u>833 604 1197 ext 2117</u> <u>Luisguillermo. torres@honeywell.com</u>  Nature of business association with Applicant: <u>ext: 8005028, salmon systems <sup>salmon</sup> <sup>systems</sup> <sup>com</sup> purchased product - XTRATUF boots from Honeywell safety product for the past three years. collections specialist info above.</u></p>
---------------------------------	---

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

Signature:

*Clayton*

Date:

November 4, 2020

## City of Homer Lease Application

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November 4, 2020

Salmon Sisters Holdings, LLC

RE: City of Homer Lease Application

To whom it may concern,

This letter confirms that Salmon Sisters Holdings, LLC is working with Coastline Insurance Agency, and **will** have coverage in place for the property located 4501 Ice Dock Road, Homer, AK 99603. This coverage has been quoted, and is ready to be in place by December 1<sup>st</sup>, 2020.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian Vecellio', with a long horizontal line extending to the left.

Brian Vecellio

Owner

Coastline Insurance Agency

Salmon Sisters Holdings LLC

Salmon Sisters Holdings LLC's managing members met on Oct 18 and approved the following Resolution:

Salmon Sisters Holdings LLC shall be authorized to enter into a long term ground lease with the City of Homer for Lot 12-C Port Industrial Subdivision and the Managing members ( and specifically the Managing Agent) shall be authorized to execute the required documents.

Claire Meaton

Claire Meaton Agent October 20 2020 Date



THE STATE  
of **ALASKA**

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing  
PO Box 110806, Juneau, AK 99811-0806  
(907) 465-2550 • Email: corporations@alaska.gov  
Website: corporations.alaska.gov

FOR DIVISION USE ONLY

**Domestic Limited Liability Company**  
**Initial Biennial Report**

**Entity Name:** Salmon Sisters Holdings, LLC  
**Entity Number:** 10145239  
**Home Country:** UNITED STATES  
**Home State/Prov.:** ALASKA  
**Physical Address:** 4501 ICE DOCK ROAD, HOMER, AK 99603  
**Mailing Address:** 1450 CANDLELIGHT COURT, HOMER, AK 99603

**Registered Agent** information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.

**Name:** Claire Neaton  
**Physical Address:** 1450 CANDLELIGHT COURT, HOMER, AK 99603  
**Mailing Address:** 1450 CANDLELIGHT COURT, HOMER, AK 99603

**Officials:** The following is a complete list of officials who will be on record as a result of this filing.

- **Provide all officials and required information. Use only the titles provided.**
- **Mandatory Members:** this entity must have at least one (1) Member. A Member must own a %. In addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
- **Manager:** If the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Full Legal Name	Complete Mailing Address	% Owned	Member
Claire Neaton	1450 Candlelight Court, Homer, AK 99603	25.5	X
Emma Laukitis	1450 Candlelight Court, Homer, AK 99603	25.5	X
Michael Laukitis	41630 Gladys Court, Homer, AK 99603	24.5	X
Shelly Laukitis	41630 Gladys Court, Homer, AK 99603	24.5	X

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

**NAICS Code:** 531190 - LESSORS OF OTHER REAL ESTATE PROPERTY

**New NAICS Code (optional):**

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

State of Alaska  
Department of Commerce, Community, and Economic Development  
Corporations, Business, and Professional Licensing

# Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

**Salmon Sisters Holdings, LLC**



IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective **October 15, 2020**.



Julie Anderson  
Commissioner



THE STATE  
of **ALASKA**

Department of Commerce, Community, and Economic Development  
Division of Corporations, Business, and Professional Licensing  
PO Box 110806, Juneau, AK 99811-0806  
(907) 465-2550 • Email: corporations@alaska.gov  
Website: corporations.alaska.gov

FOR DIVISION USE ONLY

## Articles of Organization

### Domestic Limited Liability Company

Web-10/15/2020 12:56:34 PM

#### 1 - Entity Name

**Legal Name:** Salmon Sisters Holdings, LLC

#### 2 - Purpose

Engage in the acquisition, development, lease and management of commercial property, and any other lawful purpose and business.

#### 3 - NAICS Code

531190 - LESSORS OF OTHER REAL ESTATE PROPERTY

#### 4 - Registered Agent

**Name:** Claire Neaton

**Mailing Address:** 1450 Candlelight Court, Homer, AK 99603

**Physical Address:** 1450 Candlelight Court, Homer, AK 99603

#### 5 - Entity Addresses

**Mailing Address:** 1450 Candlelight Court, Homer, AK 99603

**Physical Address:** 4501 Ice Dock Road, Homer, AK 99603

#### 6 - Management

The limited liability company is managed by its members.

#### 7 - Officials

Name	Address	% Owned	Titles
Claire Neaton			Organizer
Michael Laukitis			Organizer
Shelly Laukitis			Organizer
Emma Laukitis			Organizer

**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

**Salmon Sisters Holdings, LLC**

1450 Candlelight Court, Homer, AK 99603

owned by

Salmon Sisters Holdings, LLC

is licensed by the department to conduct business for the period

October 15, 2020 to December 31, 2021  
for the following line(s) of business:

53 - Real Estate, Rental and Leasing

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



**Name of person completing this online application**

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

**Name:** Tracey Tillion

1 **CITY OF HOMER**  
2 **HOMER, ALASKA**

3 City Manager/Finance Director

4 **RESOLUTION 20-118**

5  
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
7 AMENDING THE CITY OF HOMER WATER AND SEWER RATES AND  
8 UPDATING THE HOMER FEE SCHEDULE ACCORDINGLY.

9  
10 WHEREAS, Water and sewer utility services shall be reviewed annually shall take effect  
11 as of January 1, 2021; and

12  
13 WHEREAS, Based on a the water sewer rate model prepared by the Water Sewer Rate  
14 Task Force and adopted by the Homer City Council in Resolution 13-048(S-2)(A-3) adjustments  
15 to the rates are recommended and warranted to reflect the true cost of water and sewer  
16 services.

17  
18 NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, that the  
19 water and sewer fees be amended and the Homer Fee Schedule be updated as follows:

20  
21 **SEWER**

22  
23 **Customer Classification Definitions for Determining Sewer Connection and Extension**  
24 **Permit Fees**

25 Single Family Residential: A unit providing housing for one household; with less than 25% of the  
26 building area used for business or commercial purposes.

27 Multi-Family Residential: A building or lot occupied by more than one household: contained within one  
28 building or several buildings within one complex. Examples of multi-family units includes duplexes,  
29 four-plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one  
30 lot (where units are normally rented or occupied for longer than one month at a time). Examples of  
31 units not considered as multi-family include hotels, motels, B&B's seasonal rooms/cabins (where units  
32 are routinely rented or occupied for less than one month at a time.)

33 Commercial: Any user not defined as Residential.

<b>Sewer Connection Permit Fee</b>	
Single Family	\$255.00*
Multi-Family/Commercial	\$330.00*
*All other fees for delayed or deferred services, in lieu of assessments and necessary right-of-way permits, shall be in addition to the permit fee. A property owner installing a sewer connection which qualifies for a deferred assessment payment or makes a payment in lieu of assessment shall pay the assessment prior to issuance of the connection permit.	

34



35

36 **Customer Classification Definitions for Determining Sewer Rates**

37 Lift Station Zone Customer: There are eleven sewage lift/pump stations that are used for pumping  
 38 wastewater or sewage from areas with lower elevation than the treatment plant. Customers who are  
 39 located in these areas shall be charged additional fees for the cost added to the services (see Table I  
 40 and II).

41 Non-Lift Station Zone Customer: Customers who are located in the zone that do not need lift/pump  
 42 station services.

43 Sewer System Dischargers (Sewer ONLY customers): Customers who use sewer service only shall be  
 44 charged a monthly fee of \$5 plus sewer usage fee based on assessed volume of 3,000 gallons per month  
 45 multiplied by the applicable sewage rate (see Table II). Kachemak City Local Improvement District (LID)  
 46 members have contributed to the initial cost of the sewer treatment plant and the collection system.  
 47 For Kachemak City LID dischargers connected within the LID, the City of Homer shall bill Kachemak City  
 48 in one single bill at the Lift-Station Zone Rate of \$73.95 (\$67.20 +\$6.75) per month per customer.  
 49 Kachemak City shall be billed a \$5 monthly service charge to cover all Kachemak City sewer customers  
 50 and shall be responsible for payment to the City of Homer.  
 51

52 **Sewer Rate Schedule**

53 All sewer utility services shall be billed according to the following schedule (Table I, II). This schedule  
 54 is for monthly sewer services and is in addition to any charges for connecting or disconnecting the  
 55 service, installation of the service, or any assessment of the improvements.

**Sewer Rates**

**Table I**

Customer Classification	Monthly Service	Usage Charge/Gallon
Lift-Station Customer		\$0.0224 \$_____
Non-Lift-Station Customer		\$0.0145 \$_____
Multi-units (additional per unit)	\$5.00	N/A

**Sewer ONLY Customers Rates**

**Table II**

	Fees/Rate/Usage	Per Customer Per Month
Lift-Station Customer	\$0.0224/Gal	\$67.20 \$_____
Non-Lift-Station Customer	\$0.0145/Gal	\$43.50 \$_____
Monthly Service	\$5.00/customer/mo.	\$5.00 (Kachemak City customers will be exempt from \$5 monthly service fee. Kachemak City will be billed a \$5 monthly service fee to cover all Kachemak City sewer customers.)

Pumping Fee (If Applicable)	\$6.75/customer/mo.	\$6.75
Assumption: Avg. Sewer Usage	3,000 Gal/Mo.	

56

57 Domestic sewer service customers who use large quantities of City water in addition to their domestic  
 58 use shall be allowed, with the Public Works Director's approval, to install an additional water meter on  
 59 the domestic water use line for the purpose of metering and charging for domestic sewer system use.  
 60 Sewer system use will be billed monthly.

61 The City will allow, upon approval by Public Works and a permit from the Public Works Department, a  
 62 second water usage meter – called a seasonal sewer meter – for each customer that desires to measure  
 63 the flow of City water that is not discharged to the sewer system during the summer growing season,  
 64 June 15 through September 15. Rates noted above do not apply.

65 Seasonal Sewer Meter Fee is \$251.75.

66 This second meter will be read monthly during the summer and sewer charges will be credited  
 67 monthly. The meter may not be subject to read during the fall and winter months. Any charges  
 68 accrued during that period will be reflected the first billing cycle the meter is read.

69

70

71

72 **WATER**

73

74 A 4.85% of total charges charged to every customer outside of city limits in lieu of city sales tax will be  
 75 applied to those water accounts outside city limits.

76

77 **Customer Classification Definitions for Determining Water Connection and Extension**  
 78 **Permit Fees**

79 Single Family Residential: A unit providing housing for one household; with less than 25% of the  
 80 building area used for business or commercial purposes.

81 Multi-Family Residential: A building or lot occupied by more than one household: contained within one  
 82 building or several building within one complex. Examples of multi-family units includes duplexes, four-  
 83 plexes and up, apartments, condominiums, co-housing projects, and multiple structures on one lot  
 84 (where units are normally rented or occupied for longer than one month at a time). Examples of units  
 85 not considered as multi-family include hotels, motels, B&B's seasonal rooms/cabins (where units are  
 86 routinely rented or occupied for less than one month at a time.)

87 Commercial: Any user not defined as Residential.

Water Connection Fee	
Single Family	\$300.00*
Multi-Family/Commercial	\$375.00*
*All other fees for delayed or deferred services, in lieu of assessments and necessary right-of-way permits, shall be in addition to the permit fee. A property owner installing a water connection	

which qualifies for a deferred assessment payment or makes a payment in lieu of assessment shall pay the assessment prior to issuance of the connection permit.

88

89 **Customer Classification Definitions for Determining Water Rates**

90 Bulk Water Customers: The bulk water customers are the resellers of water or water users who  
91 purchase water from the water plant directly and are not in the metered water distribution system.

92 Non-Bulk Customers: All customers who receive water from the metered water distribution system.

93 Multi-Units: An additional \$5 monthly charge shall apply to each of the units of a building or lot  
94 occupied by more than one household or commercial entity contained within one building or several  
95 buildings within one complex. Examples of multi-family units include duplexes, four-plexes and up,  
96 apartments, condominiums, co-housing projects, and multiple structures on one lot (where units are  
97 normally rented or occupied for longer than one month at a time). Examples of units not considered as  
98 multi-family include hotels, motels, and B&B's seasonal rooms/cabins (where units are routinely rented  
99 or occupied for less than one month at a time.)

100 This fee applies to all multi-unit structures defined in the sewer section of this for apartments, rental  
101 units or multi-unit buildings where each unit would have one or more restrooms and are intended to  
102 be rented on a monthly basis where there is only one meter installed, excluding a rental building  
103 restroom used for shared or public use.

104

105 **Water Rate Schedule**

106 All water utility services shall be billed according to the following schedule. This schedule is for monthly  
107 water service and is in addition to any charges for connecting or disconnecting the service, installation  
108 of the service or any assessment of the improvements.

**Water Rates**

**Table III**

Customer Classification	Monthly Service	Usage Charge/Gallon
Lift-Station Customer	\$13.00	\$0.0132 \$_____
Non-Lift-Station Customer	\$13.00	\$0.0132 \$_____
Multi-units (additional per unit)	\$5.00	
Bulk Water	\$13.00	\$0.0172 \$_____

109

110 **Meter Size Deposits**

111 \$750 meter deposit shall apply to metered fire hydrant connections. The deposit will be returned when  
112 the meter is returned undamaged. This deposit may be waived upon the recommendation of the Public  
113 Works Superintendent.

114 If a bulk water customer purchases a meter from the City for measuring the quantity of water  
115 purchased, it shall be exempt from the monthly meter service charge. It is the responsibility of the bulk  
116 water customer to maintain that meter so the City can accurately determine the amount of water being  
117 purchased. In the event the meter fails, it is the bulk water customer's responsibility, at its expense, to

118 repair it or purchase a replacement meter from the City. The City may at any time test the meter for  
119 accuracy.

Size (inches)	Residential Users	Non-residential Users
5/8	\$75.00	\$220.00
3/4	\$80.00	\$230.00
1	\$90.00	\$250.00
1-1/2	\$115.00	\$310.00
2	\$150.00	\$370.00
3	\$220.00	\$525.00
4	\$310.00	\$730.00
6	\$520.00	\$1,225.00

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PASSED AND ADOPTED by the Homer City Council on this \_\_\_\_ day of November, 2020.

CITY OF HOMER

\_\_\_\_\_  
KEN CASTNER, MAYOR

ATTEST:

\_\_\_\_\_  
MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: Revenue amounts defined in CY2021 budget.