



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

City of Homer Agenda

City Council Worksession

Monday, June 06, 2022 at 6:00 PM

In Person at City Hall Cowles Council Chambers and Zoom Webinar

<https://cityofhomer.zoom.us/j/96586314135?pwd=WTdvVHdDVmxxZHJwaC9ZNmFYlZ3dz09>

Dial: (669) 900 6833 or (253) 215 8782 or Toll Free (888) 788 0099 or (877) 853 5247

Webinar ID: 965 8631 4135 Password: 792566

CALL TO ORDER, 6:00 P.M.

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

DISCUSSION TOPIC(S)

- a. Homer Education and Recreation Complex (HERC)

Memorandum 22-094 from Economic Development Manager Engebretsen re: HERC

COMMENTS OF THE AUDIENCE (3 minutes)

ADJOURNMENT

Next Regular Meeting is Monday, June 27, 2022 at 6:00 p.m., Committee of the Whole at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.



Memorandum 22-094

TO: Mayor Castner and Homer City Council
THROUGH: Melissa Jacobsen, Acting City Manager
FROM: Julie Engebretsen, Economic Development Manager
DATE: June 6, 2022
SUBJECT: HERC

Purpose

The purpose of this work session is to have a conversation. Staff and the public have provided Council with a LOT of information over the past 6 months. I really want to know what your thoughts are, what information you need, and what concerns you have.

Council Priorities

Addressing the HERC buildings and site are a Council Priority from 2020. At this year's Council visioning session, Council members brought up the need to address youth recreation engagement, and also the need for a 5-10 year plan for recreation services and associated budget costs. Our collective work on the HERC site raises these same issues! Planning for a new facility goes hand in hand with planning for staffing levels. This memo below outlines some near term steps to align the path to a new facility with the minimum operational staffing needs.

Four Steps to Re-use and Re-new the HERC Site

Broadly, there are four big picture tasks to move forward. My request of Council for this work session is be ready to talk about the big picture. The fine details of who and how the work will happen is evolving. The first two steps are near term – 1-2 years, and the last two steps are longer term, 3-5 years.

1. Demolish the smaller building

Much to staff surprise, it appears there are at least three opportunities for demolition funding. All three options require demolition as part of the project, which could also include some new facility planning. Public Works has also been working with interested citizens to see what local options there are for demolition and cost control... as well as looking at where PW staff could move and associated costs.

Discussion topic: What does Council think about moving PW staff to a leased space, and demolishing the smaller structure?

2. Make decisions on level of funding for recreation facility staff

Construction funding through a bond or grant is fairly straightforward - we have a track record with the library and police station. What our city is less experienced with is planning ahead for the staffing support for additional building area and the expansion of services. Staff estimates a community facility could need an additional \$400,000 per year for operational costs. One of the ways the City can approach this expense is to consider adding positions in the next budget cycle. Fiscal scenario planning is key to this new facility and service expansion. Although the city just adopted the mid- biennium budget adjustment, conversation begins this fall on the next two year budget.

At least one position would be a recreation position (clerical support is sorely needed by the Parks Maintenance and Recreation divisions). Other staffing could be allocated between parks/recreation, building maintenance and janitorial work, as those are also understaffed. If the cost of two employees is too steep for the city budget to absorb, that is a roadblock to building a new building and expanding existing services.

Discussion topic: Increase staffing by 2 FTE in the next budget cycle.

3. Finalize facility plans, cost and construction bond measure

Currently, the City is projected to have funds to pay for the police station in 2025, and the dedicated sales tax for that bond will automatically expire. Staff is asking Council to set some parameters for potential timing of a new bond measure, and the amount of money we may borrow. Over the life of a 20 year bond, the city may need to build or rehab more than one facility. Staff is looking for a very rough idea of Council's debt comfort level. Please provide a range of what you would support for new facility construction. *For right now, assume that construction costs will rise with inflation, but so will taxable sales and sales tax revenues. Said another way, if the city had no bond debt today, what level of debt would you support right now?

*0.3% sales tax generates about \$820,000 a year.

Bond debt	Projected Debt Service
\$1 M	80,000
\$5 M	400,000
\$10 M	800,000
\$15 M	1,200,000
\$20 M	1,600,000

Discussion check in: Would the city wait until fall 2025, or later, for a new bond measure?

Discussion: How much do you expect the city to bond for construction? (Ballpark numbers!)

4. Demolish larger building and build new

This step is last, and the furthest in the future. It would happen after all the prior steps were completed. However, if we intend to build a new building roughly following the steps above, we should make that transparent. One possible action is to update the project page in the Capital Improvement Plan. Staff requests a Council person to work with staff to update the project page, and bring it back for a full Council approval. The current project asks for \$500,000 for facility planning... This has not resulted in funding for planning! The project could be divided into more clear phases based on what we know today: what the building will be used for, demolition plan, bonding, and a timeframe for building new.

Discussion: Is there consensus an updated Capital Improvement Plan project description is an appropriate next step? Is there a Councilmember of two who can work on this (June 20th- July 29th)?

Summary Questions:

1. What does Council think about moving PW staff to a leased space, and demolishing the smaller structure?
2. What does Council think about increasing staffing by 2 FTE in the next budget cycle?
3. What is the potential timing of a construction bond measure, and what is the range the city would consider borrowing?
4. Are there Council members who are willing to work with staff to enunciate the project for the Capital Improvement Plan?

Attachments:

1. Capital Improvement Plan Project Page
2. Public comments 5/4- 6/2



2. Multi-Use Community Center, Phase 1

Project Description & Benefit: This project is the first phase in designing and constructing a multi-use Community Center to adequately serve the social, recreation, cultural, and educational needs of the Homer community. Years of growing numbers of requests to Parks and Recreation for access to indoor facilities highlights the need for this project. A 2015 City of Homer Parks, Art, Recreation and Culture (PARC) Needs Assessment validated this perceived need. Incorporating an extensive public input process, the PARC Needs Assessment reflects the community’s high priority on community access to public recreational and educational spaces and identifies a community center as a significant future investment for the community.

The PARC Needs Assessment included a statistically valid survey question asking the community’s interest for constructing and funding an \$18 million facility. 30% of respondents agreed with the statement that this facility is a priority in the next five years; an additional 27% placed it as a priority in the next five to ten years. The success of this project requires sources for capital funding and a sound feasibility study to determine how ongoing operations would be funded.

Public input identified a general-purpose gymnasium and a multi-purpose space for safe walking/running, dance, martial arts, performing arts, community meetings and events, and dedicated space for youth as priority features. The PARC Needs Assessment describes the community center as a comprehensive multi-generational facility that offers something for people of all ages; an important part of the feasibility study will be to help avoid overbuilding, building without considering other area amenities, or underestimating operations and maintenance costs to create a vibrant, sustainable multi-purpose public space.

Plans & Progress: In 2017, community members completed construction on the South Peninsula Athletic and Recreation Center (SPARC) on Kenai Peninsula Borough School District property located adjacent to the Homer Middle School. SPARC offers indoor recreation and event space for activities such as indoor soccer, walking, and running; parent/child play groups; roller skating and roller derby; pickleball (with a non-regulation ball); and open gym.

In 2018 the Homer Education and Recreation Complex (HERC) Task Force completed several months of study and provided recommendations to the City Council regarding the future of HERC1. Based on Task Force recommendations the City Council requested letters of interest for use of the facility and issued a request for proposals to upgrade and manage HERC1 in spring 2019. No proposals were received and the City Council initiated steps to evaluate HERC1 demolition.

In September 2021, City Council appropriated \$75,000 for professional services for public process and feasibility of a new multi-use center, a big step towards refining the scope of the project and moving it forward. This study will evaluate the size and type of facility, recommend functional spaces based on community need and not duplicating services, develop conceptual floor plans and site plans, estimate total construction cost, project ongoing operational costs and identify private investment opportunities and funding mechanisms.

Total Project Cost: \$500,000

FY2023 State Request: \$425,000
(City of Homer 15% Match: \$75,000)



The City of Unalaska’s Community Center is the hub of community activities. Centrally located, the Community Center is widely used by both residents and visitors. It has everything from a cardio and weight room to music and art areas.

Visualize a New Multi-Purpose Community Center				
Serial	What do you think of the plans?	What would make the plans better?	Should the City pursue funding to keep moving forward?	Comments?
97	Great but the dog park is too small	Homer needs a fenced dog park, the beach is not always a good option for dogs. If we're making this a community space, can we consider enlarging the size of the proposed dog park? or can the city comment on future options for a larger park?	Maybe	
98	They are terrible	Don't do them	No	We are taxed enough already and shouldn't have to pay for this boondoggle that will not benefit many people.
99			No	I think it's redundant. Spend this money on other services needed within the city.
100	I like Plan B		Yes	

Micah Williamson
67627 Endless View Loop
Homer, AK, 99603
4/20/2022

Rob Dumouchel, City Manager
Homer City Hall
491 East Pioneer Ave
Homer, AK 99603

Dear Mr. Dumouchel:

My name is Micah Williamson I am a senior at Homer High School, this letter is in regards to the new multi use recreational center going in where the old boys and girls club was. The idea of a community center open to the public is a wonderful idea, but should not cost the city more than what people are going to get out of it. A building that would have a hard time paying for itself is not appealing to many people, especially to those who would be helping pay through taxes, and would not be using the center all that often or maybe at all.

As someone who grew up in this town and has spent countless hours at the skatepark and in the old boys and girls club, it would be nice to see a new building in that space (as it is a nice central piece of property). A place where people and students could come together after school and work. But not everyone would be using the building and therefore do not believe that the building should cost the citizens of Homer very much money.

With the rising rates of inflation, and high taxes on top of that, a good majority of people would struggle financially. I truly believe that the youth of Homer and many adults would benefit from having a multi use facility in town. But the projects should be affordable and not overdone.

I strongly believe that having a new skate park would be very beneficial to the community, along with an indoor basketball court and maybe even a tennis court. Pickleball players would be able to use the basketball court and maybe the town could start a tennis club. I don't think that having a walking track above the basketball court would be necessary as there is a walking track at the middle school a minute away. And having other space in the rec. building would also be unnecessary as the space would most likely be unoccupied most of the time.

Sincerely,



Micah Williamson
Homer High School Senior