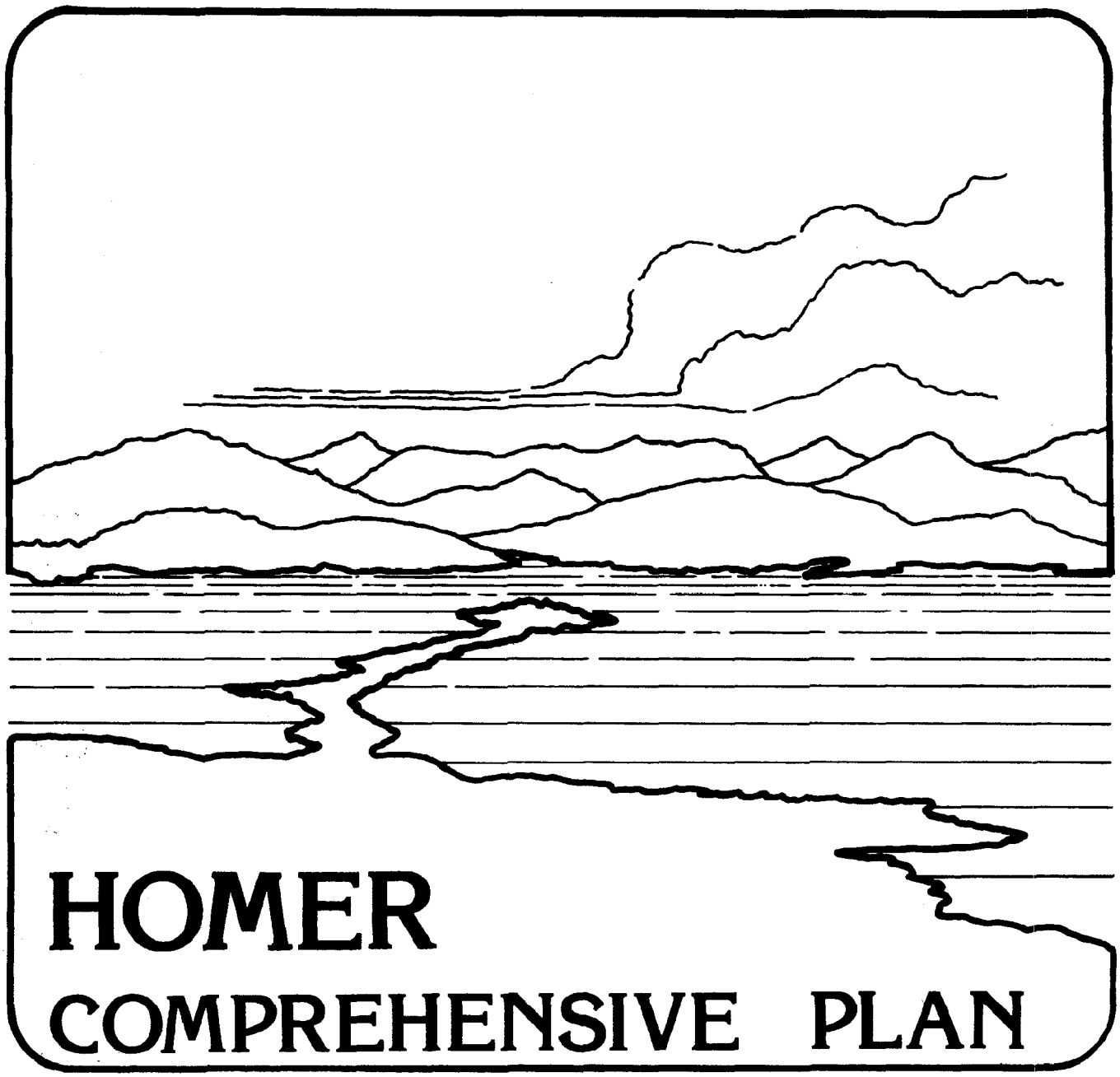

HOMER
COMPREHENSIVE PLAN
TECHNICAL APPENDICES

PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES CO.

CITY OF HOMER

COMPREHENSIVE PLAN

TECHNICAL APPENDICES
1983

Prepared for

CITY OF HOMER AND
KENAI PENINSULA BOROUGH

By

Pacific Rim Planners and Engineers
a Division of Olympic Associates Company
Anchorage, Alaska

The preparation of this Comprehensive Plan was financed in part by funds from the Office of Coastal Management, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, administered by the Division of Community Planning, Department of Community and Regional Affairs. Matching funds and local administration were provided by Kenai Peninsula Borough and the City of Homer.

Date: Apr. 19, 1983
Hearing: May 17, 1983
Vote: Unanimous
Action: Enacted

KENAI PENINSULA BOROUGH

ORDINANCE 83-26

ADOPTING A COMPREHENSIVE PLAN FOR THE CITY OF HOMER AS A PORTION OF THE KENAI PENINSULA BOROUGH COMPREHENSIVE PLAN.

WHEREAS, the Borough Planning Commission is required to prepare and recommend to the Assembly a comprehensive plan for all areas encompassed by the Borough; and

WHEREAS, the Borough Planning Commission is required by statute to review and update the Borough comprehensive plan every two years; and

WHEREAS, the Homer Advisory Planning Commission passed a resolution recommending the adoption of the proposed Homer comprehensive plan; and

WHEREAS, the Homer City Council has passed a resolution adopting the Homer comprehensive plan, and recommended that the Kenai Peninsula Borough Assembly adopt the plan; and

WHEREAS, the Borough Planning Commission, after public hearing at its regular meeting of March 28, 1983, has recommended that the proposed Homer comprehensive plan, as amended, be adopted by the Assembly;

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That the Assembly adopts the "Homer Comprehensive Plan," prepared by Pacific Rim Planners & Engineers as the official Borough comprehensive plan for that portion of the Borough within the boundaries of the City of Homer, subject to the deletion of the words "platting and" from Pages 7-2 and 7-3, the amended form approved by the Borough Planning Commission at its regular meeting of March 28, 1983.

Section 2. That the comprehensive plan adopted by this ordinance shall be known as "Homer Comprehensive Plan."

Section 3. That this ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 17th DAY OF May, 1983.

Donald L. McCloud

Donald L. McCloud, Assembly President

ATTEST:

Frances Bryson

Borough Clerk

CITY OF HOMER
HOMER, ALASKA

RESOLUTION 83-5

A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING AND ADOPTING THE COMPREHENSIVE PLAN FOR THE CITY OF HOMER.

WHEREAS, the Kenai Peninsula Borough is required by statute to review and update the Borough Comprehensive Plan every two years; and,

WHEREAS, a Comprehensive Plan has been prepared for the City of Homer by Pacific Rim Planners, Inc.; and,

WHEREAS, the Comprehensive Plan Ad Hoc Committee and Pacific Rim Planners have held numerous workshop sessions, public meetings and have obtained suggestions and comments from the citizens of Homer; and,

WHEREAS, the Steering Committee has recommended approval of the Draft Comprehensive Plan with certain modifications; and,

WHEREAS, the Homer Advisory Planning Commission has recommended approval of the Final Draft of the Comprehensive Plan with certain modifications and revisions; and,

WHEREAS, the Homer City Council has reviewd the Final Draft of the Comprehensive Plan and has recommended approval of the Homer Comprehensive Plan with certain modificaitons and revisions;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Homer that:

Section 1: The Homer Final Draft Comprehensive Plan prepared by Pacific Rim Planners and modified by the attached list of Amendments and Corrections is hereby approved and adopted as the Comprehensive Plan of the City of Homer.

Section 2: This plan is hereby recommended to the Kenai Peninsula Borough for adoption as the official Borough Comprehensive Plan within the Homer planning area.

DATED at Homer, Alaska, this 14th day of February, 1983.

CITY OF HOMER

Erle Cooper, Mayor

ATTEST:

Kathleen Herold, City Clerk

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CHAPTER 1
INTRODUCTION

PURPOSE

The purpose of this comprehensive plan is to serve as a policy directive for future actions by the City. Comprehensive in nature, all of the policies and recommendations for the various elements are coordinated so that conflicts between policies are reduced. Designed to guide growth and development for the next decade and beyond, the plan can be used to standardize judgements and rulings as the Homer Advisory Planning Commission, City Council and others implement the plan.

The plan will also be used by various borough, state and federal agencies as an assemblage of opinions and a forecast of the needs of Homer's present and future residents. Within the plan's capital improvement program, anticipated projects are listed in the order of construction priority, along with estimated costs and funding requirements. This not only provides a schedule of expenditures for City departments, but also informs residents, business owners and property owners of future City actions which may affect them. Therefore, property owners, for example, can be assured that, given funding, certain improvements (streets, utilities, facilities) will be completed in a certain time period.

The plan is not static. Instead, it should be a working document which will be modified each year and evolve with the issues which Homer will face in the future. The plan provides information, guidance and incentive to federal, state and local officials, and to the residents of the City of Homer.

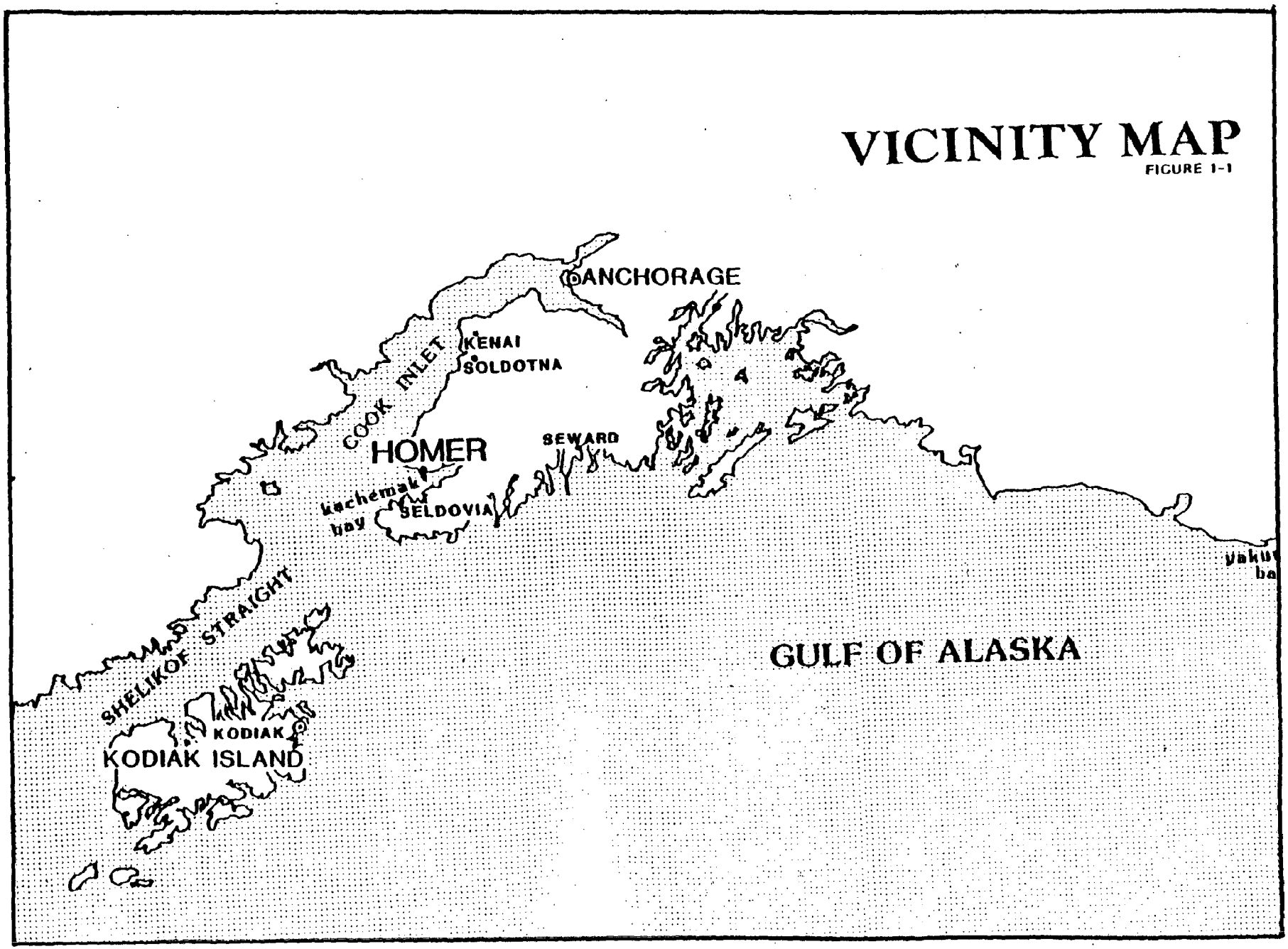
HISTORY

Homer lies in the benchlands between the eroding bluffs of the north shore of Kachemak Bay and the bluffs along Diamond Ridge on the Kenai Peninsula (Figure 1-1). The grassy meadows of the benchlands are defined by groves of spruce and birch trees, with alder and elderberry forming dense thickets. Wetlands and peat bogs form the lowlands. Dotting the landscape are scattered homes and small farms. Within the City limits, the land rises to an elevation of a little over 1,000 feet, providing a commanding view south across Kachemak Bay and on to the Kenai Mountains. From this vantage point several glaciers can be seen making their journey to the bay. Prominent in the middle ground of this scene is Homer Spit, snaking its way halfway across the bay.

It was on the Spit where Homer was first settled. The first post office opened in 1886. During the next few years the community's population fluctuated, with many of its residents being drawn away by news of gold strikes elsewhere in the territory.

VICINITY MAP

FIGURE 1-1



In 1899, the Cook Inlet Coal Fields Company (CICFC) was incorporated, and seven and a half miles of railroad and a major loading wharf were constructed on the spit. The railroad connected the shiploading facility at the end of the spit with the coal mines at Coal Creek. Homer prospered as a company town, selling coal to local canneries and passing ships. In 1902, due to financial difficulties, CICFC was ordered sold by the U.S. District Court. In 1905, Congress temporarily withdrew from entry all public domain lands, including the Coal Creek coal fields. However, with the closing of the CICFC, Homer's fate had been sealed, and from 1902 until 1915, the community of Homer all but ceased to exist.

During this time, the few remaining residents moved from the spit to the benchlands where present day Homer is now located. During the 1920's, most of the buildings on the spit were either moved or salvaged for building materials by homesteaders coming into the country. Unlike the first settlers of the area, the new homesteaders did not come to the area for furs, gold or coal, but to work the land, fish and raise crops. The settlement of the community occurred gradually over the years as individuals and families made their way to the Homer area. Following the opening of the Sterling Highway in 1951, linking the Kenai Peninsula with Anchorage, Homer began to grow from its sleepy beginnings as a company town and then a fishing and farming town (Klein, 1981). Successive improvements to the highway, oil development and Anchorage's phenomenal growth all served to boost Homer's population growth rate to a point where it now approaches 10 percent per year. At Homer's average growth rate of 7 percent over the last decade, it is doubling every seven years.

Homer is constantly changing. Approximately half of the people now living in Homer have arrived within the past five years. As new people move into the area, new ideas are introduced which modify and change the character of the community. Reviewing past planning efforts, some of these changes can be seen along with the City's response to outside influences. In 1954, a series of papers were prepared by committees composed of City residents. These papers outlined existing conditions in the community and identified the apparent trends in population growth, economic development and transportation. Other subjects which were addressed included tourism, beautification, recreation and the library. Many of the recommendations in the planning effort have been carried out and many more are still valid today. Homer still needs additional tourist facilities, economic diversification and improved transportation systems.

In 1969, the Alaska State Housing Authority prepared a comprehensive plan for the City. The document provides an overview of the conditions of Homer, with brief sections on utilities, transportation, housing, economy and social services. Several of the features in the proposed land use plan have been implemented, such as the bypass road. The issues important at that time reflect many of the concerns today.

They include:

* Industrial development of the airport
* Extension of sewer and water service
* Encourage compact commercial center
* Industrial development on the spit
* Need for a civic center and a city administration building

The Homer Comprehensive Development Plan was completed in 1978. Responding to the oil and gas prospects of the region, the document set forth policy, goal and action recommendations for the future development of the City. The document presents a proposed land use plan designating the City into six use classifications. Also included is a zoning map which is the origin of the zoning ordinance adopted in September, 1982. Although growth rates and economic activity predicted in the plan were optimistic, the plan made some valid statements concerning the need for community services and public facilities.

Comprehensive plans have not been the only studies completed concerning the City of Homer. Over the past 15 years many studies, plans and reports have been written pertaining to various aspects of the City, its environment, services and conditions. Homer Spit has been the topic of many of these reports. The Homer Spit land use study, whose intent was to review and compile data related to activities, ownerships and leases was completed in 1975. The issues identified in the study included the expansion of the boat harbor, seasonal traffic control and allocation of lands for port facilities. Other reports related to Homer Spit include biological investigations, littoral drift studies and a needs assessment. These studies provided information on the dynamics of the spit, the shore processes which build, erode and reshape the spit, and the plant and animal life found in the vicinity.

Other plans pertaining to Homer include the following:

* Homer Park and Recreation Development Plan, 1981
* Homer Spit Campground Development Feasibility Report, 1980
* Homer Airport Land Use and Development Plan, 1978
* Master Plan for Streets and Roads, 1979
* Drainage Management Plan, 1978
* Homer Master Water and Sewer Plans, 1982

These and other planning and design efforts all have contributed to this comprehensive plan. All of these documents have been reviewed and analyzed to determine their relevance to the existing situation in Homer. A complete annotated bibliography has been compiled which includes all documents pertaining to the City and its environs.

CHAPTER 2
NATURAL RESOURCES

Homer exists because of man's utilization of natural resources of the area. Geology, soils, vegetation, land forms, fish and wildlife all were factors in the establishment of the City. Early inhabitants of the area utilized the coal resources and fur bearing animals and later established a port on Homer Spit, taking advantage of one of the few protected harbors in the area.

The character of natural resources defines the opportunities and constraints of the community and, therefore, it is important to fully understand the various elements in planning for the future.

The natural resources discussed in this chapter pertain to land development and include soils, geology, topography and vegetation.

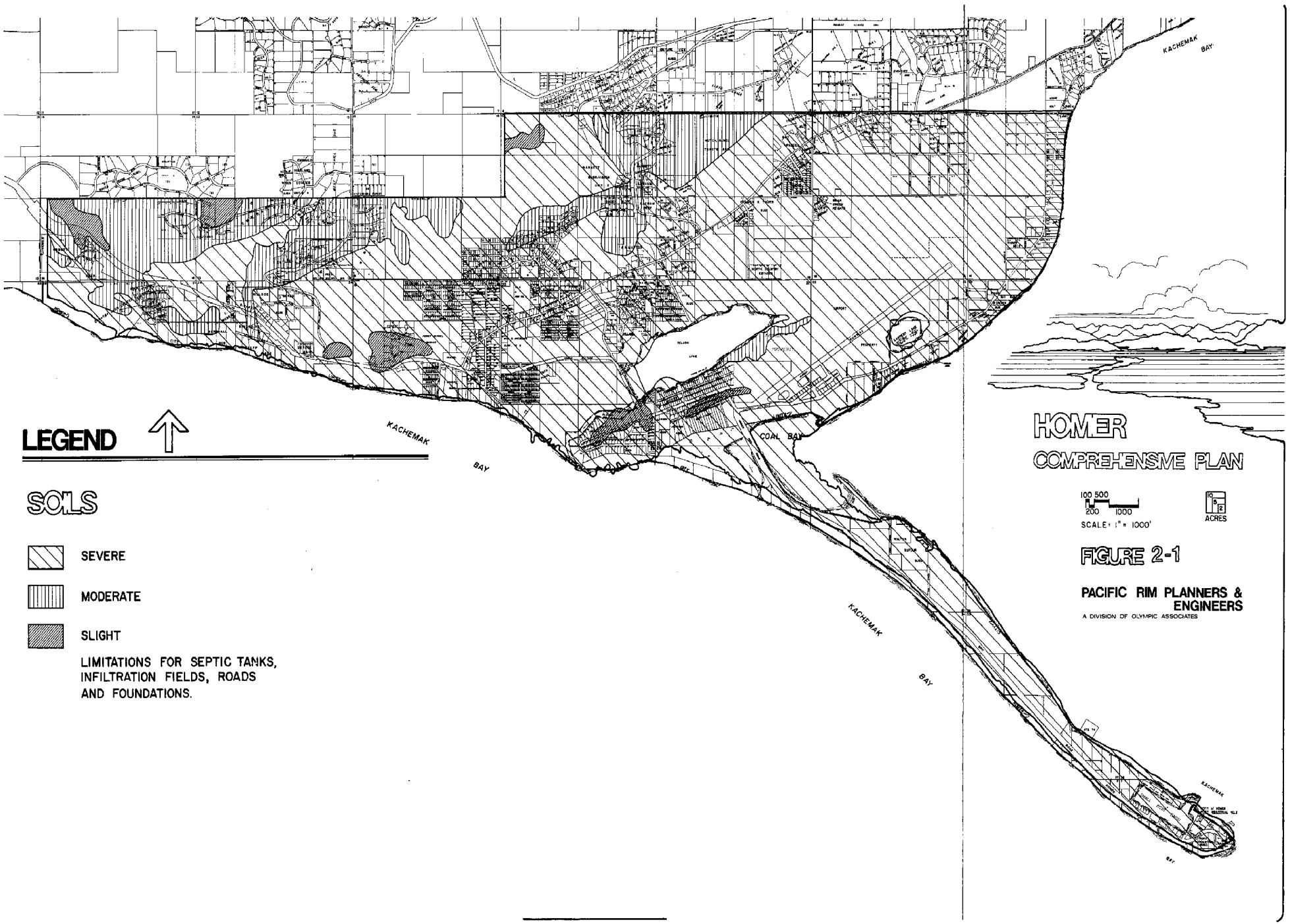
SOILS

The Homer area is dominated by two soil types, both of which greatly constrain development. Delineated by topographic features, the Beluga soil series is situated on the sloping bench between Kachemak Bay and the steep bluffs north of town. The bluffs are mostly composed of the Kachemak series.

The Beluga soil series is characterized by its silty/sandy composition which is underlain by a firm, slowly permeable soil layer 20" to 40" below the surface. Due to seepage, the soil is wet much of the year. Engineering interpretations of this soil series indicate there are severe limitations on the development of roads and streets, foundations for low buildings, and septic tanks and infiltration fields.

The Kachemak soil series is of a silty material, 15" to 30" deep over shale and sandstone. This soil is well drained, although due to the high organic content, slippage occurs when wet. The major problem with this soil is that it usually is associated with steep slopes. Engineering interpretations of this soil series for roads and streets, foundations for low buildings, and septic tank and infiltration fields range from slight limitations through moderate, severe, and very severe limitations. Again, steep slopes seem to be the major limiting factor (Soil Conservation Service, 1971).

Reviewing a map of the City of Homer which illustrates the soil suitability for roads, foundations and septic tank infiltration fields, very little land is even moderately suitable for development (see Figure 2-1). However, land has been developed and will continue to be built upon. The main consideration is to what standards will the land be developed in the future? Is the city responsible for the repair of subdivision roads which were originally constructed to minimal standards? Roads, foundations and septic systems can be successfully


KACHEMAK BAY
COAL BAY
KACHEMAK BAY
KACHEMAK BAY
LEGEND
SOILS
SEVERE
MODERATE
SLIGHT
LIMITATIONS FOR SEPTIC TANKS, INFILTRATION FIELDS, ROADS AND FOUNDATIONS.
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 2-1
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES

constructed in the poor soils surrounding Homer. However, they must be constructed to specific standards or there will be problems in the future. These future problems must be dealt with today.

GEOLOGY

The Homer area is underlain by a fresh-water deposit of sand, silt and clay which is gently folded and several thousand feet thick. There are interbeds of thin lenses of conglomerate material, sub-bituminous and lignitic coal ranging from a few inches to 7 feet thick. Ferruginous material occurs in thick beds of sandstone and glacial drift covers much of the area (Soil Conservation Service, 1971). Homer is located in an active seismic area and lands below the 100 foot elevation are in a tsunami hazard zone.

Homer Spit is likely a deposit of unconsolidated sediments, a remnant of a terminal moraine and composed of silts, sands, gravels and some boulders that overlay marine clays. The combination of this geologic make-up, the poor soils and drainage all contribute to land development problems (Soil Conservation Service, 1971).

VEGETATION/WILDLIFE

The native vegetation in the Homer area occurs in four major zones. The zones are:

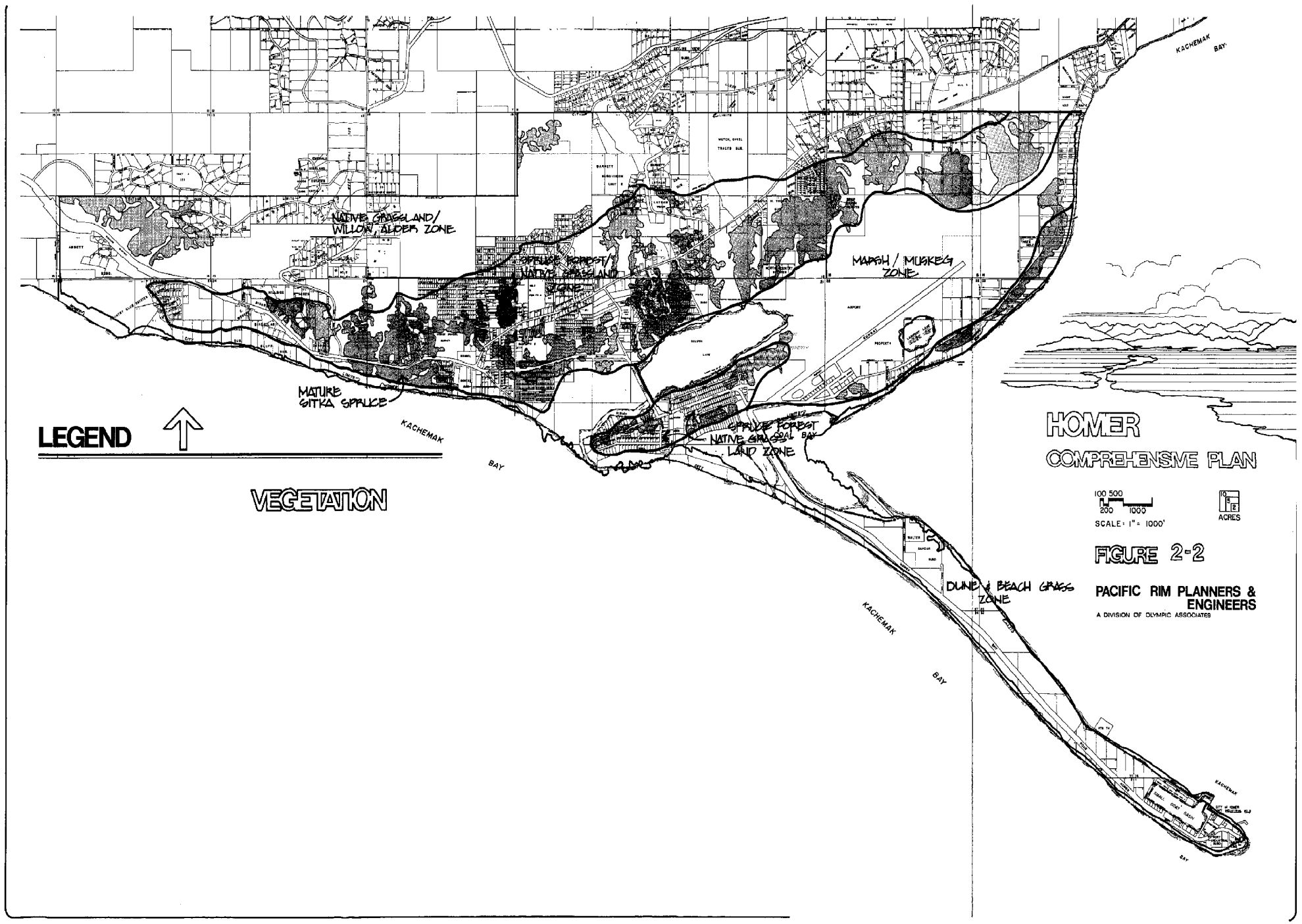
* Dune and Beach Grass
* Fresh-Water Marsh and Muskeg
* Sitka Spruce Forest
* Native Grasslands

Figure 2-2 illustrates the distribution of the vegetative zones. Salt-tolerant grasses and shrubs make up the vegetation along the shoreline and upon Homer Spit. This cover material is important in stabilizing the shoreline and preventing erosion.

The fresh-water marsh and muskeg occur on nearly level lowlands around Beluga and Lampert Lakes. Common wetland plants include cottonsedge, bog birch, draft willow, lingenberry and bog blueberry. This area is also important for small fur-bearing animals. Moose utilize the area in the winter feeding on the sedges, grasses and other aquatic plants.

Sitka spruce forests are scattered throughout the area between the lowlands and the steep bluffs. Both densely forested areas and isolated clumps of spruce separated by grassland exist in this area. Depending on soil and light conditions, the understory vegetation varies from ferns and grasses to low-growing berries. The forest land is an important feeding and rearing ground for the bald eagle. Other birds utilizing the area include owls, hawks and spruce grouse, to mention a few.

The dominant grass in the native grasslands on the benches and steep slopes of the area is the bluejoint reedgrass. Other common plants in


NATIVE GRASSLAND/
WILLOW, ALDER ZONE
SPRUCE FOREST/
NATIVE GRASSLAND
ZONE
MARSH / MUSKEG
ZONE
MATURE
SITKA SPRUCE
SPRUCE FOREST
NATIVE GRASSLAND
ZONE
DUNE & BEACH GRASS
ZONE
KACHEMAK
BAY
LEGEND
VEGETATION
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 2-2
PACIFIC RIM PLANNERS &
ENGINEERS
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this area are fescue, bluegrass, fireweed, lupine and elderberry. Sitka alder occurs on the hilltops and along the large drainage-ways while willow is common on the slopes and draws. The area provides habitat for small ground animals, birds and other wildlife (Soil Conservation Service, 1971).

The vegetation of the area gives Homer part of its unique character. Residents identify the city with its stands of sitka spruce and open meadows. In the planning for new development, the saving of some of these amenities will be an important aspect of the success of the plan.

CLIMATE

Homer, due to the blocking effect of the Kenai Mountains, has one of the mildest climates in Southcentral Alaska. Cool summers and moderate winters are typical of the area. Subject to the moderating effects of the waters of Cook Inlet and Kachemak Bay, Homer is protected from the most severe outbreaks of cold air from the interior by the Alaska Range. Thus, winter temperatures rarely drop below zero. The record high for the area is 80°F in 1953; the record low is -21°F in 1971 (National Oceanic and Atmospheric Administration, 1975).

The Homer area receives about 24 inches of precipitation per year, much of which falls during late summer and fall. Average snowfall at Homer is 49 inches annually, although seasonal accumulation ranges from 5 to 24 inches. The snowfall only 5 miles northwest of Homer, however, increases dramatically due to the 1,000 foot elevation increase. In the area around Diamond Ridge and higher the average annual snowfall is about 105 inches.

The growing season has ranged from 82 to 157 days, a 22 year average being 107 days. The freeze-free season begins around May 30 and ends by about September 15 (Table 2-1).

TOPOGRAPHY

The weathering of the slopes has given Homer a unique backdrop. Over time, the downslope soil and water movements have formed gently sloping benchlands, steep slope escarpments and lowland lake areas. The difference in elevation and the character of the topography provides horizontal as well as vertical dimension among the homes in the city.

Two maps have been prepared which analyze the topography and provide insight into the slope of the land as it affects development. The elevations (Figure 2-3) are mapped in intervals of 100 feet which illustrates the verticle dimension of the city. As shown, much of the commercial development occurs between the 100 and 200 foot elevation. Between the 200 and 300 foot elevation views across Kachemak Bay start to open up and many homes have been built within this elevation band. From the 400 foot elevation on up to the 1,000 foot line, development is scattered due to the steepness of the topography.

TABLE 2-1

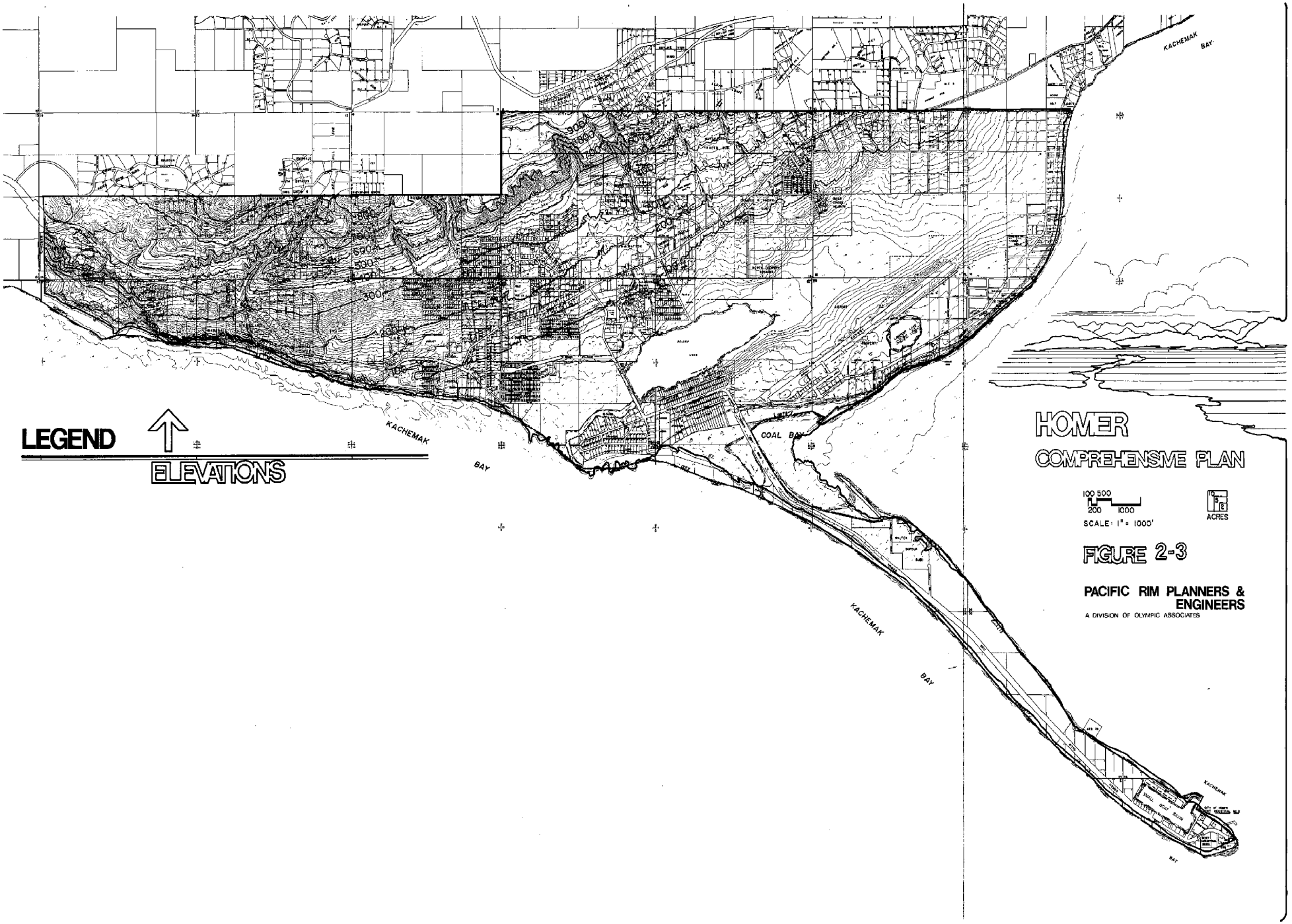
HOMER CLIMATE: NORMALS, MEANS AND EXTREMES

	Temperature					Precipitation in Inches									Wind	
		Extremes				Water Equivalent					Snow, Ice Pellets					
	Monthly	Record Highest	Year	Record Lowest	Year	Normal	Maximum Monthly	Year	Minimum Monthly	Year	Maximum Monthly	Year	Maximum in 24 Hrs	Year	Mean Speed MPH	Prevailing Direction
(a)		34		34			42		42		42		42		9	20
J	21.4	51	1961	-18	1972	1.70	4.85	1945	0.39	1969	33.8	1962	24.0	1939	7.8	NE
F	24.9	51	1954	-18	1947	1.54	5.25	1941	0.16	1950	46.0	1974	19.2	1945	7.7	NE
M	27.6	53	1974	-21	1971	1.22	4.04	1976	0.21	1953	38.1	1976	15.2	1954	7.4	NE
A	35.0	63	1965	-9	1944	1.09	3.49	1959	0.01	1954	17.4	1972	7.4	1972	7.3	NE
M	42.3	69	1964	6	1949	0.91	2.19	1977	0.08	1974	6.6	1971	6.0	1971	7.7	SW
J	48.7	80	1953	29	1950	1.06	3.37	1941	0.09	1957	T	1963	T	1963	7.0	WSW
J	52.3	78	1967	34	1959	1.70	3.79	1948	0.16	1953	0.0	--	0.0	--	6.8	WSW
A	52.4	78	1944	31	1955	2.56	5.56	1939	0.51	1975	0.0	--	0.0	--	5.7	WSW
S	47.0	68	1965	20	1956	2.85	5.30	1961	0.83	1969	0.5	1962	0.4	1968	6.2	NE
O	37.4	64	1954	2	1975	3.38	8.55	1969	0.91	1933	21.9	1976	6.0	1940	6.8	NE
N	28.2	52	1962	-7	1963	2.76	8.59	1952	0.12	1955	37.4	1945	24.5	1945	7.5	NE
D	21.4	50	1969	-16	1964	2.29	8.01	1939	0.00	1933	44.2	1959	14.0	1968	7.1	NE
			JUN		MAR			NOV				FEB		NOV		
YR	36.5	80	1953	-21	1971	23.06	8.59	1952	0.00	1933	46.0	1974	24.5	1945	7.1	NE

(a) Length of record, years, through the current year unless otherwise noted, based on January data.

T Trace

SOURCE: U. S. Department of Commerce
National Oceanic & Atmospheric Administration (NOAA)


LEGEND
ELEVATIONS
KACHEMAK BAY
GOAL BAY
KACHEMAK BAY
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HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 2-3
PACIFIC RIM PLANNERS & ENGINEERS
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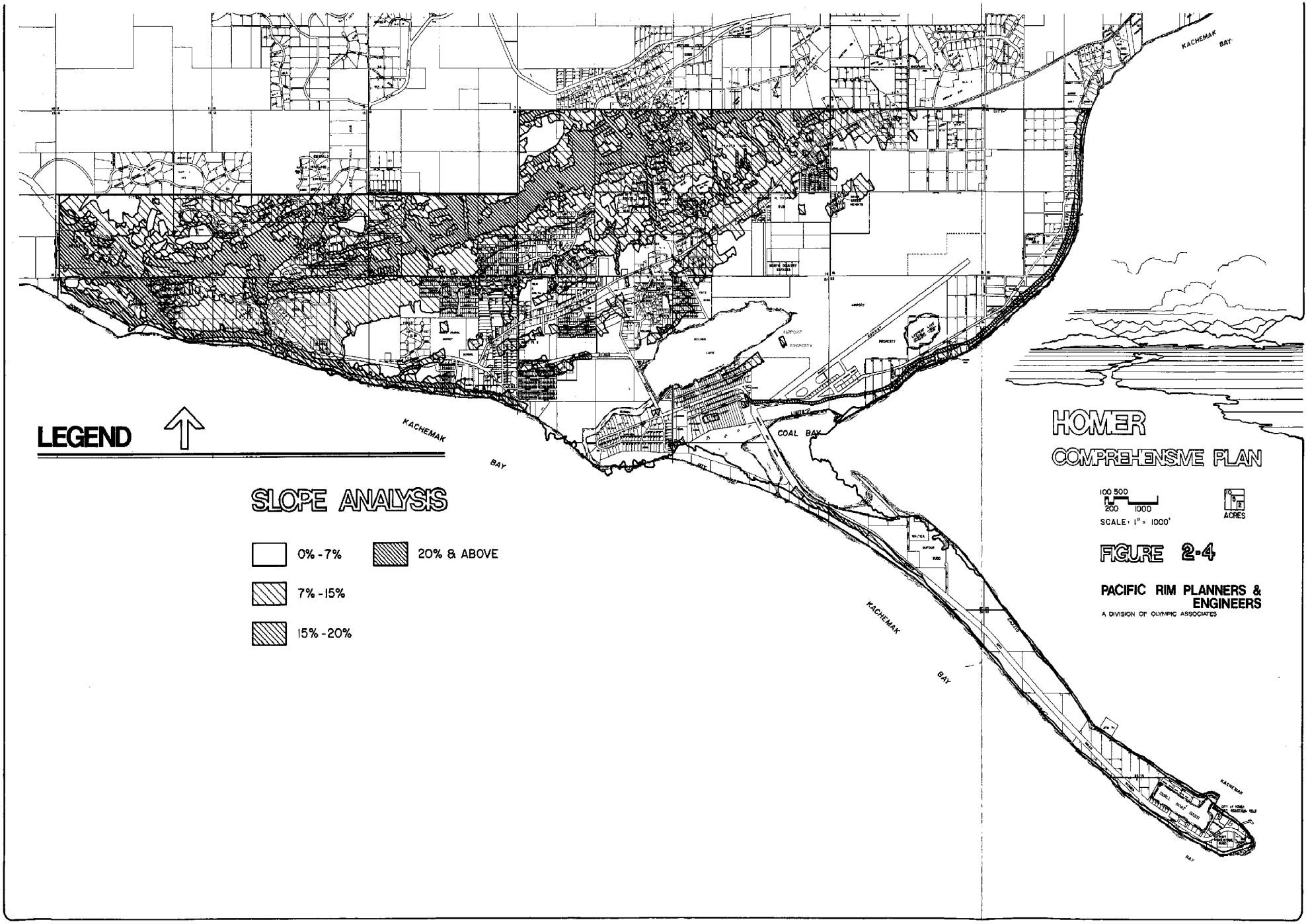

KACHEMAK BAY
COAL BAY
KACHEMAK BAY
KACHEMAK BAY
LEGEND
SLOPE ANALYSIS
0% - 7%
7% - 15%
15% - 20%
20% & ABOVE
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 2-4
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES

The slope analysis (Figure 2-4) reflects the significant topographic changes which occur within the city. Slopes have been mapped in ranges of 0-7%, 7-15%, 15-20% and 20% and greater. 0-7% slopes are found mostly below the 200 foot elevation. However, bands and small pockets of gently sloping lands do occur between the 300 and 400 foot elevations and between 800 and 900 foot elevations. Slopes of 0-7% support a main section of town along Pioneer Avenue. The bluff terrace above Kachemak Bay and the lowlands muskeg, marsh, lake, tidal area and spit are also included in this slope designation. 0-7% slope itself does not limit development within the city. However, coupled with the wet soil condition, drainage in these areas can be a severe problem and may increase the development cost of the land.

Lands with slopes of 7 to 15% occur mostly above the 200 foot elevation. These lands have a good potential for development using only slope as a criteria. Again, soil conditions have a great impact on developability and can greatly restrict the use of land. Lands at this elevation and slope provide good views across the bay.

The 15-20% slope begins to impact the cost of construction. Building upon these slopes, more land is usually required, roads and services are more expensive and modified foundations, excavation and other requirements greatly increase land development. Much of these lands occur above the 400 foot elevation. Existing development in these lands is scattered and much of it is vacant. The land with slopes of 20% or greater generally occurs above the 500 foot elevation and have very little existing development. These slopes are usually found in the city's major drainages and the steep slopes of the bluffs. Again, development on these areas is expensive and causes environmental damage not to mention the human safety factor.

CHAPTER 3
HUMAN RESOURCES

Over a fairly short time -- spanning less than four decades -- Homer has grown from a small, agricultural and fishing village to a bustling center of fishing, tourism, services and government on the South Kenai Peninsula.

This chapter describes the people and the economy of Homer. Each section begins with a description of past trends and present conditions, and analyzes how those trends and conditions might interact in the future. Each section concludes with a projection of what future conditions are likely to be. This, then, provides a basis for the plans presented later in this plan.

POPULATION

Homer's population consists primarily of newcomers, with over half of all residents having lived five years or less in Homer. Rapid population growth, large proportions of elderly and young residents, and high levels of education are all important facets of Homer's population.

Past Population Trends

During Homer's first half century, the community grew little, restrained by its lack of access to other areas. Little is available in the way of population figures for Homer's early years partly because Homer was not yet an incorporated city. The earliest recorded population count is 307 in 1950 for the old Public Utility District, which included a larger area than Homer's present city limits.

With the completion of the Sterling Highway in 1951, linking Homer by road to Anchorage and Seward, the entire South Kenai Peninsula began to grow. By 1960, the population in the Public Utility District totaled 1,247, which indicated a growth rate of over 15 percent per year during the 1950's (Alaska Consultants, Inc., 1979).

In 1964, the City of Homer was incorporated, and City officials estimated total City population at 800. By 1970, the census counted 1,083, indicating that the City had grown at an average growth rate of about 5.2 percent per year. The growth accelerated during the 1970's as the king crab fishery, services and tourism expanded. From 1970 to 1972, population grew at an annual rate of 5.7 percent, by 7.8 percent per year from 1972 to 1975, and by 10.1 percent per year from 1975 to 1978 (Alaska Consultants, Inc., 1979).

Following the post-pipeline recession, population growth slowed considerably, to about 3.7 percent per year, and the City's population was estimated at 2,209 in 1980 by the Bureau of the Census. Another estimate, completed by the City and accepted by the Alaska Department

of Labor, of the City's late 1981 population is 2,588. Finally, a special census conducted by the Borough in September, 1982, estimated 2,897 residents within the City of Homer, for an average growth rate of nearly nine percent per year from 1978 to 1982 (Kenai Peninsula Borough, 1981, 1982a and 1982b). By contrast, the Borough's population grew at an average annual rate of about six percent between 1960 and 1982. Table 3-1 summarizes these figures. Some caution should be exercised in considering these figures. Since different organizations prepared the estimates, the figures cannot be compared too closely, as different methods may have been employed. However, the figures are useful as a general indicator of the long-term trends.

As the City has grown, so have surrounding areas. While exact counts of surrounding areas are not possible due to boundary changes, population figures for Borough voting precincts indicate that surrounding areas have also grown rapidly. For the area roughly bounded by the Anchor River to the north and west, and by Cook Inlet and Kachemak Bay to the east and south, total population has grown from 1,577 in 1978 to 2,069 in 1982, for an annual average increase of seven percent (Kenai Peninsula Borough, 1982a and 1982b).

Population Characteristics

Like other Alaskan communities, Homer's population is relatively young, with a median age of 27.5 years in 1978. This is considerably higher than the 22.1 year median age for Alaska in 1970, but lower than the estimated 29.7 years for the U.S. as a whole. Males outnumber females, comprising 53 percent of Homer's population. This is similar to, though not as pronounced, as the rest of the State, but is the opposite of the nationwide average of 49 percent males. Relatively few of Homer's residents -- less than 3 percent in 1978 -- are Native American or other types of minorities. (Kenai Peninsula Borough, 1979, and U.S. Bureau of the Census, 1979). Only a small number (7.2 percent) are 60 years or older (Bureau of the Census, 1980).

Homer's population is relatively well educated, with an average among adults of 13.1 years of schooling completed. This indicates that most adults have completed high school, and many have had some additional schooling (Hitchins, et al., 1977).

Another characteristic worthy of mention is length of residence. Surveys (including the one completed for this plan) have consistently found that the majority of the population are newly arrived, with half having moved to Homer within the past five years. Homer also has a fairly stable core population which has contributed long-term continuity to the community, as evidenced by the fact that about one-fifth have lived in Homer 15 years or more (Hitchins, et al., 1977).

TABLE 3-1

PAST POPULATION TRENDS IN THE CITY OF HOMER
AND KENAI PENINSULA BOROUGH
1960 to 1982

	City of Homer		Kenai Peninsula Borough	
	Number	Annual Growth Rate	Number	Annual Growth Rate
1960	NA	--	9,053	--
1964	800	--	10,582	4.0%
1968	975	5.1%	14,160	7.6%
1970	1,083	5.4%	16,586	8.3%
1972	1,243	7.1%	16,200	-1.2%
1975	1,538	7.4%	18,770	5.0%
1978	2,054	10.1%	25,335	10.5%
1980	2,209	3.7%	25,282	-0.1%
1981	2,588	17.2%	26,520	4.9%
1982	2,897	11.9%	32,303	21.8%

Source: Kenai Peninsula Borough, 1981, 1982a and 1982b, U.S. Bureau of the Census, and Alaska Department of Labor.

Projected Population

Population projections are usually prepared using one of four simple, widely used methods. The most common and simplest method is to extrapolate, or continue past trends into the future. This means continuing to add the same number or percent of new residents each year. Essentially, this method assumes that whatever phenomenon has been occurring will continue to occur in the future. This method is commonly used as a first approximation, or when another of the more sophisticated methods fails to yield satisfactory results.

A second method, the cohort method, examines the age and sex of an area's population, determines natural increases and decreases (i.e., births and deaths), and projects a continuation of migratory trends. It is essentially a variation of the extrapolation method, except that it yields more detailed and accurate estimates of specific groups (for example, school age children). It is especially widely used for state and national forecasts, and by agencies who are interested in particular subgroups (for example, school activities). The method is not well suited for a small area where migration is very large relative to the existing population, as is the Homer area.

A third method relates population growth in one area to population growth in a larger area by analyzing the area's share of past growth in the larger area. For example, City of Homer growth could be related to another study's projections for the Kenai Borough or the south central Alaska region. This method is inappropriate, however, where the small area is different in character from the larger area; Homer's growth has differed in type and timing from other areas of the Borough recently, so this method is somewhat less appropriate.

The fourth major method, and the most widely used for Alaskan communities, relates population to the size and growth of the community's economy. Like the other methods, there is some element of truth in it for Homer, but also significant drawbacks. A sizable portion of Homer's growth has come from commuter employment -- north slope oil workers, construction workers, fishermen, Anchorage office workers, and retirees -- whose livelihood comes from outside of the Homer area. Another significant part of Homer's growth has come from persons moving to Homer before finding a relatively permanent means of earning a living. In a sense, then, the economic projections follow, as well as precede, the population projections.

The following section reviews previous population projections prepared for Homer, summarizing the major elements of each. The final section presents preliminary population projections to be used in this plan.

Previous Population Projections

A number of population projections have been prepared for the City of Homer in recent years. Comparison is made difficult by the fact that

the projections covered different time periods; however, some comparison is useful as a means of seeing the difference in approaches that can be taken, and the differences in their success.

The 1969 Comprehensive Plan prepared three separate sets of projections: "minimum", "most probable" and "maximum" rates of growth. The "most probable" set projected that the City's population would grow by 4 percent per year, and surrounding areas (primarily Diamond Ridge and Fritz Creek voting precincts) by 3.5 percent per year. The "most probable" projection of the City's 1980 population was 1,560 -- considerably lower than the Census total of 2,209 for 1980. Actual population growth from 1968 to 1980 probably averaged about 7.1 percent per year.

More recently, the advent of the Lower Cook Inlet oil lease sales provided the impetus for a series of Federal, State, Borough and City studies. At least five major sets of population projections were made which contain specific projections for the Homer area. Figure 3-1 summarizes the growth rates specified by these projections.

The first was prepared by CH2M Hill in 1977 and 1978. It projected a "base" (non-Outer Continental Shelf development-related) population growth rate of seven percent per year through 1992 for the City of Homer. Three higher projections assumed that oil exploration and development occured at moderate success rates, with Homer capturing different shares of the OCS-related population growth. No projections were made for the areas immediately surrounding Homer. The "base case" forecast, which is most applicable to the current situation, was not linked to any specific economic forecasts.

Silvers Engineering (1979) modified the CH2M Hill projections in preparing Homer's streets and roads plan, allowing a projected population growth range of 7.0 to 7.5 percent per year. Like the CH2M Hill projections, no specific reference was made to economic projections.

Alaska Consultants, Inc. (1980) prepared Borough-wide population and economic projections. Each set was subdivided into OCS and non-OCS related components; the non-OCS projections for the City of Homer assumed a 7.5 percent annual growth rate through 1985, a 7.0 percent annual growth rate through 1990, followed by 2.8 and 2.0 percent annual rates for the 1990-1995 and 1995-2000 time periods, respectively. Population in the surrounding area (primarily Fritz Creek -- including Kachemak City -- and Diamond Ridge) was projected to follow the same trend, but increase by a rate about one third slower than inside the City.

Environmental Services, Ltd. (1980) prepared population and employment projections for the Borough's draft coastal management program. Area-wide population increases were allocated to voting precincts based on trends in voter registration. This assumption, and differing assumptions about the timing and effect of major industrial developments, lead to about the same total increase in Homer's projected population, but much different time and geographic patterns. Population growth

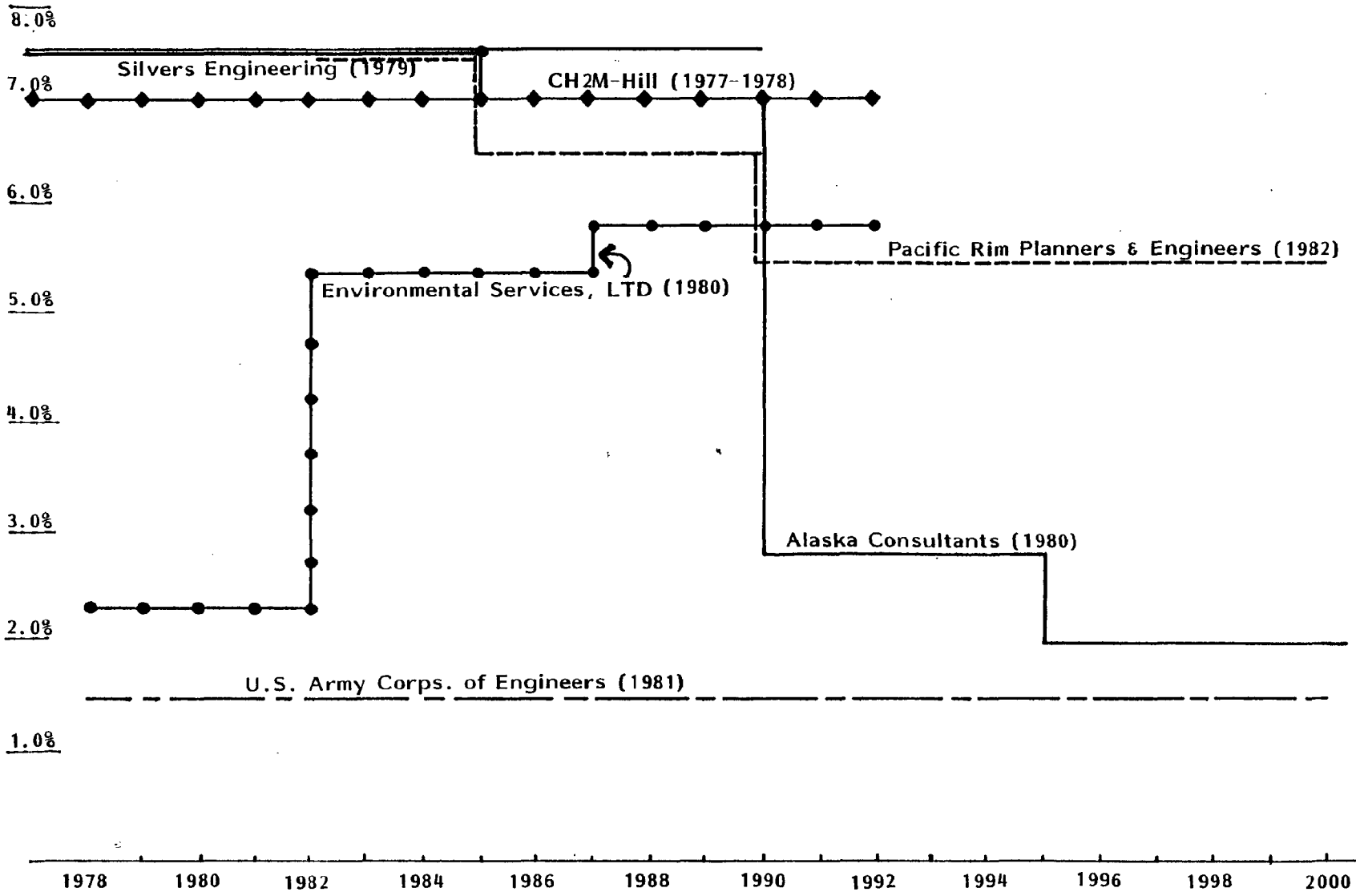


FIGURE 3-1- PROJECTED POPULATION GROWTH RATE IN PERCENT PER YEAR - CITY OF HOMER

was predicted to accelerate, rather than decelerate, with time, and the population of the Diamond Ridge and Fritz Creek areas was estimated to increase at one and a half to two times the rate as the City of Homer.

Finally, the U.S. Army Corps of Engineers (1981) prepared population projections for the City of Homer as part of the environmental impact statement for expansion of the Homer small boat harbor. The effect of the projection was the same as a constant annual growth rate of 1.5 percent. No explanation was given for the reason why the projection was so much lower than historical growth rates and other previously published projections.

Table 3-2 and Figures 3-2 and 3-3 summarize projected population for the City of Homer. Overall, the intermediate, or mid-range, projections anticipate declining growth in percentage terms, but stable to increasing growth in absolute terms. The growth rate is projected to fall from the current 9 percent-plus rate to 7.5 percent through 1985, 6.5 percent through 1990 and 5.5 percent thereafter. Absolute population increases would actually rise, from the recent rate of 175 additional persons per year to about 260 by the end of the 1980's, and nearly 300 per year during the early 1990's. It is much more difficult to predict further than a decade or so, since many developments which will affect total population cannot yet be identified; however, projections from 1995 to 2010 anticipate increasing numbers of new residents but falling growth rates in percentage terms.

These projections were prepared primarily by extrapolating previous population trends, but also considering possible economic development scenarios described in the next section. In essence, potential population growth is limited only by the capacity of possible economic activities in Homer and elsewhere. The economic activities as projected thus served to limit population growth, rather than propel it as several of the previous projections described earlier have assumed. The result is higher rates of population growth than an economy-determined approach would yield, but a lower growth rate than recent trends.

These growth rates are similar to, though somewhat higher than, projected Borough population growth. Over the past two decades, the City of Homer has generally paralleled the Borough in population growth (Table 3-1), and exceeded the Borough's growth rate over the past decade. Hence, the intermediate projection anticipates the same trends, but allows for Homer's higher growth rates to continue. The same principle was used to develop the low and high range projections. Projected increases would raise Homer's total population to 8,100 (from the present 2,897) by 2000 for the intermediate projection. The low projection anticipates a doubling, to 5,200, while the high projection predicts a quadrupling, to 13,300, by the year 2000.

Few consistent data series of any type are available which would give a clue as to how the areas around Homer might grow in the future. Moreover, areas boundaries tend to change for the few data series

TABLE 3-2

CURRENT AND PROJECTED POPULATION
HOMER AREA
1978 to 2010

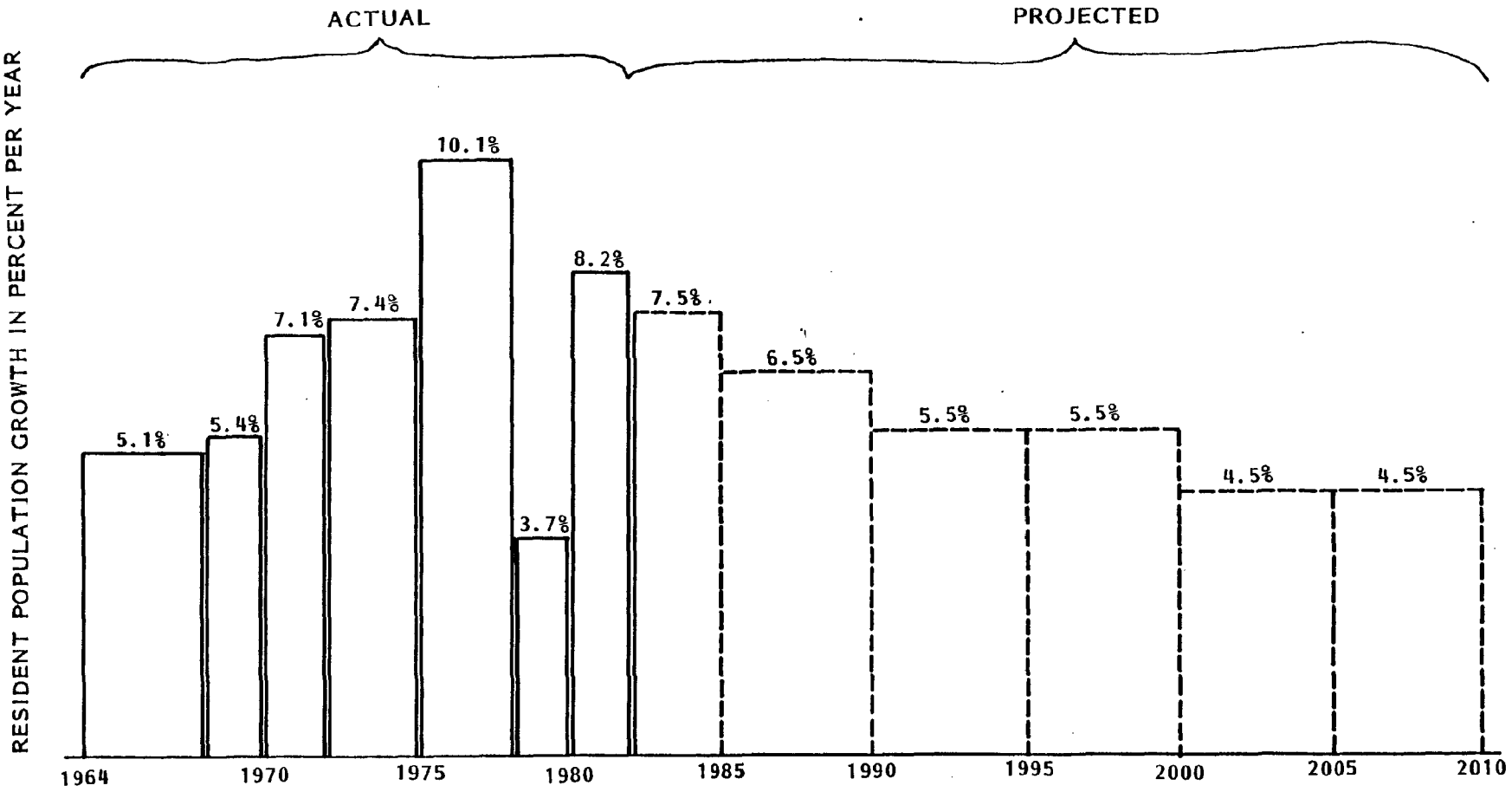
	City of Homer	Other Homer Areas*	Total Homer Area
Actual			
1978	2,054	1,577	3,631
1980	2,209	NA	NA
1981	2,588	NA	NA
1982	2,897	2,069	4,966
Low Projection			
1985	3,100	2,300	5,400
1990	3,900	3,000	6,900
1995	4,500	3,500	8,000
2000	5,200	4,200	9,400
2005	5,800	4,600	10,400
2010	6,400	5,100	11,500
Intermediate Projection			
1985	3,400	2,800	6,200
1990	4,700	4,000	8,700
1995	6,200	5,600	11,800
2000	8,100	7,500	15,600
2005	9,400	8,800	18,200
2010	10,900	10,400	21,300
High Projection			
1985	3,800	3,100	6,900
1990	6,500	5,600	12,100
1995	10,400	9,600	20,000
2000	13,300	12,600	25,900
2005	16,200	15,700	31,900
2010	19,700	19,600	39,300

* Fritz Creek and Diamond Ridge election precincts.

NA - Data not available.

Source: Kenai Peninsula Borough 1979, 1982a and 1982b, and
Pacific Rim Planners & Engineers, Olympic Associates Company

FIGURE 3-2- ACTUAL AND PROJECTED POPULATION GROWTH RATES, CITY OF HOMER, 1964-2010



SOURCE: KENAI PENINSULA BOROUGH, ALASKA DEPARTMENT OF LABOR, U.S. BUREAU OF THE CENSUS, ALASKA CONSULTANTS, INC., AND PACIFIC RIM PLANNERS AND ENGINEERS

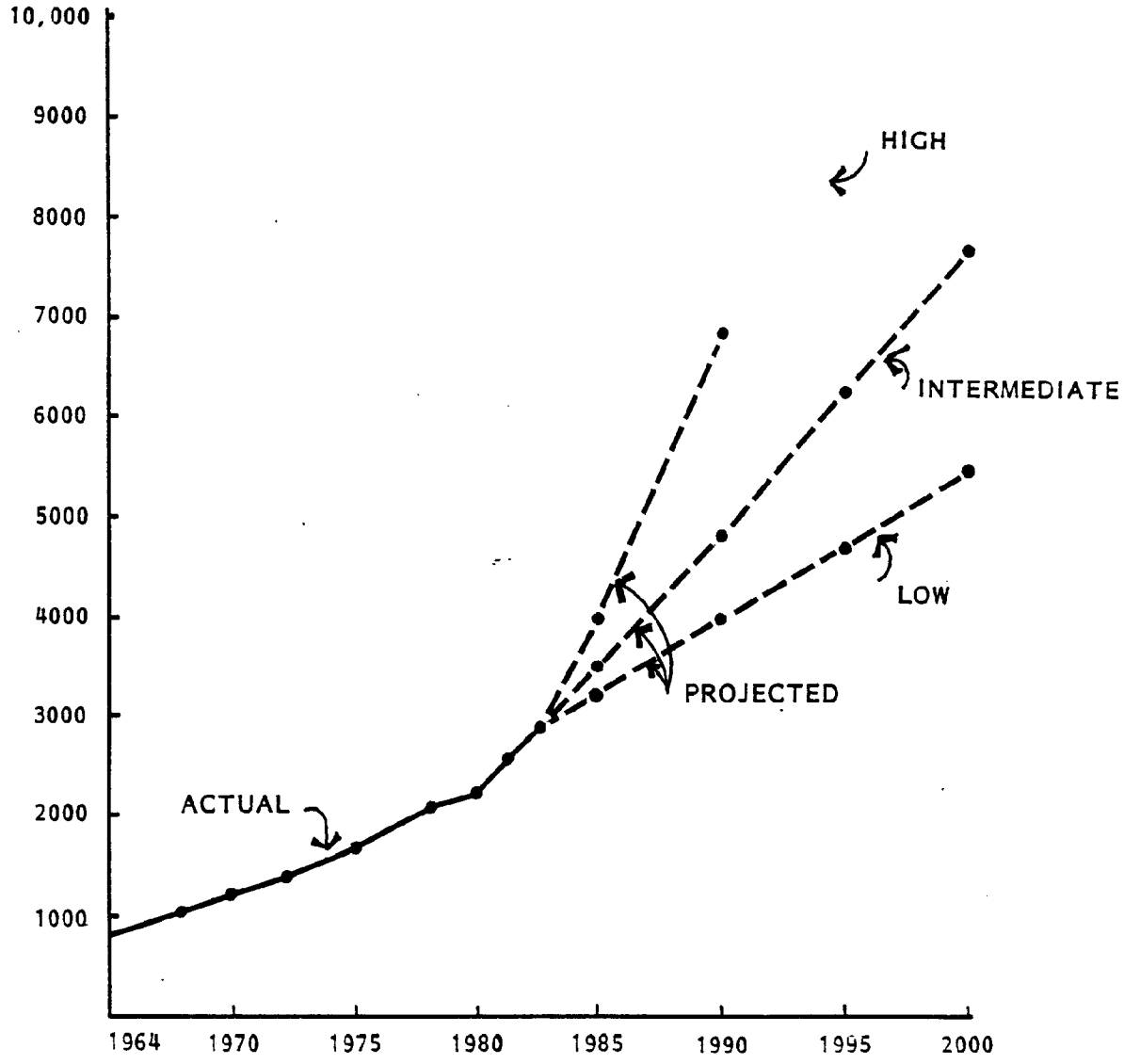


Figure 3-3 Past and Projected Population, City of Homer, 1964-2000

which do exist. One possible indicator of population growth is total voter registration. While voter registration might be influenced over the short term by other events (for example, political campaigns), over the longer term voter registration tends to be a fairly reliable indicator of population growth.

Voter registration figures are available for borough voting precincts corresponding to the greater Homer area. Recent trends in voter registration by each voting precinct indicates the Diamond Ridge and Fritz Creek areas have been growing at a rate of about one-eighth faster than the City over the last eleven years. Over the same periods, voter registration in the South Kachemak area grew only three-fifths as fast as in Homer, while the Southwest Peninsula area (Anchor Point and Ninilchik) grew at about the same rate (Kenai Peninsula Borough, 1981 and 1982).

Assuming these trends continue for the Diamond Ridge and Fritz Creek precincts and sufficient supplies of potable water are available, total other Homer area population is projected to more than triple over the next two decades, reaching a total population of 7,500 by the year 2000 under the intermediate projection. The low projection anticipates a doubling of the population, while the high projection anticipates a quadrupling of the population by the year 2000.

With rapid population growth in both Homer and other parts of the greater Homer area, the intermediate projection anticipates a tripling of current population, reaching a total Homer area population of 15,600 by the year 2000. The low projection anticipates total Homer area population of 9,400 by 2000, while the high projection anticipates 25,900 population by 2000. As discussed in Chapter 4, the high growth scenario would result in development of up to two thirds of Homer's residentially zoned land. Table 3-2 summarizes the population projections.

ECONOMY

Until recently, Homer's economy has depended primarily on its fishing industry to generate its income. Fishermen's earnings and processing worker's wages brought in dollars from outside of Homer, and a small number of trade and service establishments recirculated some of the money before it left Homer as spending to bring in goods and services from Anchorage and other outside areas.

Over the past decade, however, Homer's economy has expanded greatly, but in several new and different ways. Major fisheries of the area have remained at the same level or have fallen in annual catch, but increasing prices have generally made up much of the difference.

As fisheries remained stagnant or declined, many fishermen began to range further and entered some of the growing fisheries, such as salmon purse seining in Prince William Sound, salmon drift gill netting in Bristol Bay, and crab fishing in the Bering Sea. Homer's fish

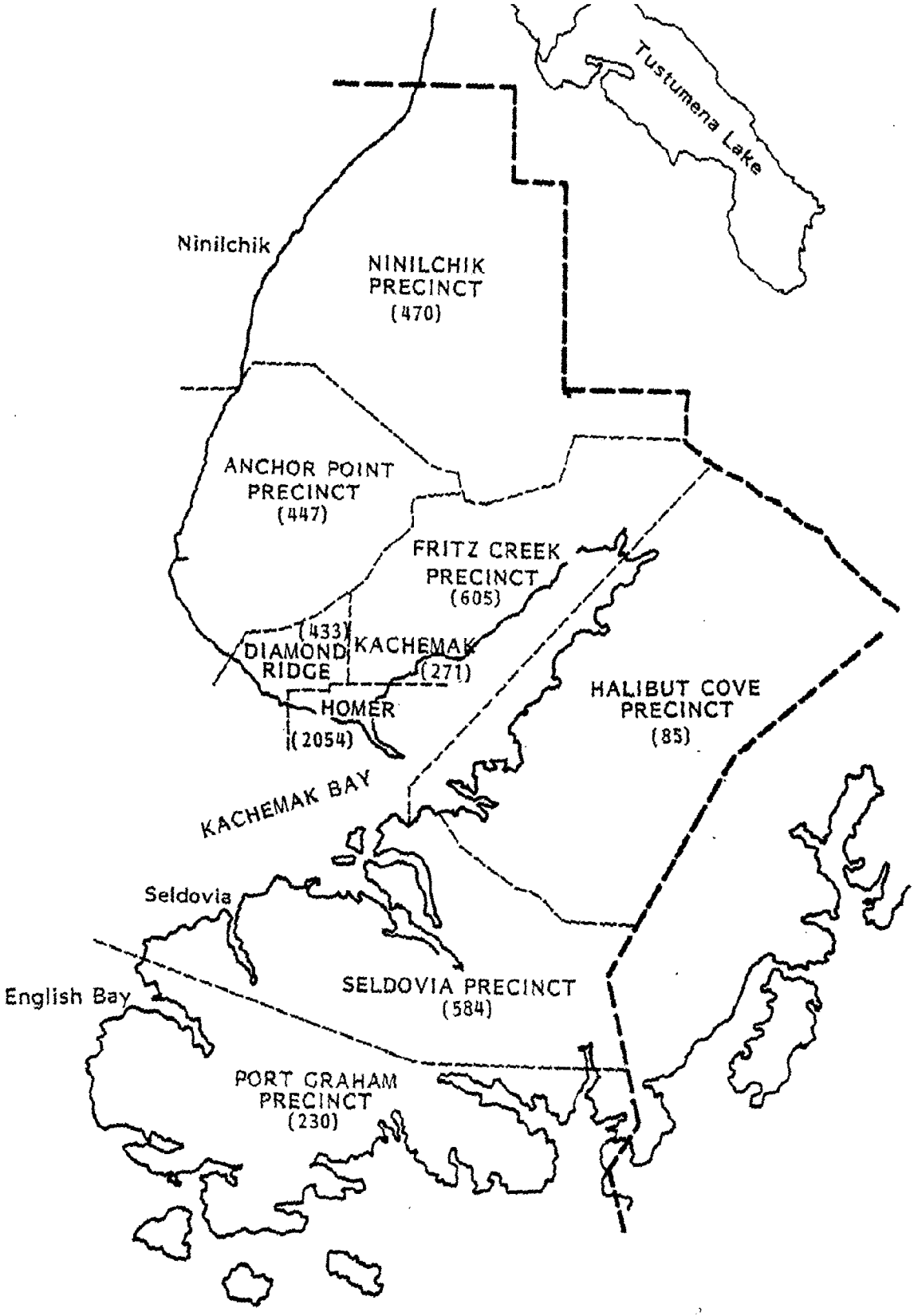


Figure 3-4 - Recent Population Figures In Homer Area (1978) (Kenai Peninsula Borough, 1982)

processors have also shared in this growth, instituting fish flying operations during the Bristol Bay salmon fishing season.

During the same period, many persons who moved to Homer established new services and trade businesses to provide a much broader and fuller range of choices to consumers than in years past. This economic maturation process has resulted in more recirculation of dollars in Homer, enabling more jobs to exist per dollar of income coming from outside of Homer.

This broader range of goods and services has also helped to attract and retain an increased flow of tourist dollars. Whole new categories of services, such as charter fishing, have been built up as tourist spending has grown by leaps and bounds. Based on the economic data presented later in this section, tourist spending today accounts for approximately one quarter of the outside income attributable to fishing industries.

A third major category of economic growth has been in other types of employment based outside of the Homer area. Nearly 13 percent of the nonfisherman households in Homer reported earning half or more of their income outside of Homer; major examples include oil industry employment on the North Slope, contract construction employment elsewhere in Alaska, and investment and retirement income from outside of Homer. About 12 percent of the households responding to the random city resident survey indicated that they are retired, while another 5 percent of households earned most of their income on the North Slope.

A fourth category of economic growth has been related to government spending. Direct State spending in Homer has risen greatly in recent years, creating employment in government, construction, and indirectly creating employment through lower tax rates than would otherwise have occurred in the absence of State aid.

The fifth major category of economic growth can be attributed to the prolonged real estate boom which Homer has experienced. In recent years property values have risen by millions of dollars per year. Since many of the property sales have been to outsiders moving or intending to move to Homer, additional income has accrued to the community's economy.

Table 3-3 on the following page summarizes trends in employment in the Homer labor area, including the City of Homer, City of Kachemak, Fritz Creek, Diamond Ridge and Anchor Point. The figures indicate that strong growth has been registered in retail and wholesale trade, services and government. Reliable employment figures are not available for fishing employment, but reported totals for agriculture, mining, forestry, fishing, contract construction and manufacturing (including fish processing) indicate no appreciable overall growth for these categories.

Table 3-4 on the following page depicts the composition and direct flow of funds in Homer's economy. The numbers are expressed in

Table 3-3

Trends in Non Agricultural Wage and Salary
Employment Distribution

Homer Labor Area
1970-1977

Industry	1970	1977	1970-1977 Percent Change
	Number of full time jobs.		
Agriculture, Forestry & Fisheries Mining Contract Construction Manufacturing (including Fish Processing)	178	167	-0.9%
Transportation, Communication and Public Utilities	93	162	74.2%
Trade	40	161	300.0%
Financial, Ins. & Real Estate	17	35	105.8%
Services	44	106	140.9%
Miscellaneous	0	*	--
Government	45	104	131.1%
TOTALS	417	735	76.3%

Note: Most fishing employment and some self-employment are excluded from these totals.

Source: Alaska Consultants, Inc. (1980)

TABLE 3-4

Direct Transactions in the Homer Area Economy, 1980
(Thousands of Dollars)

	SECTOR	1 COMM'L FISHING	2 CNTRCT CONSTR	3 FISH PRCSNG	4 AG, MIN &OTH MFG	5 TRANS PORT'N	6 COMMUN & UTIL	7 RTL TR FOOD	8 RTL TR SVC ST	9 RTL TR EAT &	10 RTL TR BLDG SP	11 OTH RTL AND TR	12 SRVCS HOTELS &	13 SRVCS PS & PR	14 SRVCS AM & RC	16 HOUSE HOLDS	17 FEDERAL GOVT	18 STATE GOVT	19 LOCAL GOVT	20 EXPORT	21 VISI TORS	22 GRAND TOTAL
1	COMMERCIAL FISHING	0	0	12504	0	0	0	0	0	0	0	0	0	0	0	145	0	0	0	1958	109	21760
2	CONTRACT CONSTRUCTION	50	450	50	7	12	8	8	6	5	10	47	10	8	6	497	1208	1208	603	1934	0	6114
3	FISH PROCESSING	0	0	0	0	0	0	200	0	159	0	30	30	0	0	1710	435	0	0	40045	870	43500
4	AGRIC, MINING & OTH MFG	50	110	10	10	32	0	10	0	15	5	20	5	0	0	101	2	9	4	22	11	424
5	TRANSPORTATION	1450	412	2976	19	967	168	486	268	143	264	1177	57	122	75	617	837	798	268	1488	615	13435
6	COMMUN &UTILITIES	21	20	41	1	13	2	7	4	2	4	29	1	9	0	774	74	74	74	1771	0	2517
7	RTL TRD-FOOD STORES	60	0	40	0	5	0	15	0	6	0	10	8	4	5	5919	0	74	149	520	372	7716
8	** SERV STNS & GARAGES	304	72	5	2	345	4	3	0	2	41	16	3	19	45	1776	108	108	72	375	36	3974
9	**-EAT &DRINK PLACES	6	12	8	2	3	1	1	1	1	1	5	2	22	2	1092	82	82	54	464	682	2529
10	**-BUILDING MATERIALS	10	750	10	4	5	1	2	2	2	5	13	4	8	3	2195	45	134	89	984	134	3911
11	RTL & WHLSL TRD -ALL OTH	675	74	110	5	22	3	55	11	50	30	52	43	32	18	7720	81	299	228	7167	3395	14970
12	SERVICES HOTELS &MOTELS	0	54	4	0	0	0	0	0	0	0	0	0	6	0	16	52	43	37	282	595	1064
13	*-PERS, BUS & PROF	700	100	750	7	89	42	30	20	12	13	76	24	220	36	3115	78	270	990	2606	314	8492
14	*-AMUSEMENT & RECREATION	6	0	0	0	0	0	0	0	0	0	0	0	0	0	140	0	0	0	0	1259	1400
15	TOTAL PURCHASES FROM HOMER AREA EMPLOYERS	3404	1332	27049	58	1433	229	817	312	387	373	1468	187	749	140	22447	3044	3097	2564	54637	8374	133319
16	PURCHASES FROM OTH AREAS	6358	1752	1539	179	2737	734	1539	1455	435	539	3717	251	1577	27	7605	9131	2384	1972	0	0	47971
17	TOTAL VALUE ADDED	12038	2836	18913	227	9265	1500	4811	2208	1700	3068	11805	626	6076	1233	5086	1445	2060	1704	6169	1771	95537
18	(LOCAL WAGES & SAL)	6117	1751	6030	184	6522	700	3280	1807	1000	1778	7365	361	4245	155	4241	1571	2169	1795	6500	1469	58584
19	(NONLOCAL WAGES & SAL)	2638	139	2010	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4187
20	(PROF, TAXES, RENT ETC)	3330	1440	10873	43	2743	800	1531	401	700	1230	4438	265	1826	45	1861	1	1	0	0	630	37760
21	TOTAL ALL PURCHASES & EARNINGS	21750	6114	43500	424	13435	2513	7216	3975	2524	3911	16970	1064	8492	1400	47977	13620	7543	6240	60806	10305	224944
22	EMPLOYMENT	367	47	230		182				210				265		110	35	246	144	114	110	1775

Source: Pacific Rim Planners & Engineers, Olympic Associates Company

thousands of dollars, and the figures are for 1980, the last year for which relatively complete information is available. The table uses input-output methods described by Miernyk (1965) and described more fully in an appendix to this report.

The table summarizes all monetary transactions involving merchants in the Homer area (defined as the City of Homer, City of Kachemak, and Fritz Creek and Diamond Ridge voting precincts.) Expressed in input-output terminology, the table is called a "transactions table." A more detailed version of this table is presented in the appendix.

Figures presented in the table can be read from the viewpoint of sales or sources of income by reading across the rows. For example, in the first row, commercial fishing sold $19,584,000 to Homer area fish processors, $109,000 directly to households (consumers), $1,958,000 to businesses outside of the Homer area (principally fish processors from other communities) and $109,000 to visitors (tourists). Each column of the table, therefore, represents a separate category of customer or other source of revenue. Most categories are businesses or government agencies with employment in the Homer area. Homer area employment is shown in the bottom row. The last three categories -- households (or consumers), export and visitors -- have no associated employment.*

Reading down the columns, a category's purchases and earnings are shown. Entries in the first fourteen rows are purchases from Homer area employers (for example, $3,404,000 in business purchases by fishermen in 1980). Line 16 is purchases from other areas (for example, $6,268,000 in purchases by commercial fishermen).

The remainder of each column (rows 17 through 20) summarizes "value added", or the difference between a category's revenues and purchases. This category includes wages and salaries, crew shares, owner's profits, royalties and rents. Row 17 summarizes total value added. Row 18 summarizes the component of value added going to Homer area residents as wages, salaries and crew shares, while row 19 shows the wages, salaries and crew shares received by non-residents. Row 20 is total profits, tax payments, interest payments, royalties and rent payments. Row 22 summarizes employment for each category.

Overall, the table indicates estimated total direct annual receipts of $275 million in 1980. Resident households spent about $43 million (total column 16), while employers spent $132 million (total columns 1 through 14). Continuing across the bottom row of the right hand side of the table, government agencies spent $28 million, visitors spent $10 million and businesses outside of the Homer area paid Homer residents and employers $61 million.

Total figures for rows 15 through 19 summarize how the receipts were spent. Purchases of all goods and services in Homer by all individu-

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* With the possible exception of a few domestic workers, who were not counted in these figures.

als and groups totaled $133 million (total row 15). Imports (purchases from other areas) totaled $46 million (total row 16), while value added earned by Homer's economy totaled $95 million (total row 17). The latter category includes wage and salary payments (including crew shares) paid to residents (total row 18) and non-residents (total row 19) as well as profits, taxes, royalties and rents (total row 20).

Homer's Economic Base

Table 3-4 can also be used to examine important economic relationships. One of the most important is the identification of Homer's economic base, defined as the combination of activities which draws income into Homer from other areas. Other economic activities, called nonbasic or secondary activities, are supported by respending.

One prominent example is commercial fishing. Fishermen earn their income by selling their catch to local and nonlocal processors, residents and tourists. Sales to processors and tourists are essentially basic in nature, since they draw money into Homer's economy. Sales to residents are secondary, since they do not draw any new funds into Homer's economy. Therefore, while commercial fishing is essentially basic in that most sales essentially draw funds into Homer from other areas, some of commercial fishing's revenues are derived by recycling money already in Homer's economy.

Table 3-5 summarizes the Homer economy's basic sources of income. Nearly 43 percent of Homer's income is derived from Homer's fishing industry. If earnings by commercial fishermen in other areas (row 6) is included, the fishing industry brings in about 45 percent of Homer's basic income.

The next largest source is government spending, which together accounts for over one quarter (about 27 percent) of Homer's basic revenues. In 1980, over half of this was attributed directly to Federal spending; however, Federal spending has been declining while State and local government spending has risen, so proportions are probably much more equal now.

The third largest source of revenues is sales to nonresidents, which accounts for nearly 13 percent of basic revenues. This category principally includes sales by Homer businesses to residents and businesses located in Anchor Point, Seldovia, English Bay, Port Graham and other nearby areas. It also includes sales to other areas, such as sales of manufactured products and services to Anchorage businesses, and receipts earned by Homer's contract construction industry in other areas.

Sales to tourists and other visitors were almost as large, accounting for another 10 percent of basic revenues. While no historical figures are available with which to compare, interviews with Homer businesspersons indicate that this is one of the fastest growing sources of basic revenues, and may be a somewhat low estimate. It is also

TABLE 3-5

Homer's Economic Base
(Major Sources of Basic Income)
Millions of 1980 Dollars

	Dollars	Percent of Total
Fishing & Fish Processing (1)	$42.0	42.9%
Federal Government (2)	$13.7	13.0%
Other Sales to Non-Residents (3)	$10.7	10.9%
Tourists & Other Visitors	$10.5	10.7%
State Government (4)	$ 7.7	7.9%
Household Income Earned Outside of Homer (5)	$ 6.5	6.6%
Local Government (6)	$ 5.0	5.1%
Contract Construction	$ 1.9	1.9%
TOTALS	$98.0	100.0%

NOTES:

1. Figures revised to avoid double counting of sales revenues.
2. Direct spending by Federal agencies, including Post Office and Coast Guard.
3. Principally sales to Anchor Point, Seldovia, English Bay, Port Graham, and Halibut Cove residents & businesses. Also includes sales to Anchorage businesses.
4. Direct spending by State agencies.
5. Primarily pensions, investments, and outside wage and salary earnings.
6. Includes spending by Borough and local spending financed by grants.

Source: Pacific Rim Planners & Engineers, Olympic Associates Co. estimates.

perhaps the most seasonal, with the majority of revenues earned during June, July and August.

The last major category of basic revenues is household income earned in other areas. As noted above, this includes earnings by fishermen in other areas such as the Bristol Bay salmon and herring fisheries, and is probably a third of the 6.6 percent of basic revenues earned in this category. The remaining two-thirds is primarily Homer workers who commute to jobs in Anchorage or the North Slope, and investment and pension income earned by Homer residents. Like sales to visitors, this category appears to be growing rapidly, and the figures may be somewhat low.

Secondary Sales

Another important facet of Homer's economy is the extent to which basic revenues are recycled into the economy. In very small communities, where few service or trade establishments exist, little or no basic revenue is respent locally. By contrast, in large cities, basic revenues are usually respent several times before leaving the area. Homer's ability to expand the goods and services it offers had enabled it to create quite a bit of economic growth merely by recycling an ever increasing fraction of basic income. This is demonstrated by the rapid growth shown in Homer's trade and service activities during the 1970's (see Table 3-3).

Table 3-6 summarizes Homer's secondary revenues by sector as of 1980. If double counting of commercial fishing revenues in fish processing sales is eliminated, secondary revenues amounted to about $44 million, or about 45 percent of total basic revenues.

This ratio, and the data presented in Table 3-6, indicate that much of Homer's recent growth has come from the evolution of Homer's economy. As recently as a decade ago, perhaps only 25¢ of every dollar of basic revenue was respent in Homer; by contrast, in 1980 approximately 45¢ of every dollar was respent. Moreover, in most categories, additional growth can occur; residents responding to the public opinion survey indicated they still purchased half or less of their clothing, appliances and furniture in Homer, for example. Even with only moderate population growth, Homer's trade and services businesses should continue to attract greater and greater respending, reaching perhaps 75¢ per dollar in 2000.

Economic Forecasts

This section presents economic forecasts for the Homer area. The forecasts were developed based on the findings of the economic model, review of previous economic trends in Homer and studies of possible events affecting Homer's economy, and consultation with knowledgeable business and government officials. Major assumptions underlying the projections are discussed first, followed by the actual projections.

Table 3-6

SECONDARY SALES REVENUES IN HOMER AREA ECONOMY
1980
(Millions of 1980 Dollars)

Sector	Amount	Percent
Contract Construction	1.2	2.4
Commerical Fishing & Fish Processing	2.3	4.7
Agriculture, Mining & Other Manufacturing	0.4	0.8
Transportation	9.4	19.8
Communications & Utilities	0.5	1.1
Retail Trade - Food Stores	6.1	12.8
Retail Trade - Service Stations & Garages	3.3	6.8
Retail Trade - Eat & Drink Places	1.2	2.4
Retail Trade - Building Materials	2.5	5.3
Retail & Wholesale Trade - All Other	10.8	22.6
Services - Hotels & Motels	0.1	0.2
Services - Personal, Business & Professional	4.2	8.9
Services - Amusement & Recreation	0.1	0.3
Federal Government	3.7	7.7
State Government	0.0	0.0
Local Government	2.1	4.4
Resident Earnings Other Areas	0.0	0.0
TOTAL HOMER AREA	47.8	100.0

Source: Pacific Rim Planners & Engineers, Olympic Associates Co.
(Based on data presented in Table 3-4, this chapter.)

Assumptions Underlying the Economic Forecasts

Economic forecasts are essentially informed guesses developed from limited information. Historical data are collected and analyzed for trends. Historical trends are compared with possible events, identified from published plans, proposals and speculation. To the extent practical, mathematical formulae are developed to explain the interrelationships between the trends, and projections are calculated. If much uncertainty surrounds key events, several sets of projections are prepared, indicating differing possible combinations of events. A well documented projection will detail the preparer's assumptions, reasoning, mathematical methods and estimated probability of occurrence. Of course, probability estimates are highly subjective, but they at least give the user a better idea of the chances that the projection will be accurate for his or her purposes.

The time frame, detail and structure of the forecast depends on the purpose for which it was intended. For example, most recent economic and population forecasts prepared for Homer have focused on the impact of Outer Continental Shelf (OCS) oil and gas development in Lower Cook Inlet. The forecasts devoted much detail to examining short-term impacts of a few specific activities, but did not examine longer range trends in any detail for non-OCS activities.

For this comprehensive plan, the forecast concentrates on long range, rather than short range, trends since the plan looks at Homer's long range development, and year to year changes are not as important.

Local government expenditures are partly a function of local population and economic activity as well as transfers from State and Federal agencies. Assumed real growth rates for the low, intermediate and high scenarios (3.0%, 5.0% and 8.0%) represent the influence of State spending coupled with high population growth rates and desires for successively higher quality services.

Household income earned outside of the Homer area includes salaries and crew shares, pensions and investment income. The low, intermediate and high scenarios (3.0%, 6.0% and 10.0%) reflect the assumption that Homer will continue to attract more than its proportionate share of Alaska's oil workers, fishermen, retirees and other "footloose" households.

Contract construction activity has been studied by Alaska Consultants, Inc. (1980) and Environmental Services Limited (1980). The low, intermediate and high scenarios (1.0%, 4.0% and 8.0%) closely parallel growth in State spending, which has fueled much construction activity recently.

Projections for other activities primarily reflect growth rates projected by other studies (Alaska Consultants, Inc., 1980, and Environmental Services Limited, 1980) for other parts of the South Kenai Peninsula, which supplies much of the sales in this collective category.

TABLE 3-7

Economic Projections of Total Sales by Industry
for 2000 by Scenario
(Thousands of 1980 Dollars)

		Year 2000 Projection					
		Low Scenario		Intermediate Scenario		High Scenario	
	1980	Amount	Annual % Change	Amount	Annual % Change	Amount	Annual % Change
Commercial Fishing	21,760	38,753	2.93%	55,279	4.77	89,260	7.31%
Contract Construction	6,114	15,242	4.67	17,144	5.29	22,668	6.77
Fish Processing	43,500	65,013	2.03	66,671	2.16	72,463	2.58
Agr., Mining, and Other Manufacturing	424	2,174	8.52	2,922	10.13	5,199	13.35
Transportation	13,435	67,942	8.44	84,495	9.63	143,588	12.58
Commun. & Utilities	2,513	6,197	4.62	6,497	4.86	7,540	5.65
Retail Trade --							
-Food Stores	7,216	10,990	2.13	11,307	2.27	12,370	2.73
-Service Stations	3,974	9,251	4.32	11,347	5.39	18,322	7.94
-Eat & Drink Places	2,524	5,417	3.89	5,648	4.11	6,449	4.80
-Building Materials	3,911	8,164	3.75	9,136	4.33	11,869	5.71
-& Wholesale-Other	16,990	33,250	3.41	35,195	3.71	41,653	4.59
Services --							
-Hotels & Motels	1,064	2,883	5.11	3,060	5.42	3,537	6.19
-Pers., Prof. & Bus.	8,492	23,669	5.26	26,698	5.89	37,260	7.67
-Amusement & Recrea.	1,400	3,510	4.70	3,510	4.70	3,510	4.70
TOTALS	133,318	292,454	4.01%	338,909	4.78%	475,687	6.57%

Source: Pacific Rim Planners & Engineers, Olympic Associates Company estimates.

Low, intermediate and high projected growth rates are 1.5%, 4.5% and 12.9%, respectively.

Table 3-7 on the following page presents the results of the economic projections of the model using the assumptions described above. In general, the intermediate or mid-range projections anticipate real (adjusted for inflation) economic growth of slightly less than 5.0 percent per year. This contrasts with projected population growth for the intermediate scenario of 6.7 percent per year. The difference reflects Homer's growing population of retired and commuting households, whose incomes are not reflected in this table. Another reason for the difference is Homer's historic tendency to accumulate population before, rather than after, economic growth. Over a longer time period, the economic growth would tend to catch up with the population.

The projections anticipate increased reliance on tourism and other visitor revenues. Other major sources of economic growth are Homer's expanding role as a transportation and service center for the South Kenai Peninsula, and an expanding retired and commuting population. The low projection anticipates these trends also, but with slightly less growth, at 4.0 percent per year, while the high range projection anticipates economic growth averaging 6.6 percent annually. Detailed tables projecting the low, intermediate and high range scenarios also follow.

Table 3-8 details the assumptions which underlie the economic projections, and describes the estimated probability of each occurring. Since the economic model presented in Table 3-7 is stated in terms of 1980 dollars, the assumptions describe projected annual changes, in 1980 dollars.

The low scenario was chosen to represent a level of activity which is likely to be exceeded. Estimated chances of actual activity exceeding the low projection is 95 percent, while chances of activity being less are estimated at 5 percent. Conversely, chances of the high scenario projections being greater than actual results are about 95 percent, with about a 5 percent chance of being low. Finally, estimated chances of the intermediate scenario projections being too low or too high are the same -- about 50 percent.

Fishing and fish processing have been examined by Alaska Consultants, Inc. (1980), Environmental Services Limited (1980) and TAMS (1980). Overall projections appear so far to have been overly optimistic for bottomfish development, but relatively close in projecting small growth in traditional fisheries. The low projection assumes declining catches and product values (-0.5% per year) while the intermediate projection assumes a small increase (1.5% per year). Both assume no bottomfish development. The high projection anticipates small real spending declines (-0.5% per year), while the intermediate and high projections anticipate small and moderate real growth (1.0% and 3.0% per year, respectively).

TABLE 3-8

MAJOR ASSUMPTIONS UNDERLYING ECONOMIC PROJECTIONS
(Annual Percentage Change in Current Dollars)

	Scenarios		
	Low	Intermediate	High
Fish & Fish Processing	-0.5%	1.5%	4.0%
Federal Government	-0.5%	1.0%	3.0%
Tourists & Vistors	2.0%	5.0%	10.0%
State Government	2.0%	4.5%	8.0%
Local Government	3.0%	5.0%	8.0%
Household Income Earned Outside of Homer Area	3.0%	6.0%	10.0%
Contract Construction	1.0%	4.0%	8.0%
Other Activities	1.5%	4.5%	12.0%
Estimated Probability of Actual Outcome Exceeding Projection	95%	50%	5%
Estimated Probability of Actual Outcome Less than Projection	5%	50%	95%

Source: Pacific Rim Planners & Engineers, Olympic Associates Company estimates.

Tourism has been studied by Uniplan Associates (1981), Mundy-Jarvis Associates (1981) and the Kenai Peninsula Borough (1976). Past growth trends, coupled with projected statewide growth in tourism and possible addition of more facilities, makes tourism potentially a fast-growing activity. The low scenario (2.0% real spending growth per year) assumes little additional encouragement. The intermediate scenario (5.0% per year) assumes moderate encouragement, such as the planned harbor improvements and spit parking areas. The high scenario (10.0% yearly growth) assumes even greater encouragement, such as construction of additional hotel, performing arts and meeting facilities, and concerted promotion.

State expenditures have been examined by Tussing (1979), Alaska Consultants, Inc., (1980) and Environmental Services Limited (1980). State spending probably cannot continue its recent rapid growth exceeding 10 percent per year indefinitely; however, some additional growth can be expected. The low, intermediate and high scenarios represent the range of overall State expenditure growth rates which have been projected by other studies.

CHAPTER 4
LAND USE PLAN

The development of land in Homer has occurred ever since the town moved from the Homer Spit in the early 1900's. The development in the area is low density and scattered across the landscape.

This pattern has left a great deal of vacant land within the city, six acres along Pioneer Avenue alone (See Figure 4-1.) Commercial activity is typically found along Pioneer Avenue and, more recently, along Ocean Drive. Industrial development occurs in several areas of town, concentrated at the end of the spit, but also occurring along Ocean Drive and along Kachemak Bay Drive, near the airport. Residential development has occurred throughout the community, although somewhat concentrated on the gently sloping lands north of Pioneer Avenue, which in many areas provides views across Kachemak Bay.

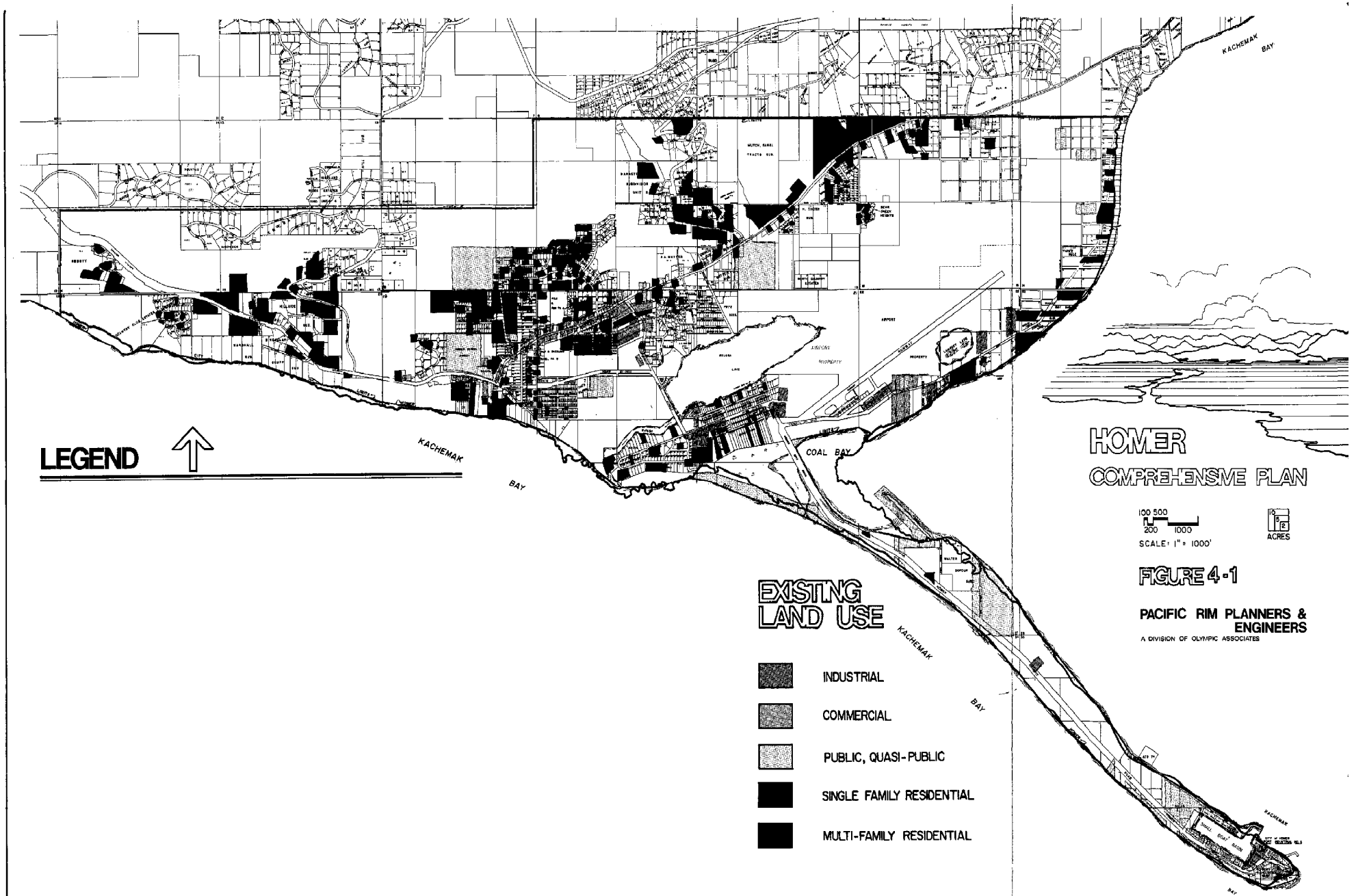
This development has been restrained by poor soil conditions but is currently being infilled with homes with the extension of water and sewer into the area. Existing residential, commercial and industrial land uses are, for the most part, not segregated within the community. As the city grows, the impacts of these different uses on each other will become more extreme and conflicts will likely begin to occur.

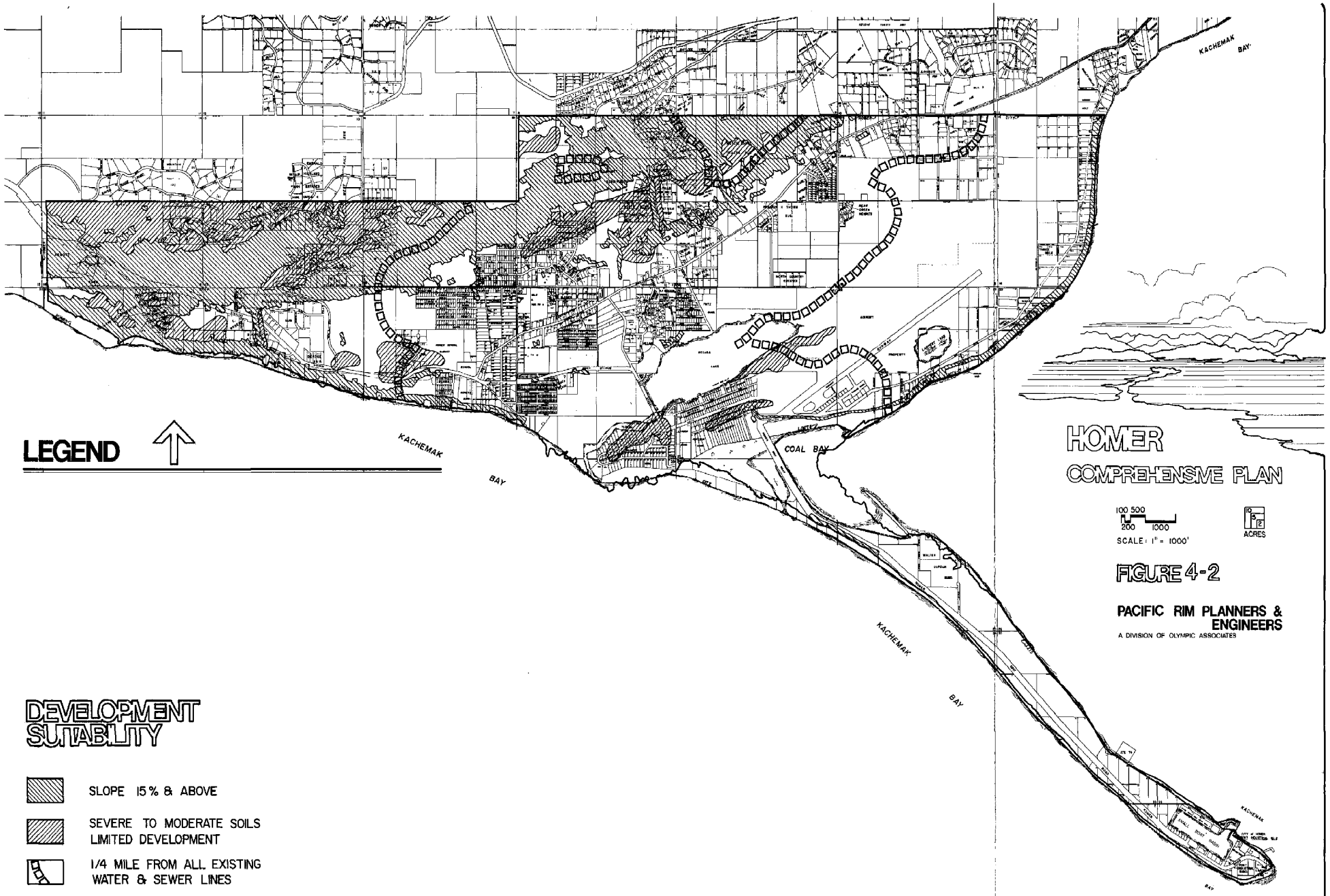
Land use issues identified during the planning process can be traced back through earlier comprehensive planning efforts. Many have to do with the problems of development on the hillsides and poor soil conditions found in the city. Continued development of areas with extreme slopes could increase the hazard of soil slippage, landslides and flooding.

Other issues reflect the issuance and enforcement of building permits, platting standards, city codes and the land control authority of the borough along with its relationship to the city. Another series of issues reflect a concern about providing adequate industrial land around the airport, the location of tourist-related businesses and the development pattern along major arterials such as Pioneer Avenue and the by-pass road. These and other issues have been addressed and responded to in this, Homer's Land Use Plan.

BACKGROUND

Homer's land use plan is based on natural conditions, existing land use patterns, existing and proposed utility lines, transportation corridors and public opinion. Each of these factors impact the suitability of the land for development. For example, a parcel of land which is vacant, has access to existing water and sewer services, is on an improved road and has a slope of 15% or less would be more easily developed, and, therefore, have a higher development suitability. The development suitability map combines constraints and opportunities for development (see Figure 4-2).


LEGEND
KACHEMAK BAY
COAL BAY
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 4-1
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES
EXISTING LAND USE
INDUSTRIAL
COMMERCIAL
PUBLIC, QUASI-PUBLIC
SINGLE FAMILY RESIDENTIAL
MULTI-FAMILY RESIDENTIAL


KACHEMAK BAY
COAL BAY
KACHEMAK BAY
KACHEMAK BAY
LEGEND
DEVELOPMENT SUITABILITY
SLOPE 15% & ABOVE
SEVERE TO MODERATE SOILS LIMITED DEVELOPMENT
1/4 MILE FROM ALL EXISTING WATER & SEWER LINES
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 4-2
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES

Utilizing this map as a guide, the plan was developed by identifying land use categories (generally the same as is used in the Homer Zoning Ordinance) and by defining a purpose and criterion for each category. The definitions of purpose and criteria define a general system of objectively classifying and planning land use, and can be applied in future rezoning and land use decisions as conditions in the community change.

The density levels for the various land use categories is based on the condition of the land and the availability of the utilities. For example, the maximum density allowed in the Rural Residential is one unit per acre if the site is not served by public sewer or water. If it is served by either water or sewer, the maximum density would be two units per acre, while for a site being served by both water and sewer, a maximum density would be four units per acre. As the Urban Residential district has all utilities, and a higher density is desirable in this area, the minimum lot size is 7500 square feet or approximately six units per acre.

As the population of Homer increases and more lands are subdivided for housing, the City shoudl ensure that properties are developed in a manner which will not burden the City in the future. Roads, streets and utilities should be constructed up to standards so that the existing residents will not have to subsidize new developments through capital projects. Growth can occur in the community without impacting the City monitarily if controls are established for new development to pay their own way.

The following section presents the land use plan categories, describing their purpose and criteria for classification. Subsequent sections describe how classifications were selected, and policies developed, for some of the more complicated areas of the city.

Rural Residential

Purpose: To provide an area for low density development in the city; to allow limited agricultural pursuits; to provide adequate lot sizes in areas not served by city water and sewer. (Source: Homer Zoning Ordinance.)

Criteria: Lands included in this classification should be those which are relatively isolated from city development due to natural features and the lay-of-the-land, which are presently without any or all of the following: roads up to proposed city standards, city water, city sewer.

Urban Residential

Purpose: To provide a sound environment for medium and high density residential buildings including single family, duplex and low-rise multiple family. (Source: Homer Zoning Ordinance.)

Criteria: Lands included in this classification should be those which have or are adjacent to existing water and sewer utilities, which have a developed road system and which are adjacent to the commercial or industrial districts.

Central Business District

Purpose: To provide a centrally located area within the city for general retail shopping, personal services, restaurants and related businesses which is a focal point for the community. It is also intended to allow a mixture of residential and commercial uses. (Source: Homer Zoning Ordinance.)

Criteria: Lands included in this classification should be those which have existing developed streets and utilities and where public investment has occurred to establish social services such as fire department, post office, library, senior citizen facilities, museum, public administration facilities, etc. (Source: Homer Zoning Ordinance.).

General Commercial 1

Purpose: To provide sites for businesses that require direct motor vehicle access and may require larger land area than would be needed in the central business district. (Source: Homer Zoning Ordinance.)

Criteria: Lands included in this classification should be those which are adjacent to major arterial streets, which have either existing or planned water and sewer utilities and which have existing businesses which are oriented toward access by the automobile.

General Commercial 2

Purpose: To provide sites for heavy commercial uses that will require access to major arterial streets, air transportation facilities, and existing or planned sewer and water service. The district is designed to permit manufacturing, processing, assembling, packaging or treatment of products within enclosed structures, as well as warehousing and outside storage. (Source: Homer Zoning Ordinance.)

Criteria: Lands included in this classification should be adjacent to major arterial roads, existing or proposed water and sewer service and airport or other industrial areas. They should also be buffered from low density uses.

Public

Purpose: To provide opportunities for public facilities, recreation, education, or other public activities.

Criteria: Lands included in this classification should be those which are in public ownership and which have either existing public use activities occurring or which have definite plans for such activities.

Marine Commercial

Purpose: To provide adequate space for commercial needs which service and support water dependent facilities.

Criteria: Lands included in this classification should be adjacent to major arterial roads, existing or proposed water and sewer service and to navigable waters in and around the city.

Marine Industrial

Purpose: To provide adequate space for those industrial uses that require direct marine access for their operation.

Criteria: Lands included in this classification should be adjacent to the shoreline of the city, major roads and proposed or existing utility services.

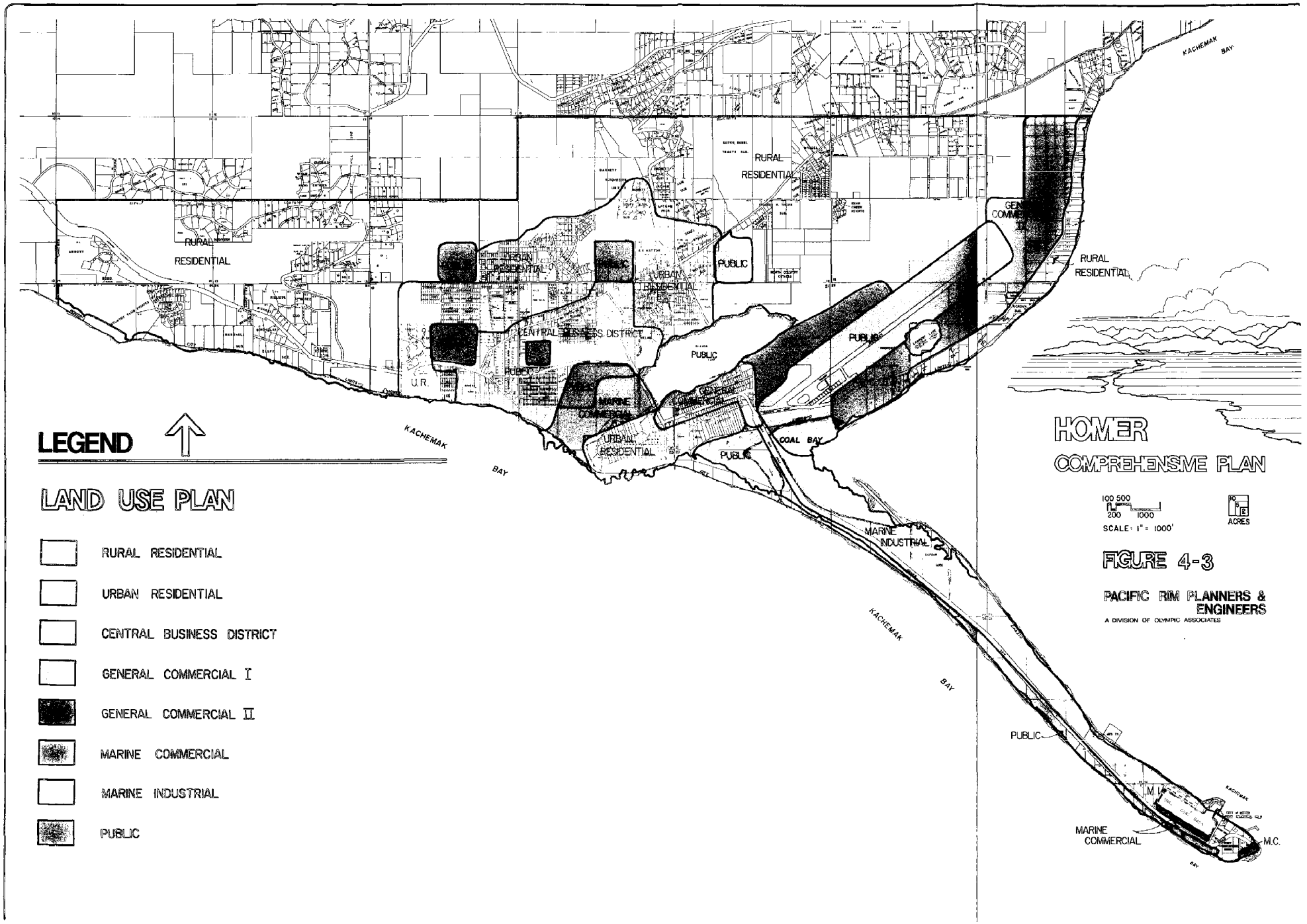
LAND USE PLAN

The land use plan shown in Figure 4-3 applies the defined criteria to the ground, creating a proposed land use pattern.

The central business district includes the area one block north of Pioneer Avenue, south across the by-pass road to Kachemak Bay and from the high school on the west to the Lakeside subdivision, east of Lake Street. Bounded by the major arterials, the area is served by water and sewer utilities and existing streets. The area has a developed commercial core with adequate vacant land for expansion. Development priority should be given to the area just south of Pioneer Avenue to maintain a clustered and defined central shopping area.

The bypass road reduces the traffic loads from Pioneer Avenue. In this capacity, the bypass is very efficient. An unexpected bonus which the community received when the road was constructed was an extremely pleasing corridor through mature spruce and birch trees. The roadside beauty along the bypass brings many to the conclusion that it should be retained in its present state. Others feel that the area should be developed as part of the Central Business District. Both are valid considerations.

The land north of the bypass can be developed with a sensitivity to the aesthetics of the corridor. This can be assured through the use of design standards which would address architectural style, retention and planting of native plant material and by limiting the number of vehicle access points along the bypass. These standards need not be extremely restrictive but could act as a guide to future commercial development.


LEGEND
LAND USE PLAN
RURAL RESIDENTIAL
URBAN RESIDENTIAL
CENTRAL BUSINESS DISTRICT
GENERAL COMMERCIAL I
GENERAL COMMERCIAL II
MARINE COMMERCIAL
MARINE INDUSTRIAL
PUBLIC
KACHEMAK BAY
COAL BAY
RURAL RESIDENTIAL
URBAN RESIDENTIAL
CENTRAL BUSINESS DISTRICT
PUBLIC
MARINE INDUSTRIAL
MARINE COMMERCIAL
U.R.
M.I.
M.C.
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 4-3
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES

The Urban Residential category is found adjacent to the central business district, north of Pioneer Avenue and the Lakeside subdivision area east. This area is designated for a higher residential density because of its position in the landscape, the availability of utilities and the existing road and street system. The outer boundaries of this district are defined by the extent of the utility lines and the steep slopes found just outside the district. Other urban residential districts lie adjacent to Beluga Lake and Beluga Slough.

General Commercial 1, a lower density, auto-oriented business district, is located along Ocean Drive. This area has utility access, is located on an arterial street and has existing development which relates to this use type.

Construction of the Homer Bypass has created an area along Bishop's Beach which is relatively isolated from the rest of the community. The area consists of a mix of residential and commercial uses, and possesses good views of Kachemak Bay and Cook Inlet. The beach is subject to rapid erosion, but is considered by many to be a prime possible location for resort development.

Although it is relatively isolated from the rest of the commercial center, Bishop's Beach offers an opportunity to accommodate the tourist industry's needs in an area which would help to avoid additional congestion on the Spit and along Pioneer Avenue. It would also help keep some tourist business in the Central Business District. For this reason, Bishop's Beach is planned for Central Business District.

General Commercial 2 is located on both sides of the airport and along the north and west side of Kachemak Bay Drive. Because of the proximity of residential property to this area, the designation of industry-oriented uses can cause conflicts.

The bay side of the road is mostly residential, with long narrow lots stretching to the shoreline. Most of the houses are situated along the bluff to take advantage of the views across the bay. The airport side of the road is developed with industrial uses mostly associated with air commerce. This pattern is somewhat complicated by the airport property line and the 1,500 foot clear zone around the runway. The road is seemingly the only boundary between the residential and industrial uses. Many of the residents along the road would like to see the area developed in low density residential uses. Many of the owners of the land north of the road (airport side) visualize it as potential industrial land.

The review of natural conditions in the area provides clues to its suitability. The area is poorly drained, has poor soils for septic tanks, foundations and roads. Utilities have not been extended to the area as yet but the road (Kachemak Drive) is fairly well developed. It appears, in this instance, that residential uses are not desirable because of the quality of the natural resources, the lack of views and the potential hazard and noise associated with the airport activities.

Another consideration which points toward a use classification is the public investment which has been made in the airport. The amount of private land adjacent to the airport which is available for industrial purposes is quite limited by Beluga and Lampert Lakes and their associated wetlands and by the 1,500 foot clear zone regulation around the airport runway. Only about 86 acres are available in this area, much of which is greatly restricted by natural conditions. Therefore, the proposed development plan designates the land north of Kachemak Drive as General Commercial 2 (industrial uses). To ease the conflict between the residential and industrial uses, a buffer strip should be established along the north side of Kachemak Drive.

Homer's airport, owned and operated by the Alaska Department of Transportation and Public Facilities, Division of Aviation, is a significant asset to the community. It represents a major investment of public funds, and is a key ingredient in much of Homer's existing and future economy.

As a transportation and commercial center, there are existing traffic, noise and public safety impacts which can be expected to continue in the future. Despite State plans to relocate the terminal building to the northwest side of the runway, buildable industrially zoned land is likely to be in short supply in the coming years.

Based on these considerations, the land use plan for the airport calls for public zoning of State ownership of the clear zone around the runway, and General Commercial II zoning on buildable lands adjacent to, but outside of, the clear zone.

The remainder of the uplands within the city limits are classified as Rural Residential. This classifiction represents a low density residential use, and reflects the development pattern found in the area. For the most part, utilities are limited and streets are not highly developed in these areas. Future subdivision activity in these areas should reflect this low density character.

Public lands are located throughout the city and represent areas which have either an existing or proposed public use. These lands include facilities such as parks, schools, utilities and the Homer Airport.

Beluga Lake is designated as Public in the Land Use Plan. The lake is primarily used for recreation and as a base for float planes. The lake is surrounded by wetlands and provides a habitat for water fowl and other animals. It is also a dominate feature in the landscape of the city and several housing and other developments front on the lake.

Land Use Demands

The proposed land use plan can be evaluated from the standpoint of how well it responds to projected land use demands for each of several major land use categories. This section compares the proposed land use plan with existing land use, zoning and projected land use demands for commercial, industrial and residential land uses.

Commercial Land Use

Figure 4-4 on the following page summarizes existing, zoned, proposed and projected land use for commercial land uses. This category of land uses includes retail trade, wholesale trade, service, finance, insurance and real estate, and government uses.

Currently commercial zoning amounts to about 480 acres within the City of Homer. This is nearly eight times existing commercial land use (70 acres), and two and a half to three times land use projections for low, intermediate and high economic projections for the year 2000. Overall, the land use plan for commercial activities includes more than four times existing use, and one third to three quarters more land area than would be utilized by the year 2000 under the three economic scenarios.

Overall, the proposed land use plan appears to contain enough commercial acreage to accommodate virtually any foreseeable commercial development for the next two decades, with room to spare. Moreover, the projected land use demands are probably somewhat high, since they were prepared assuming that land use would expand in direct proportion to total commercial sales revenues. In practice, however, merchants would face rising land costs, and would probably expand their use of land at a somewhat lower rate.

Industrial Land Use

Figure 4-5 summarizes projections for industrial land use in Homer. At present, about 46 acres are used for various industrial land uses, including fishing, fish processing, transportation, mining (gravel and fill storage), contract construction and light manufacturing. The zoning ordinance contains about 1,160 acres in manufacturing categories (Marine Industrial and General Commercial 2); however, only 371 of these acres are within city or private ownership and, hence, feasible to develop. The proposed land use plan further restricts the industrial land by removing lands which are marginal for development (steep slopes, slide or eroding areas, wetlands, etc.), reducing industrial land to a total of 174 acres. This is the total acreage which is readily developable, not counting developable lands under state ownership at the Homer airport.

Projected industrial land use demands indicate that space might begin to become tight by the end of the century, with projected demands ranging from 94 to 154 acres by the year 2000. Again, as with other land use activities, when space becomes more scarce, land prices will rise and businesses will begin to find ways to use less space to accomplish the same amount of sales, so the increasing scarcity might not lead to a complete lack of industrially zoned land for some time after 2000.

The other possible concern with the projections is that some types of industrial development (e.g., airport industrial and OCS staging areas) tend to use large tracts of land, and an absence of large

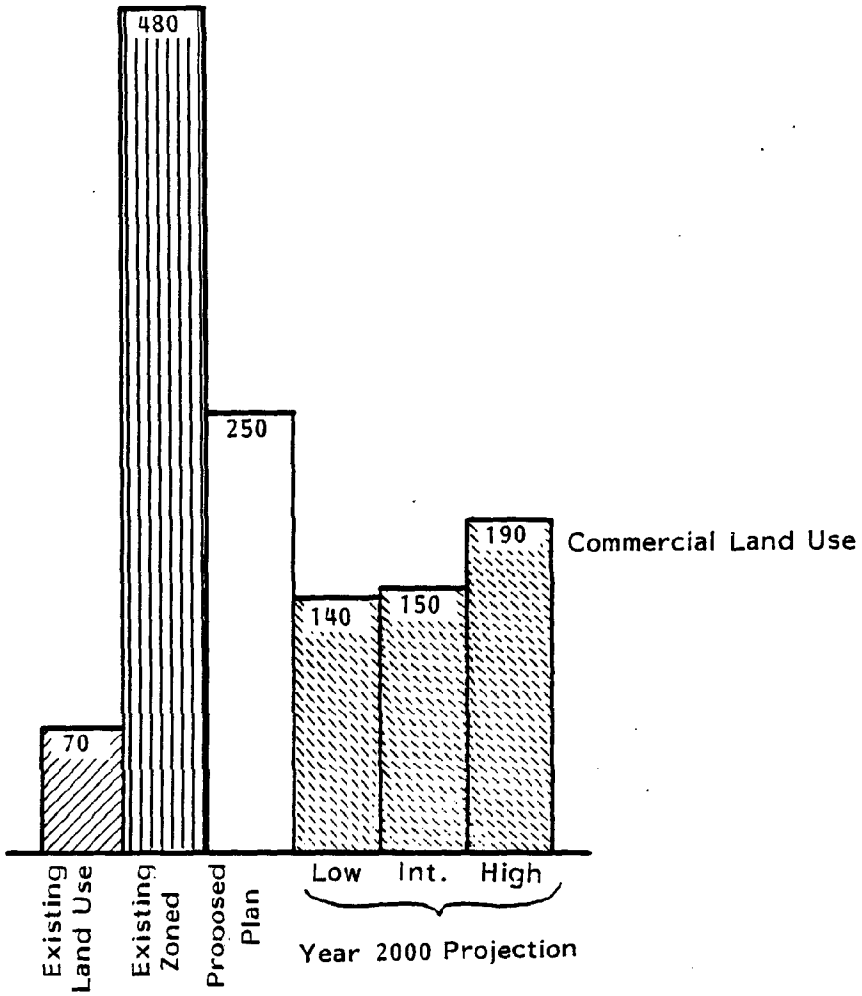


FIGURE 4-4
Commercial Land Use - Existing, Zoned, Planned, and Projected (in acres)

Source: Pacific Rim Planners & Engineers, Olympic Associates, Co.

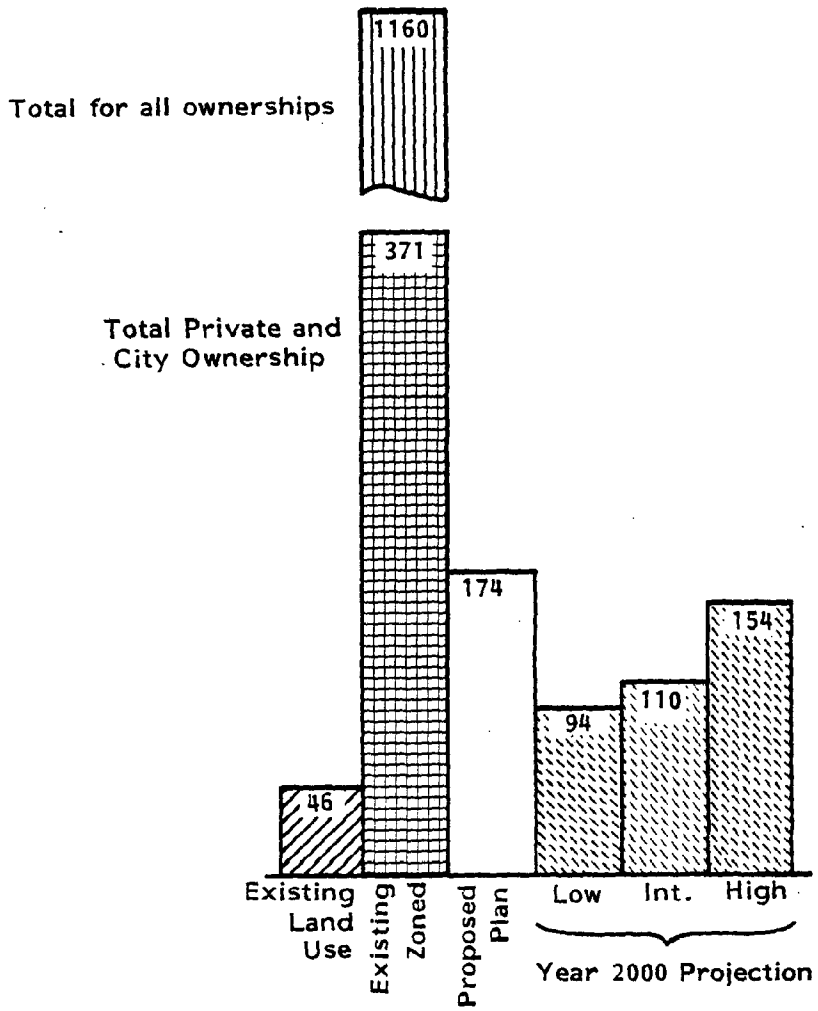


Figure 4-5 - Industrial Land Use - Existing, Zoned, Planned and Projected (in Acres)

Source: Pacific Rim Planners & Engineers, Olympic Associates Company

developable tracts might tend to inhibit large industrial developments. On the other hand, if large industrial developments are to be discouraged, then limiting industrially zoned land is one method to accomplish this.

Residential Land Use

Figure 4-6 summarizes residential land use projections. Total residential land use at present is about 450 acres, compared with 3,900 acres in rural or urban residential zones in the zoning ordinance. Marginally developable lands (steep slopes, slide areas, drainages, wetlands, etc.) are excluded, however, leaving a total residential acreage in the proposed land use plan of 3,200 acres.

These figures compare well with projected residential land use, which range from 940 to 2,640 acres for the year 2000. The intermediate, or most likely, projection anticipates 1,350 acres of residential land use, assuming the existing low residential density of about one-half acre per dwelling unit continues. Since density is likely to increase somewhat, the residential land use projections are, like the commercial and industrial land use projections, probably somewhat high. Thus, unless particularly rapid development occurred (as described in the high economic development scenario), residential development would still only consume about a third of developable residential land by the year 2000.

Special Conditions

Natural conditions play an important role when designating uses for the land within the city. Steep slopes, unstable soils, wetlands, tidelands, eroding bluffs and other special conditions make development of the land difficult and expensive. Also, once developed (using normal practices), these areas often react in a negative manner, reflected in increased erosion, ponding of runoff water and slumping or failure of slopes. This not only impacts the land which is being developed, but adjacent land as well. Often, forcing development on such lands creates a public expense because in many cases the city is left to repair roads, drainage corridors and damaged lands. The following sections discuss some of these special condition areas, along with the management approach.

Wetlands

Wetlands are often thought of as areas which have little function and, if filled, are prime locations for development. However, wetlands have a very important function and contribute to the environmental health of an area. Homer has a great deal of wetlands which contribute to the character of the city.

Wetlands protect the downstream or offshore water resources of a community from siltation and pollution. Aquatic plants change inorganic nutrients into organic material. The stems, leaves and roots of these plants slow the flow of water through a wetland, allowing silt to

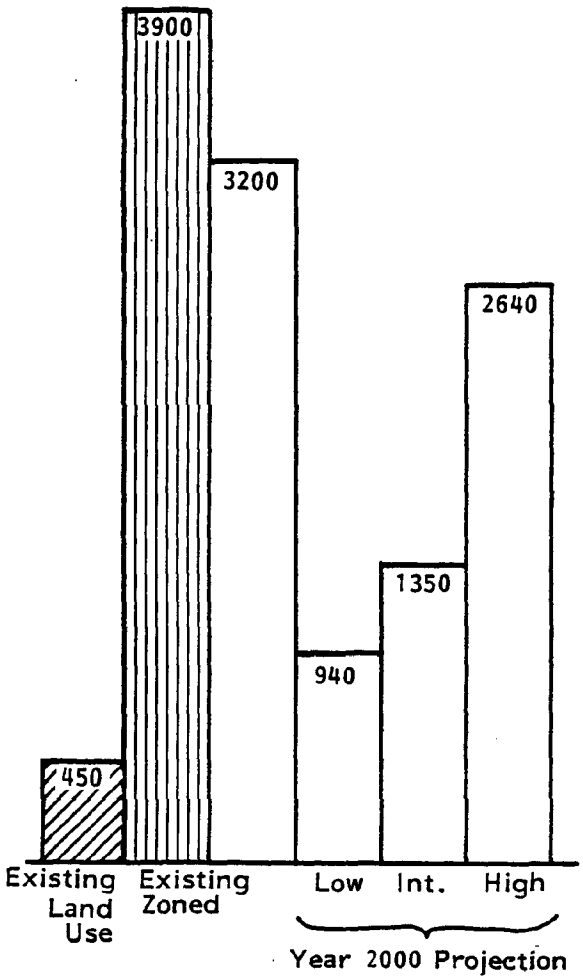


Figure 4-6 Residential Land Use - Existing, Zoned, Planned and Projected (in Acres)

Source: Pacific Rim Planners & Engineers, Olympic Associates Company

settle out. The removal of wetlands causes faster runoff of dirtier water.

Wetlands act to retain water during dry periods and hold it back during floods, maintaining the water table in a relatively stable state. They also provide essential breeding, nesting, resting and feeding grounds for many fish and wildlife species. These factors have the social value of providing general environmental health; creating recreation sites; maintaining the economic function of trapping and fishing and add to the aesthetic of the community.

Policies to retain the wetland resources of Homer should address the effect of the destruction of wetlands. Topography, soils, and vegetation should be retained in the planning of activities proposed for wetland areas. Developments should not substantially reduce the natural retention storage capacity of the wetlands.

Tidelands

The tidelands are an important resource to the Homer community as they represent a great deal of the City-owned land. They are used for the gathering of food and for recreation. They also create an interface between the terrestrial and marine environment.

Modification of the tidelands through the removal of material or their filling can cause severe impacts on the uplands, not to mention the destruction of marine habitat. This is especially true on the Home Spit where the uplands are limited and any impacts from modification of the tidelands are quickly realized.

Policies toward the careful use of the tidelands should address the relationship between the tidelands and the uplands. Structures, fills, and other development activities should be carefully considered prior to their implementation.

Hillsides and Steep Slopes

The bluffs and hillsides in and around the city are part of the Homer landscape. They give identity and character to the city. They also can cause severe environmental and property damage if developed without consideration of the soil stability, siltation and drainage patterns.

Disturbance of hillsides can result in the loss of slope and soil stability as well as increased erosion. The removal of vegetation deprives the soil of the stabilizing function of roots as well as the moderating effects on wind and water erosion of leaves and branches. Loss of soil stability increases erosion and lowers downstream water quality as a result of siltation.

Development may alter the natural drainage pattern of a hillside producing increased runoff and erosion. Construction of impervious surfaces such as roads and buildings decreases the amount of groundwater percolation and increases runoff.

The disturbance of the hillsides of Homer can destroy the community's aesthetic resources. The backdrop of hills and vegetation marks the city's boundaries and provides an attractive setting for Homer. Degradation of the bluffs, hillsides and drainages as a result of erosion, mass movement, loss of vegetation and damage to downstream areas deprives the community of its attractive and distinctive setting and potentially decreases real estate values.

Policies to manage this resource should conserve the most visually significant slope banks and ridgelines in their natural state by maintaining the prominent drainages in an open space designation, and by clustering developments into neighborhoods. Grading should be minimized to ensure that the natural character of the hillsides are retained. Roads and streets should be designed in the hillside area to reduce cut and fill areas while providing safe vehicular and pedestrian traffic, including emergency vehicles. Policies are also needed to provide safety against unstable slopes or slopes subject to erosion and deterioration in order to protect human lives and property.

Woodland Conservation

The woodlands in and around Homer are composed of spruce, birch and willow. They provide a visual amenity for the community as well as habitat for wildlife. The various layers of treetops, branches, trunks, shrubs and plants provide breeding, feeding, and refuge areas for insects, birds and mammals. The diversity of the woodlands is important for the general environmental health of the area.

The woodlands protect important watersheds and soils. The spruce forests in the developed areas of Homer, moderate the effects of the winds and storms. They also stabilize and enrich the soil, slow runoff and promote groundwater reserves.

The forests also buffer the sights and sounds of development, allowing conflicting uses to be developed adjacent to one another. The forests moderate temperature extremes. The microclimate of the forests, created in part by the shade of the trees and the transpiration of water from the leaves, keeps the surrounding air at an even temperature. The temperatures are usually cooler in the day and warmer at night within a woodland than the more fluctuating temperatures of unforested areas.

Based on these considerations, the conservation of forests is important to the environmental health of Homer. Policies recommended for woodlands conservation suggest that important woodland areas be identified, studied and their susceptibility to development studied. Developers should be provided incentives to retain woodlands identified as important.

Streams and Creeks

Streams and creeks within the City of Homer are important resources, not only to the wildlife associated with them, but to the residents of

the community. Streams affect the quality and quantity of the community's water resources.

Increased runoff and sedimentation for improper land development can cause irregular flow and cut off a stream's connection with groundwater formations, thus creating low and irregular groundwater resources. As a source for groundwater recharge, contaminated streams impact the water resource.

Contributing to the overall environmental health of a community, streams and creeks act as major corridors for wildlife. They bind together diverse ecological communities such as hillsides, woodlands and wetlands with the shared resource of water.

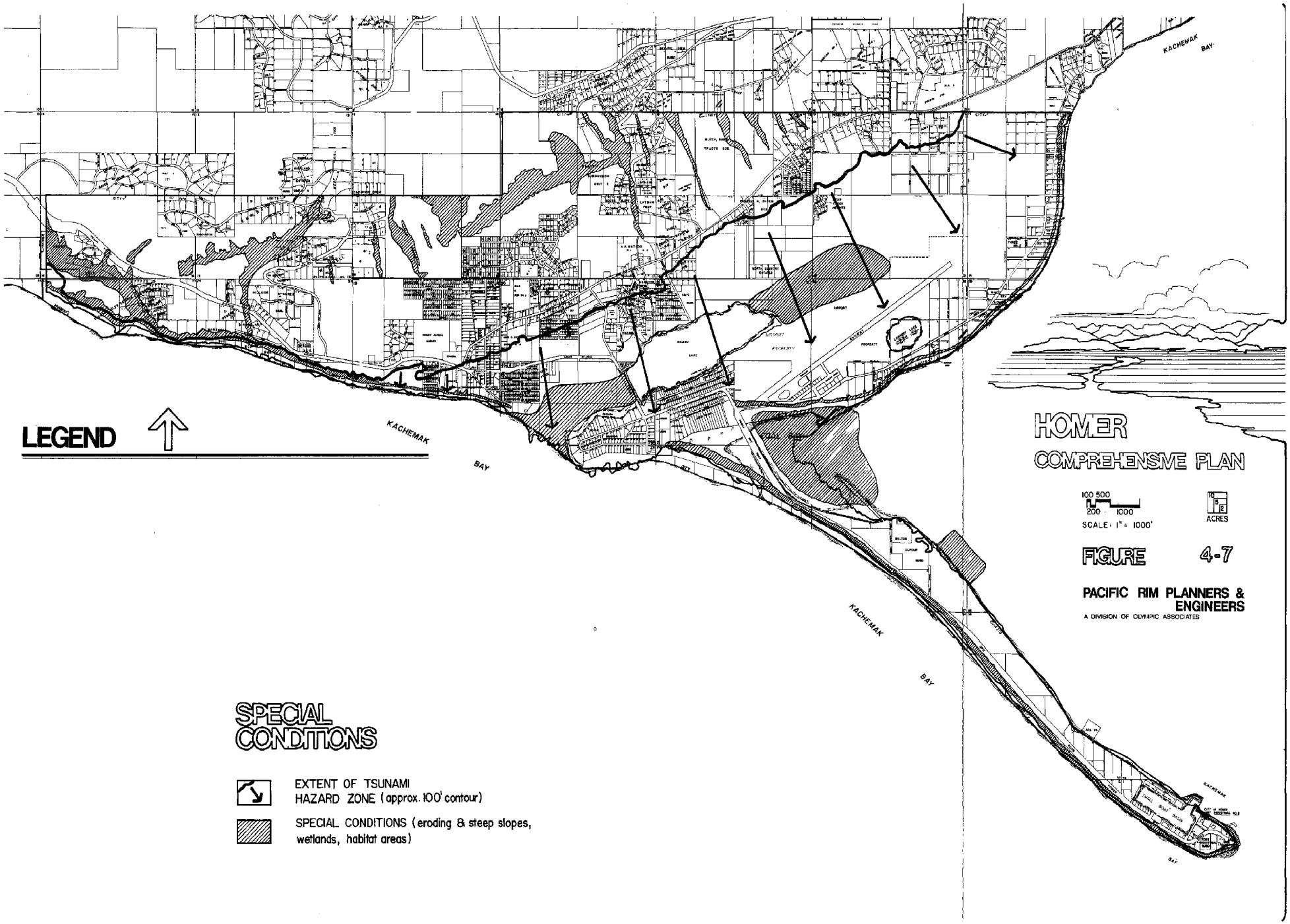
Policies should be developed to preserve the streams and creeks in the Homer area from degradation. This can be accomplished through the establishment of buffer zones on either side of a stream course where only passive activities shall take place. This buffer should be scaled to consider the slope, soil and orientation conditions in the area. Recognizing that they traverse city boundaries, drainage management should be a cooperative venture of both the city and the borough.

Special Conditions

Recognizing the importance of certain natural features in the landscape, the possible damage which could occur if these lands are developed with normal practices and the right of property owners to use their land for specified purposes, an overlay system has been devised. The special conditions map represents lands which have extremely steep slopes, major creeks or drainages, important tidelands and wetlands or eroding bluffs (see Figure 4-7). The map represents areas where certain standards must be complied with before development can occur. These development standards will guide activities in these sensitive areas, and are applied in addition to those for the underlying land use classification. The following provides the purpose and policy of the special conditions areas.

Purpose: To protect the natural and scenic resources of the area and to prevent hazardous areas from being developed in a manner which would cause human safety or property damage.

Policy: Lands included in this classification should be those where natural conditions such as steep slopes, wetlands, etc., greatly restrict development due to increased costs or if developed would create a hazard or detriment to adjacent lands. Standards are placed on development based upon the specific condition which makes the land special (steep slopes, wetlands, etc). Development of the underlying classification (rural residential, etc.) would thereby be allowed if the standards were met.


KACHEMAK BAY
KACHEMAK BAY
KACHEMAK BAY
LEGEND
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 4-7
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES
SPECIAL CONDITIONS
EXTENT OF TSUNAMI HAZARD ZONE (approx. 100' contour)
SPECIAL CONDITIONS (eroding & steep slopes, wetlands, habitat areas)

PLANNED SOLUTIONS

The following section outlines goals, objectives, policies and actions which define what the land use plan is designed to accomplish, as well as how it will be accomplished, who will be responsible, and what date it will be accomplished by.

GOAL - Provide a land use pattern in Homer which maintains the desirable natural features, while allowing room for orderly community growth.

OBJECTIVE - COMMUNITY LAND USE MANAGEMENT

Achieve a fabric of land use which clusters compatible land uses, avoids conflicts in land uses and provides adequate space for planned community growth under a low density population criteria.

Policy 1 (Rural Residential Areas) - Areas planned or zoned Rural Residential shall be managed to provide a low density residential and limited agricultural environment, while protecting groundwater and other natural resources.

Action 1.1 - City Council implement zoning ordinance, and Planning Commission grant rezones, variances and conditional use permits consistent with this policy.

Policy 2 (Urban Residential Areas) - Areas planned or zoned Urban Residential shall be managed to provide a sound environment for medium and high density residential areas. Urban Residential areas should be adjacent to water and sewer utilities, developed roads and commercial or industrial development. Increased density shall be allowed for design improvements.

Action 2.1 - City Council implement zoning ordinance, and Planning Commission grant rezones, variances and conditional use permits consistent with this policy.

Policy 3 (Central Business District Areas) - Areas planned or zoned Central Business District shall be managed to provide a centrally located commercial area which is a focal point for the community. A mix of commercial, public and residential activities shall be encouraged which is consistent with the Central Business District Plan (Chapter 6).

Action 3.1 - City Council implement zoning ordinance, and Planning Commission grant rezones, variances and conditional use permits consistent with this policy.

Policy 4 (General Commercial 1 Areas) - Areas planned or zoned General Commercial 1 shall be managed to provide sites for businesses that require direct motor vehicle access and larger land areas than would be needed or available in the Central Business District. Lands included in this classification should be adjacent to arterial streets

and existing or planned water and sewer utilities, and which are oriented towards automobile access.

Action 4.1 - City Council implement zoning ordinance, and Planning Commission grant rezones, variances and conditional use permits consistent with this policy.

Policy 5 (General Commercial 2 Areas) - Areas planned or zoned General Commercial 2 shall be managed to provide space for heavy commercial and industrial expansion adjacent to major arterial roads, water and sewer systems, airport facilities and other heavy commercial and industrial uses. General Commercial 2 areas shall be located away from or buffered from less intense uses.

Action 5.1 - City Council implement zoning ordinance, and Planning Commission grant rezones, variances and conditional use permits consistent with this policy.

Policy 6 (Public Lands) - Areas in public ownership shall be managed to provide for varied opportunities of public use, i.e., recreation, education, utilities, etc.

Action 6.1 - City owned lands shall be classified under a uniform system. The classification of lands to reflect their use, intended use, and/or development capability.

Policy 7 - Where incompatible zones meet (such as General Commercial 2 and Urban Residential), a buffer strip which retains native vegetation shall be established and maintained.

OBJECTIVE - SPECIAL CONDITIONS MANAGEMENT

Manage Homer's natural features in a manner which preserves important positive natural features while protecting human life and property from its natural hazards.

Policy 8 (Tidelands) - Any development proposed within a designated tideland or intertidal zone, identified on Special Conditions Map (Figure 4-7) shall be required to present information on the impact of the action on the sediment transport system, vegetation, fish and wildlife, water quality and quantity, safety and public interest.

Action 8.1 - Federal, State and local agencies will review proposals and issue permits based upon the evaluation of the proposed activity and its intended impact on the public interest.

Action 8.2 - Enforce by adopting a tidelands performance standard as part of the zoning ordinance.

Policy 9 (Wetlands) - Any development proposed within a designated wetland resource, identified on Special Conditions Map (Figure 4-7), shall be required to present information on the impact of the action

upon soils, vegetation, wildlife, hydrology and other elements requested by the city. Mitigating measures to eliminate or reduce the impact of the action upon the wetland shall be mutually agreed upon by the proponent and the city prior to issuance of any permits.

Developments within a designated wetland shall not disrupt the natural condition of 65% of the proposed development site and shall take measures to ensure the overall function of the wetland is not detrimentally affected.

Action 9.1 - The City shall begin to study the conditions of the wetlands, its elements and functions to further understand its relationship to adjacent areas and development activities.

Policy 10 (Streams and Creeks) - A buffer zone shall be maintained at a minimum of 25 feet on either side of a stream, as identified on Special Conditions Map (Figure 4-7), commencing at the edge of embankment of the ravine. Where the stream traverses wetlands on slopes of 20% or greater, the buffer shall include the extent of the wetland and shall extend to the ridgeline of the slope. Within this buffer, development may take place only after the impacts on the soils, water quality, quantity, vegetation, wildlife, etc., of the action are mitigated to the extent that degradation to the environment is minimal.

Action 10.1 - Adopt, with or without revision, Revised Drainage Management Plan (Quadra Engineers, Inc., 1982).

Action 10.2 - Incorporate drainage management policies in zoning ordinance.

Policy 11 Hillsides and Steep Slopes) - a. Proposals for subdivision or development of areas designated as steep slopes or bluffs, identified on Special Conditions Map (Figure 4-7), must include detailed, professionally designed and certified plans which demonstrate to the satisfaction of the City Engineer acceptable management of slope stability, drainage and runoff management, as well as providing acceptable access (consistent with City road standards) and any other conditions required by the City Engineer. Prior to issuance of permits, a contract will be drawn up between the proponent of the action and the city to ensure the plans accepted will be carried out. Consideration of adjacent properties and liability of the City shall take place during the review of proposed plans.

b. The development of slopes in excess of 15% shall comply with Section 21.44.050 of the Homer Zoning Ordinance.

c. Building sites shall be set back from an identified eroding bluff.

Action 11.1 - City, Borough and State continue research, and identify eroding bluffs, unstable slopes and suitable development and management practices.

Action 11.2 - City Council authorize, through zoning, drainage management or other ordinance, City Engineer negotiation and contractual agreement.

Policy 12 (Woodlands) - The City shall study the function of vegetation and the impact of its removal upon adjacent lands.

Action 12.1 - City shall begin to identify important woodland areas, and their functions, indicating them on the Special Conditions Map (Figure 4-7).

Action 12.2 - City shall study possible methods of managing important woodland areas, and cost and legal implications of implementing such management.

Action 12.3 - City shall institute a reforestation and beautification program for those areas meriting attention, notable erosion and woodland loss areas.

Zoning

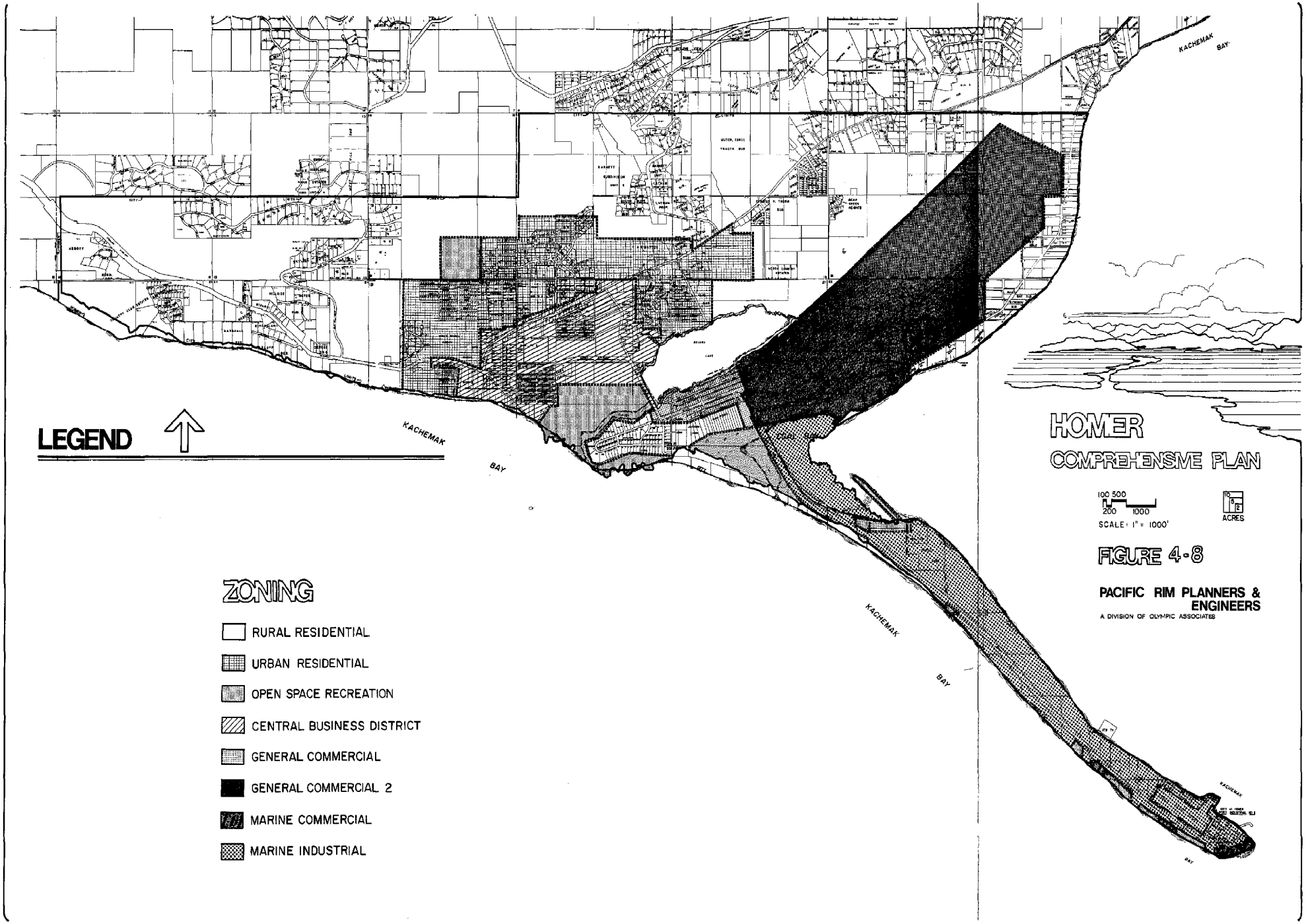
The City of Homer petitioned the Kenai Peninsula Borough, in 1982, to delegate zoning powers to the city. The city adopted a zoning ordinance on September 18, 1982. The Homer Advisory Planning Commission exercises zoning authority (delegated by the borough) in the following manner:

* Interprets the provisions of the ordinance
* Acts upon requests for PUD's, variances and conditional use permits
* Prepares and recommends to the Homer City Council modifications to the Homer City Zoning Ordinance

The Homer City Zoning Ordinance establishes eight districts which regulate the location and use of buildings, structures and land uses for residence, commerce, trade, industry and other purposes. The zoning districts include:

* Rural Residential District
* Urban Residential District
* Central Business District
* General Commercial-1 District
* General Commercial-2 District
* Marine Commercial District
* Marine Industrial District
* Open Space - Recreational District

The various zoning districts are located based upon existing land use and the 1978 Homer Comprehensive Development Plan (see Figure 4-8). The Central Business District is located in the center of the community from Pioneer Avenue south to Beluga Slough and Lake. North of


LEGEND
KACHEMAK BAY
KACHEMAK BAY
KACHEMAK BAY
ZONING
RURAL RESIDENTIAL
URBAN RESIDENTIAL
OPEN SPACE RECREATION
CENTRAL BUSINESS DISTRICT
GENERAL COMMERCIAL
GENERAL COMMERCIAL 2
MARINE COMMERCIAL
MARINE INDUSTRIAL
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 4-8
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES

this area is the Urban Residential District. Surrounding Urban Residential, to the north, east and west is Rural Residential. General Commercial-1 is located south of Beluga Lake while General Commercial-2 surrounds the airport. Homer Spit is zoned mostly Marine Industrial with a scattering of Marine Commercial Districts. Many of the city owned parcels on the spit are in the Open Space - Recreational District.

As mentioned previously, this zoning ordinance and map is based upon the 1978 comprehensive plan. The city should take steps to modify the current zoning ordinance to reflect with this planning effort.

CHAPTER 5
HOMER SPIT PLAN

Homer Spit is a low, narrow strip of land which extends southeast from the City of Homer, approximately 4.5 miles into Kachemak Bay. The spit is a natural dynamic system which is constantly being shaped by the deposition and erosion of sediments. The spit is sensitive to changes in the natural environment and to man's activities, both on the spit itself and in the uplands. To understand how the spit reacts to these modifications, a basic knowledge of the physical morphology and sediment transport mechanisms is necessary.

BACKGROUND

The spit can be divided into two sides, the exposed or west side and the sheltered or east side. The west side of the spit is exposed to the winds and waves coming off of Cook Inlet and into Kachemak Bay. The west side consists of cobbles, gravel and coarse sand. The sheltered or east side of the spit is protected from the direct wave and wind action and is composed of silt, clay, sand and gravel.

The growth, maintenance and erosion of the spit is a function of the balance between the supply of sediment to the littoral drift system and the removal of sediment by natural processes or man's activities. The sources of the sediments which enter the system are the erosion of adjacent coastlines and the sediments carried by local rivers and streams. Contributing to the sediment loads (although to a lesser extent) are sediments transported from Cook Inlet and Kachemak Bay landwards into the shore zone and sediments in suspension that settle out. Although there is no conclusive data, it is assumed that if inputs to the transport system equal the erosion losses of the spit, the spit land area will be stable. If the amount of sediment in the transport increased, the spit land area will grow and, conversely, reduction of sediment will cause the land area to erode (Dames and Moore, 1981).

In a stable, natural environment, the spit is constantly in a slow migration into more sheltered waters. If more sediment material is introduced to the system, the spit will slowly grow into the deeper waters toward the west. The spit will migrate toward the east if the supply of sediment material is reduced. Therefore, if natural forces or development actions (either on the spit or in the uplands) modify the amount of sediment which reaches the system, the spit can react by moving. This movement causes many impacts on the existing and future use of the land area of the spit. The recent erosion and washout of part of the highway along the armored portion of the spit is an example of the effects of this dynamic system. This occurance is an indication that parts of the western shore of the spit have a deficit sediment budget, causing the slow retreat of the shoreline. Man's attempts to maintain the existing shoreline are feeble, as evidenced by the damaged seawall and rock riprap. With this basic understanding

of the natural processes in mind, the existing activities on the spit will now be reviewed.

Homer Spit was settled in the 1880's. A post office was established there in 1896. As coal was an important fuel for shipping in the area, the Cook Inlet Coal Field Company laid a railroad track the length of the spit in 1899 to serve a coal export terminal. Coal trains supplied ships along this line. The coal mining and hauling activity formed the economic base of the city during the next 3 years. At that time the City of Homer was located on the end of the spit. In 1902, the Cook Inlet Coal Field Company went bankrupt and the coal fields and rail operation closed. In 1906, by executive order, all coal lands in the public domain were withdrawn from location and entry. This ended an era for Homer. The residents moved out and the spit was deserted. When people moved back into the area around 1915, they settled in the benchlands. Since this time, the economy of the area has been primarily based in fishing, with tourism developing into an important factor in the local economy.

The existing land use of the spit is composed of a variety of activities. These include a small boat harbor with associated boat repair facilities, deep-water ice-free port, fish processing plants, business commercial activities, tourist facilities (motels, restaurants, charter businesses) residential uses, recreational activities, and government offices. Most of these uses occur at the end of the spit. The variety of uses occurring in such a small land area with restricted access causes conflicts to arise between the land owners, the City and users of the facilities.

Habitat Values of the East Side of Homer Spit

In 1974, the Alaska State Legislature designated Kachemak Bay a Critical Habitat Area to protect and perpetuate the fish, shellfish and wildlife which depend on the bay's habitats for their survival. The proposed expansion of the boat harbor near the end of Homer Spit in Kachemak Bay was approved by State agencies subject to certain conditions. Among those conditions is dedication "in perpetuity as open space" of at least 30.5 acres of intertidal and subtidal habitat fronting a quarter-mile of beach on the east side of the spit.

Since the City of Homer owns most of the tidelands and a proportion of the uplands of Homer Spit, and the State of Alaska owns the subtidal land, there is a good deal of latitude in selecting the area to be dedicated as open space. This plan discusses briefly the habitat values of the east side of Homer Spit and areas which might be dedicated as open space to protect those values. Most of the biological information is drawn from the 1981 Dames and Moore report, Biological Investigations of the Homer Spit Coastal Area.

Being protected from the direct force of waves from Cook Inlet's onshore winds, the east side of the spit has become a site for accumulation of fine sediments, such as gravel, sand and silt, in contrast to the larger cobbles which dominate the spit's exposed west side.

The east side has approximately 1,400 acres of intertidal and shallow (less than 20 feet below MLLW) subtidal habitat. The most sheltered area, Coal Bay at the base of the spit, has developed about 500 acres of tideflats of sand, silt and clay. These fine-grained sediments have also accumulated subtidally in about 100 acres along the entire length of the spit's east side, at depths below the influence of wave action. There are two areas, totaling about 100 acres of lower intertidal and shallow subtidal sand accumulation: one area is approximately halfway out the spit, and one area is just offshore of the existing boat harbor. The remaining area, about 700 acres of intertidal beach and shallow subtidal land is predominantly gravel and other mixed sediment types.

The distribution of these sediments influences the character of the habitats along the east side of the spit, and determines which plants and animals live in these areas. The finest sediments, the silts and clays, tend to be relatively stable. They support mainly burrowing animals which consume the organic matter which accumulates in the mud. The small crustaceans and worms which live near the surface are probably valuable as food for fish (notably juvenile pink salmon) at high tide. These organisms are also fed upon by shorebirds; at low tide, the mudflats support the highest density of feeding shorebirds on the Homer Spit.

The sandy habitat is generally less stable, tending to gradually shift location. It is likely also to be less rich in food for smaller invertebrates, which in turn would be less productive as a food source for fish and birds. The animals which live in these areas are adapted to the unstable character of the sand. They include green sea urchins, starfish, and mollusks such as the basket cockle and the lyre snail, all of which adapt to the shifting sand by moving. The gravel and mixed-sediment habitat, which dominates the intertidal land on the east side provides a diversity of habitat for both burrowing and attached organisms. This habitat supports kelp and other seaweeds, larger surface dwelling invertebrates and smaller burrowing invertebrates.

In some areas, the sediments have been stabilized by blue mussels, which, joined by their byssal threads, form beds of nearly 300 acres. The mussel beds are a habitat for a diversity of larger invertebrates, and are a productive food source for diving ducks.

There has been some documentation of specific uses of these habitats by commercially valuable fish and shellfish for spawning and juvenile development. Crab and shrimp larvae and juvenile pink salmon were found in many areas of Homer Spit, but did not seem to use specific habitats in preference to any others. Spawning of forage fish, probably capelin, has been documented on the west side and near the end of the spit, but not in the area of concern here. The commercially valuable and forage species, then, do not appear to be concentrated in, or limited to, any one area of Homer Spit.

Selection of an area to be dedicated as open space, therefore, would best be based on the habitat values of diversity and abundance of benthic invertebrates, particularly as food for fish and birds. Two general areas stand out as being particularly valuable in this respect. The mussel beds, besides producing mussels, provide habitat for an abundance of benthic organisms and supply food for diving ducks. The mudflats of Coal Bay are particularly valuable as feeding grounds for shorebirds and probably for juvenile pink salmon as well. Both areas are about the same size, approximately 300 acres.

The mussel beds are located offshore of mostly privately-owned uplands, however. If future development does threaten loss of habitat, it is more likely to be in this area of the spit. The City-owned land in Lot 6, Section 27 is situated near these mussel beds, however, and dedicating the tidelands offshore of this lot would accomplish the aim of preserving this valuable habitat without impinging on private property. Coal Bay's mudflats have extensive counterparts elsewhere in Kachemak Bay, and the need to preserve them may, therefore, be less pressing. The Dames and Moore report did not include any data from sampling in this area at the tide levels that would likely produce crustaceans valuable for juvenile salmon food; however, data from similar habitats indicates that these mudflats could be an important area for food production. Further sampling would be necessary to document the value of that area as a food source. Coal Bay's tideflats are City-owned, however, and might be held in reserve to be dedicated as open space if needed to mitigate the impacts of future development projects.

ISSUES

Major issues associated with the spit include the following:

1. The lack of parking at the end of the spit for fishermen, port traffic, tourists and residents of Homer.

2. Limited vehicular circulation throughout the spit.

3. Compatibility of the activities by the port and harbor, tourists, recreationists, warehousing, fishing, fish processing and camping.

4. Expansion of boat harbor and related development requiring additional land at the end of the spit and the preservation of 30 acres of tidelands as an agency condition to the harbor expansion permit.

5. Dynamics of the spit erosion and deposition.

6. Possible dangers of tidal wave action and emergency evacuation.

Many development projects have been proposed in recent years for the spit. These proposals are in various stages; some are merely in the

idea stage, while others are under construction. These proposals include the following:

1. Port and harbor development at end of spit (construction on a new fish dock already started).

2. Major hotel/tourist complex.

3. Charter boat/tourist related development at end of spit on west side.

4. Major overnight campground at base of spit on west side. (Development plan completed.)

5. Marine industrial park (center of spit on east side).

6. Restrooms, parking and other accommodations (city sponsored, under construction).

7. Expanded boat launch facilities.

8. Day-use park at end of spit.

9. Visitor information center for Kachemak State Park.

10. Sports fishing pier and salmon rearing pond (base of spit on eastside).

11. Spit bike path and beach trail system on west side of spit.

12. Business commercial development.

13. Four-lane highway.

14. Re-establishment of the 'coal train' as a tourist attraction and to ease transportation problems.

15. Designation of the west side of the spit as open space.

Homer is faced with the problem of allocating a limited land resource for a variety of uses. The solution to the problem is compounded because of a number of factors. These factors include:

1. There is a limited amount of land on the spit.

2. What land there is, is subject to erosion and possible inundation by tidal activity and seismic action.

3. Water must be piped from the uplands.

4. Sewage disposal is currently limited to septic tanks and drain fields, and disposal directly into the bay.

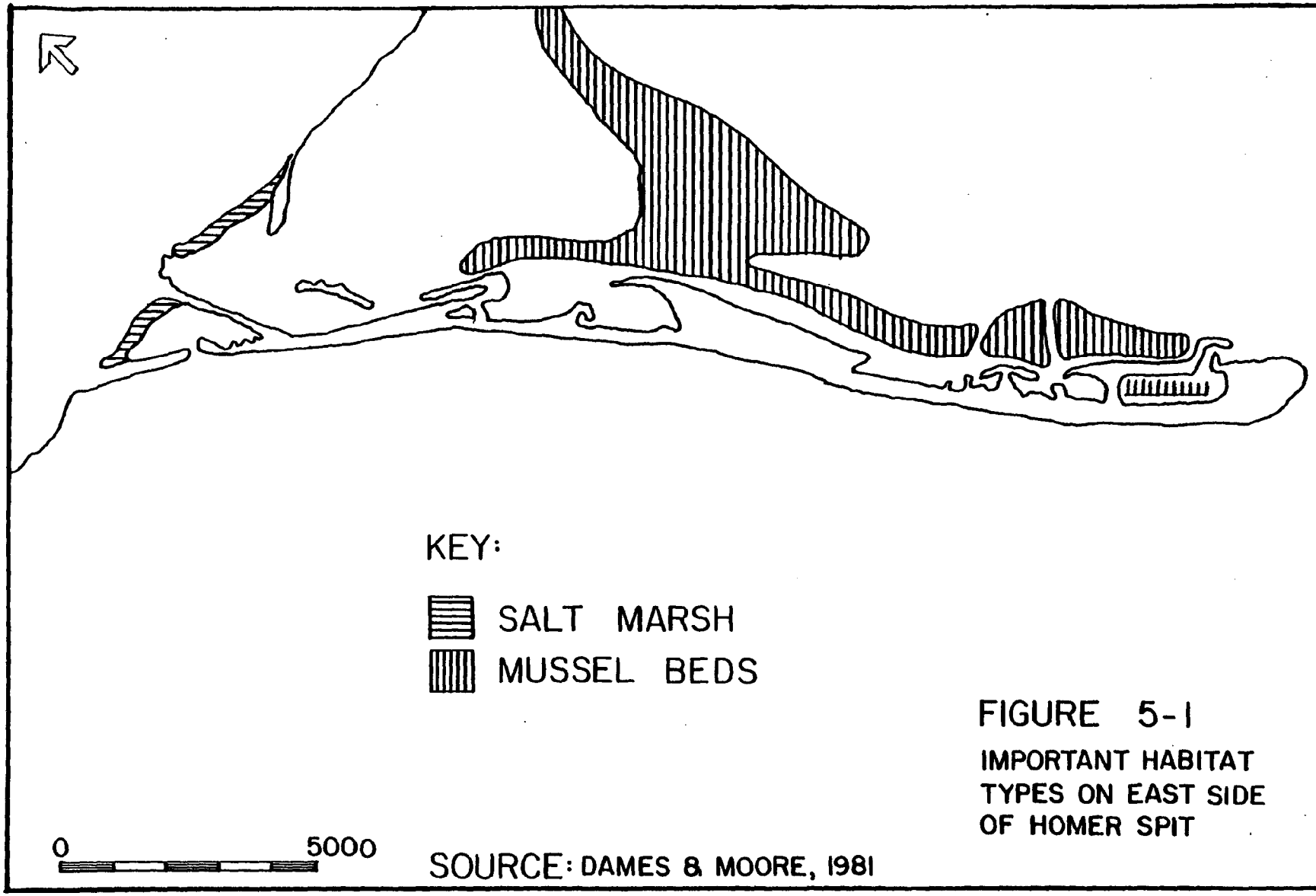


FIGURE 5-1

IMPORTANT HABITAT TYPES ON EAST SIDE OF HOMER SPIT

SOURCE: DAMES & MOORE, 1981

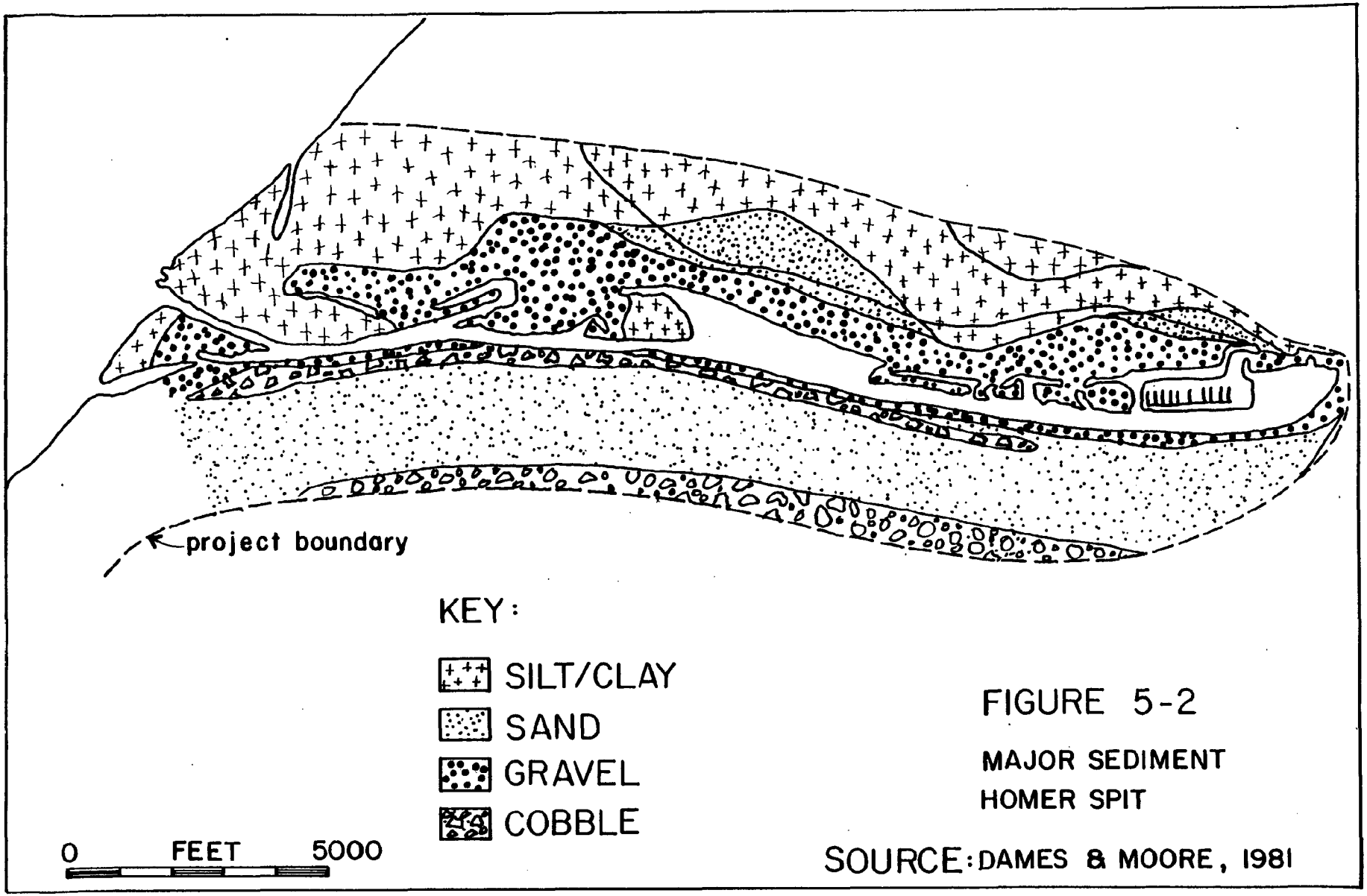


FIGURE 5-2

MAJOR SEDIMENT
HOMER SPIT

SOURCE: DAMES & MOORE, 1981

5. The access to and from the spit is congested during the tourist season.

6. Existing developments and activities require a large amount of space for parking and equipment storage.

7. Filling tidelands to create more development area will destroy marine habitats, and could cause a modification of the sediment transport system which maintains the spit.

8. The spit is a tourist recreation destination of at least statewide significance.

HOMER SPIT PLAN

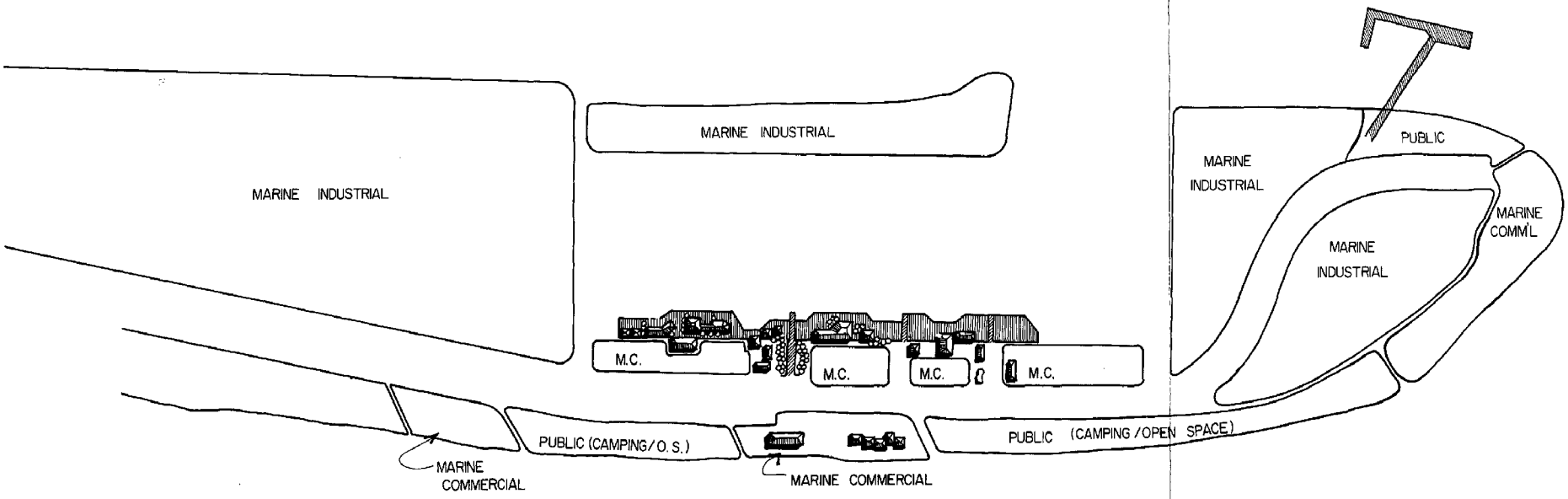
The land use plan for Homer Spit must accommodate marine industrial and marine commercial uses while providing for a clear traffic circulation system and parking for the boat harbor and for tourists. All this has to be done on a very limited land base which is subject to tidal action and erosion. Complicating this is the isolation of the spit. Located 4-1/2 miles from the uplands, services such as water, power, roads and potentially sewer must be delivered to the users. Building upon the previous section pertaining to the spit which described the existing land uses, the natural conditions and the problems, this section will describe the land use plan and policies for its implementation.

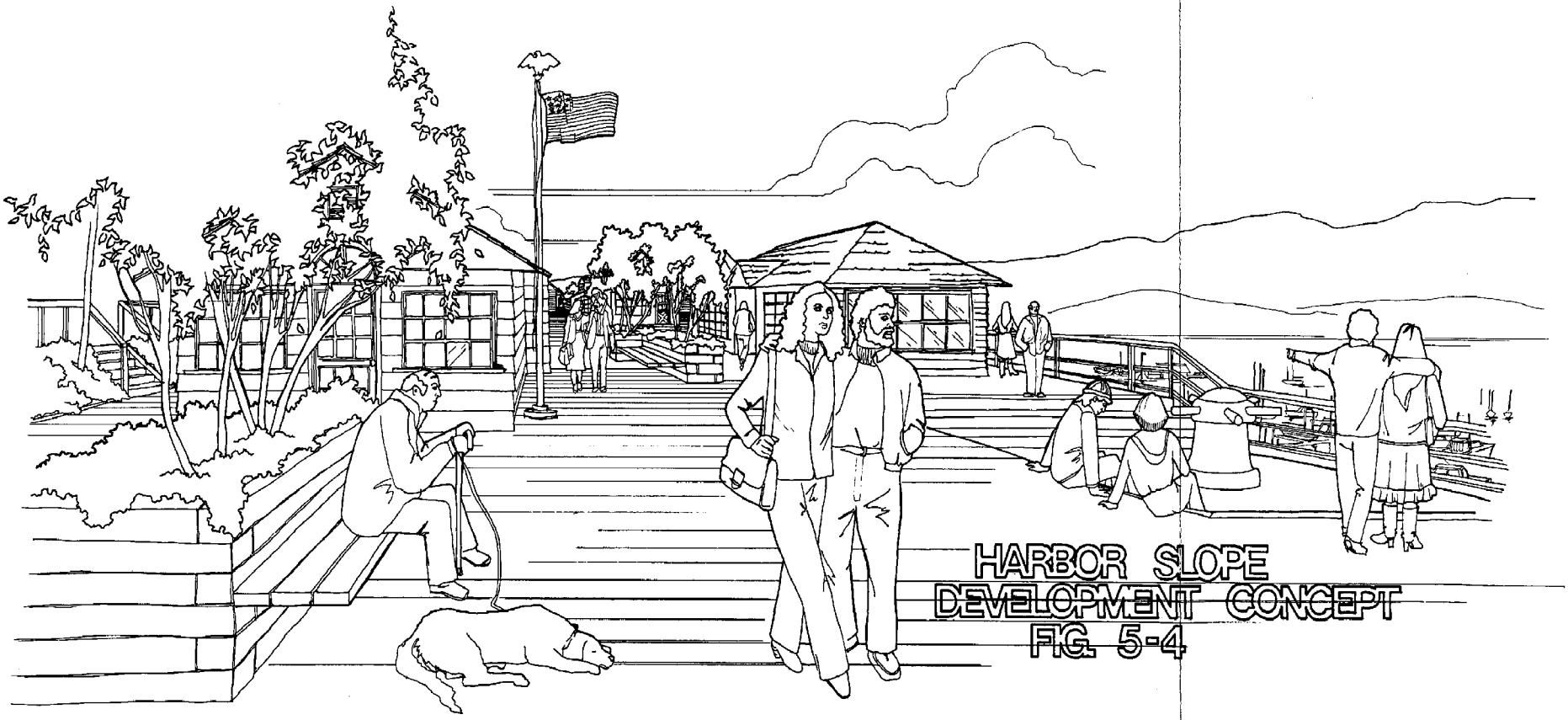
The land use plan (see Figure 5-3) includes elements of the Overall Master Port Plan (prepared by TAMS Engineers), reflects existing uses, responds to the consensus of the community survey and respects the City lands currently leased to individuals. The plan provides for marine industrial, marine commercial, and public lands designations.

The marine commercial lands, whose purpose is to provide space for the commercial needs which service and support water dependent industries, is located mostly between the State highway and the boat harbor. Also included are the existing commercial activities at the end of the spit (Land's End Resort) and those on the west side of the spit, (the boardwalk charter offices and Central Charter).

The amount of marine commercial area is limited and a proposal to construct a deck over the incline on the west side of the harbor to accommodate additional space is presented (Figure 5-4). Upon this deck, businesses would be situated which would service both industrial uses and tourist commercial uses. From discussions with area merchants, it was suggested that the tourist and commercial fishing activities in the harbor and about and around the boat basin be separated to avoid con- flicts. Therefore, at approximately the centerline of the harbor (east/west), tourist oriented activities are proposed to be located on the northwest side while commercial fishing and industrial uses be located on the southwest side.

HOMER SPIT LAND USE PLAN





HARBOR SLOPE
DEVELOPMENT CONCEPT
FIG. 5-4

Parking at the Small Boat Harbor

Parking in the vicinity of the small boat harbor at the end of the spit is a continuing problem. The number of vehicles always seems to exceed the available space. The overriding problem is that the land base at the end of the spit is limited. However, the present land use pattern in this area wastes a great deal of land. Simply stated, the land is not being efficiently used. The total amount of land available for parking on the east side of the spit, between the highway and the boat harbor is approximately 6 acres. The boat harbor presently has 398 slips. A standard of .85 parking spaces per slip is suggested for the boat harbor. This number was derived from a sampling of boat harbors in the Puget Sound area. The Seattle Zoning Ordinance requires .5 parking spaces per slip. Shilshole Marina, a large pleasure boat facility in Seattle provides .75 spaces per slip while East Bay Marina, currently being developed by the Port of Olympia, is providing about .58 spaces per slip. Other sources ranged as high as 1 space per slip. The .85 standard seems to be a reasonable figure and might be on the high side.

Using this standard, approximately 338 spaces are required for the existing boat harbor slips. However, transient moorage in the harbor adds an additional 200 vessels needing vehicle parking space. Because of the nature of these users (many do not require parking spaces) their vehicle parking requirements is less than resident moorage users. Therefore, a parking standard of .50 is applied to the 200 transient vessels, arriving at a need for 100 parking spaces. A total parking requirement of 438 spaces is required to serve the boat harbor. This would utilize about 5.5 acres of land based on the current city development standard for parking lots. This works out to be about 80 parking spaces per acre. This leaves room for an additional 40 parking spaces, between the boat harbor and the highway. An additional 240 spaces can be accommodated along the west side highway right-of-way. Therefore, all totaled, there is the potential for 718 parking spaces in this area. All that is necessary is for the lots to be organized and defined. However, if some of the land presently being used for parking is developed, the total number of spaces would be reduced.

Marine industrial uses are suggested for the southern end of the spit and the eastern length of the spit. Justification for this is based on existing land use patterns, the public opinion survey and the Master Port Development Plan. The purpose of this designation is to provide space for those industrial uses that require direct marine access for their operation. Development should be encouraged to concentrate in a cluster development pattern as it has in the past at the end of the spit. This will encourage an orderly growth pattern and more complete use of existing lands.

Much of the west side of the spit has been designated as public, where camping would be allowed per the existing city ordinance. Justification of this classification is again based upon the recommendations from the public opinion survey, and the review of the natural

resources and processes which place structures on the west side of the spit in danger of wave action. Also in support of this recommendation is City Council Resolution 82-8, which adopts an agreement for recreation and conservation, the development of the Homer Spit Campground and the acquisition of west side spit properties by the State of Alaska.

The land use plan designates a thirty acre area off the central east side of the spit as a habitat reserve in accordance with the Army Corps of Engineers permit for the small boat harbor expansion. Also set aside for possible future habitat reserve is the area within Coal Bay.

During past development plans (TAMS, 1980), a proposal to construct a deck over the incline of the boat harbor has been discussed and considered for further study. Termed the harbor slope development, the deck is proposed to supplement the marine commercial space presently available at the end of the spit. Figure 5-3 indicates the location of the harbor slope development. Conceptually, the deck would be constructed approximately 65 to 70 feet out over the incline and could range up to 1600' along the harbor. Commercial businesses oriented to the fishing and the tourist industry would be built upon the deck. Parking would be located immediately west of the deck. Figure 5-4 illustrates the harbor slope concept. The deck would feature an open pedestrian walkway on the harbor side, with passageways between buildings. Depending on the design and density, approximately 75 to 85 percent of the deck could be covered by buildings. Preliminary cost estimates for the deck range from $44 per square foot (without design amenities such as boardwalks, plantings, etc.) to $53 per square foot (with design amenities).

A full feasibility study should be undertaken to determine the engineering constraints of this project and to define the financial requirements, fund sources and other considerations of the project.

The development of this plan is based on a variety of factors, from existing land use to natural conditions. To implement these land use designations, the following goals, objectives and policies have been proposed for adoption. Adherence to these policies will ensure that future development will reflect this plan.

PLANNED SOLUTIONS

In addition to the overall plan concept, specific goals, objectives, policies and actions are needed to further describe how specific activities and areas will be managed and improved. The goals and objectives describe what is to be achieved, while the policies are general guidelines which describe how specific activities will be encouraged or controlled, and areas managed. Actions describe what steps will be taken to implement those policies.

GOAL - HOMER SPIT

Wise land management of the Spit and its resources, accommodating its natural processes, while allowing tourist, marine commercial and industrial development, and recreational uses.

OBJECTIVE - HOMER SPIT ACTIVITIES

Insure public safety while achieving a balanced mix of water-dependent and related activities on Homer Spit which recognizes and accommodates natural features and processes, while giving adequate space for marine commercial and industrial, tourist commercial, transportation, recreation and open space uses.

Guidelines address each major activity, either existing or potential, on the Homer Spit. The most important guidelines addressed are commercial fishing, fish processing, commercial transportation and parking, recreating, dredging and filling, marine habitat preserves, OCS service bases and staging areas, and other industrial activities. Policies addressing each of these activities follow.

Commercial Fishing and Fish Processing

Policy 1 - Commercial fishing and marine industrial activities (including fish processing and boat repair) shall be given high priority on the end of the Spit, south of the center of the boat basin, and on the east side of the boat basin as additional land areas are created by harbor development.

Action 1.1 - Leases of City-owned land will emphasize long-term marine industrial uses.

Policy 2 - Commercial fishing gear storage shall occur on the Spit only when there is no higher priority use for the area. Long-term gear storage shall be encouraged to locate in designated industrial (General Commercial II) areas off of the Spit. The City will endeavor to develop additional gear storage and gear hauling services involving less utilized areas on the east side of Homer Spit.

Action 2.1 - City, in cooperation with private businesses, develop additional gear storage and hauling services involving less utilized areas on the east side of Homer Spit and off of Spit in upland areas.

Policy 3 - Short and long-term parking for commercial fishing and fish processing activities shall be given high priority on City property between the highway and the boat basin, adjoining commercial fishing activities in the south end of the harbor. (Long-term parking given priority only in areas where intensive use is not occurring.)

Action 3.1 - City complete, by December 1983, parking plan for boat basin and port development areas.

Policy 4 - Vessel storage will be encouraged to locate away from the end of Homer Spit, preferably in the uplands.

Action 4.1 - City encourage private enterprise to develop east side of spit for boat storage yard.

Commercial Activities 5-13

Policy 5 - Similar commercial activities (for example, charter offices) shall be encouraged to cluster together to minimize adverse impacts on other activities. Clustering shall be encouraged through utility extensions, parking improvements, granting of leases on City-owned property, and granting of conditional use permits, variances and rezones.

Action 5.1 - Investigate feasibility of, and if feasible construct by September 1985, a deck over the western incline of the boat basin as a platform for the development of marine commercial, tourist commercial and marine industrial activities.

Policy 6 - Commercial fishing-related commercial activities (for example, boat equipment and gear sales and services) shall be encouraged to locate near commercial fishing activities in the south end of the harbor by means of leases of City-owned land, city ordinances, conditional use permits and zoning variances.

Action 6.1 - See Action 5.1, above.

Policy 7 - Tourist-related commercial activities shall be encouraged to locate near tourist activities in the north end of the boat harbor, on the east side of the highway by means of leases of City-owned land, City ordinances, conditional use permits and zoning ordinances.

Policy 8 - Offices shall not be allowed on the Spit unless they directly service marine-dependent commercial or industrial uses.

Action 8.1 - Amend zoning ordinance to implement.

Transportation

Policy 9 - Transportation (including Coast Guard) activities are a high priority use of the end of the Spit south of and including the boat basin. Long-term (greater than one month) storage of materials for trans-shipment shall not be allowed.

Action 9.1 - This policy will be implemented by means of conditional use permits, leases, City parking requirements and zoning variances.

Policy 10 - Traffic congestion shall be alleviated by improving the organization of existing parking areas, and encouragement of privately provided transportation services (for example, shuttle busses) to encourage parking off of the Spit. Increases in road capacity through roadway width expansion or addition of more traffic lanes shall be avoided.

Action 10.1 - Request State Department of Natural Resources, Division of Parks, to include off-spit parking area development and shuttle bus operation in development of Kachemak Bay State Park.

Policy 11 - The City shall predominantly develop its property between the highway and the boat basin as parking for the boat basin for users and tourists.

Action 11.1 - City complete, by December 1983, parking plan for boat basin and port development areas.

Policy 12 - Businesses shall be encouraged to cooperatively develop and maintain common parking areas. This policy will be implemented through City assistance in locating, planning and designing parking areas, granting by City of variances in parking requirements and in leases of City lands for parking.

Action 12.1 - City complete, by December 1983, parking plan for boat basin and port development areas.

Recreation

Policy 13 - Recognizing increasing non-resident demands for camping, tent and recreational vehicle camping shall be encouraged to locate on the west side of the Spit and away from commercial and industrial activities at the end of the Spit.

Action 13.1 - Encourage State to construct a tent and recreational vehicle campground at the base of the spit. Boat launch facilities shall be located where safe to do so.

Action 13.2 - City and State Department of Natural Resources investigate, design and construct, by summer 1985, additional campground facilities off of Spit.

Policy 14 - Recreational uses shall be encouraged on the west side of the Spit, from the north end of the existing harbor to the uplands. Permanent structures shall not be allowed.

Action 14.1 - The city shall encourage the state to locate Kachemak Bay State Park headquarters either at the base of the spit or off of the spit to help alleviate congestion.

Action 14.2 - This policy shall be implemented by means of a cooperative management agreement between the City and the State Department of Natural Resources, Division of Parks, providing for State purchase of private lands on the west side of the Spit and State financing of operation and maintenance of recreational facilities.

Policy 15 - Maintain and increase public access to harbor and beaches on the Spit to improve opportunities for fishing and other recreational activities.

Action 15.1 - City investigate the engineering and economic feasibility of the construction of a public fishing pier.

Hotel, Motel and Residential

Policy 16 - Residences and overnight hotel and motel accommodations, other than those already existing or permitted, shall not be allowed on the Spit.

Action 16.1 - This shall be implemented by means of the zoning ordinance and covenants in leases of City-owned property.

Traditional Uses

Policy 17 - Traditional uses of the beaches along the spit such as gathering coal, shellfish and others shall be maintained and protected.

Dredging and Filling

Policy 18 - Sediment transport along the west side of the Spit shall not be interfered with. Proponents of bulkheads, groins, breakwaters or other devices shall demonstrate that their project will not adversely disrupt sediment transport.

Action 18.1 - This policy shall be implemented by means of City approval of building permits and review of State and Federal agency permit applications.

Policy 19 - Sand and gravel shall not be removed from the Spit. On-site use of dredged material shall be permitted except in designated open space and marine habitat preserve areas.

Action 19.1 - This policy will be enforced by means of City building permit approval, existing City ordinance, and stipulations placed on Federal dredge and fill permit applications by City and State and Federal agencies.

Marine Habitat Preserves

Policy 20 - The City shall designate, with concurrence of interested State and Federal agencies and other parties, tracts of City-owned tidelands to remain as marine habitat preserves in exchange for advance agency approval of long-range Spit development plans. Habitat preserve areas shall not be leased, nor shall the City allow material to be removed or other development actions affect them.

Action 20.1 - Implement by inclusion in a State and Federally approved coastal management program, or by a memorandum of agreement signed by authorized representatives of the City and interested State and Federal agencies.

OCS Service Bases and Staging Areas

Policy 21 - OCS service bases and staging areas will be a low priority use of the Spit. Such activities will be encouraged to locate off of the Spit in General Commercial II zoned areas.

Action 21.1 - Maintain enough General Commercial II zoned land to accommodate OCS staging off of Spit.

Policy 22 - OCS service base activities on the Spit shall not include long-term (i.e., greater than one month) equipment storage or assembly.

Action 22.1 - Implement by lease or conditional use (contract zoning) stipulations.

Other Activities

Policy 23 - All other activities not specifically mentioned above are low priority activities, and will be permitted only where sufficient evidence can be presented by the proponent that higher priority activities will not be adversely affected.

Action 23.1 - Implement through the conditional use provisions of the City zoning ordinance and through granting of leases of City property.

General Policies

Policy 24 - Prior to further development, new activities shall be allowed only where reasonable assurance can be given by the proponent that septic tanks and infiltration fields will adequately handle the wastes.

Action 24.1 - City study and develop plan for Spit sewage management and implement plan by developing recommended system or limit density.

Policy 25 - Leases of City lands shall be standardized in the areas of length of lease, renumeration and covenants, and shall

be enforced. Future leasing proposals shall consider design standards, and shall generally not exceed 15 years, including renewal options. However, the standard shall consider the type of business proposed. (A major fish processing facility would usually require a longer lease than a less intensive use.) The 30 acre staging area shall use shorter term leases (maximum one year) for non-structural uses, which allow ready conversions to higher uses as they develop.

Action 25.1 - Implement leasing policy through Port & Harbor Commission and City Council.

OBJECTIVE - HOMER SPIT AREAS

Achieve a management of Homer Spit areas which recognizes varying capabilities and limitations of the Spit.

End of Homer Spit (Westward end of boat harbor to Land's End Resort)

Policy 26 - The City shall support and pursue, with assistance from State and Federal agencies, the long-term marine development plan outlined in the 1980 Homer Port Development Plan (TAMS Engineers) and in this plan. Facility development in the 20 acre staging area shall be non-structural until higher uses are developed.

Action 26.1 - City, together with State Legislature and Corps of Engineers, continue to pursue long-term development of TAMS plan, including development of parking areas and harbor slope areas.

Policy 27 - Priority for use of the end of Homer Spit shall be given to marine commercial, marine industrial (fishing), industrial transportation, tourism and day use recreation. Proponents of other uses shall demonstrate that priority uses will not be adversely affected.

Action 27.1 - City, Borough, State and Federal agencies implement through leasing, zoning, subdivision, permitting and direct development decisions.

West Side of Homer Spit (End of boat basin west to base of Spit)

Policy 28 - Priority for use of the west side of Homer Spit shall be for day use recreation and open space.

Action 28.1 - City and Alaska Department of Natural Resources, Division of Parks implement joint management agreement, including purchase of private properties and development of campground.

CHAPTER 6
CENTRAL BUSINESS DISTRICT

The retail district of Homer is located along Pioneer Avenue, Lake Street and the bypass road. This area is designated as the Central Business District (CBD).

This area is characterized by individual structures, some built near the street and others set back, which house single businesses. Approximately fifty businesses make up the CBD.

The CBD is not densely developed. Many vacant lots exist. Some are used for parking, others await development. Parking for most businesses is located between the street and the building. Identified as major problems to be dealt with in the CBD area are traffic congestion, the need for additional parking and the lack of sidewalks and pathways.

Due to the problems mentioned above, the Central Business District is not easy to use. When shopping, one must drive to each establishment, park and walk into the store. The lack of a safe pedestrian corridor discourages people from parking and then walking between stores. Because the CBD has been developed in a strip, even with sidewalks and pathways the distance between one end of the CBD and the other would discourage pedestrian movement.

An analysis of the businesses, vacant lands and amenities was conducted to determine the constraints and opportunities along Pioneer Avenue. The goal was to tie the CBD together, to provide parking areas, pedestrian safety and to beautify the area.

The analysis determined that approximately 7 acres were presently available adjacent to existing businesses which could be used for off-street parking. The parking problem reaches its height during the summer tourist season when many campers and motor homes crowd into Homer. However, parking is also somewhat of a problem during the winter months. This is due in part to the lack of organization of the off-street parking areas along the avenue.

Most of these parking lots allow vehicles to park in any direction, restricting circulation and using more space than necessary. If the parking lots along Pioneer Avenue were organized, about a third more vehicles could be accommodated without increasing the amount of existing parking areas. Applying the city parking standards for businesses, these areas can accommodate about 542 vehicles.

Also complicating the parking problem is the ingress and egress from the avenue to the parking areas. At present, vehicles can pull off the street virtually anywhere. This is unsafe for pedestrians, and also utilizes space which could be used for parking. By defining the

ingress and egress points along Pioneer Avenue, the area will be safer and the land area more efficiently utilized.

Part of the ingress/egress problem is caused by the lack of curbs, gutters and sidewalks which would not only function as designed but would define the vehicle-oriented street from the pedestrian-oriented businesses.

Also linked to these considerations is the left turns of vehicles along the avenue. Left turning vehicles slow and stop through-traffic, often creating a hazardous, although many times necessary, situation.

Another result of the analysis was the identification of what can be called commercial nodes. The physical relationship between existing stores creates a cluster of businesses. Figure 6-1 illustrates these nodes. By defining these nodes, developing common parking areas and providing a pedestrian circulation system, these areas can become viable shopping complexes. When linked together by the avenue, landscape features and, again, pedestrian pathways, the whole area can be an identifiable central business district (Figure 6-2).

Figure 6-3 illustrates what this concept might look like on the ground. Concrete curbs, gutters and sidewalks link the nodes along Pioneer Avenue. In several areas, parallel parking along the street is allowed, while organized and defined parking lots are established on the vacant lots. The common parking areas serve the businesses, existing vegetation is preserved and new plantings introduced to define the nodes, parking areas and walkways.

To further link the existing businesses and encourage shoppers to walk rather than drive between businesses, a boardwalk is proposed within each commercial node. The boardwalk is shown winding its way between existing buildings, maintaining a safe distance from the traffic along Pioneer Avenue. In certain areas landscape features, benches and common areas are introduced. In several areas, there exists the opportunity to open up a vista toward Kachemak Bay and the Kenai Mountains beyond. This would further enhance the visual quality of the CBD. Figure 6-3 illustrates this concept.

In several locations, the CBD can be extended south, just behind the existing commercial strip. Because of the topographic break in this area, these sites are anywhere from six to fifteen feet below Pioneer Avenue. This limits visual access to these sites, but also provides an opportunity to allow a double front commercial development.

Pedestrian access can be provided from the Pioneer Avenue side, while vehicle access can occur from the south side of the development. Other opportunities such as this occur in several areas along the south side of Pioneer Avenue. This type of development activity will strengthen the commercial node concept and the CBD as a whole.

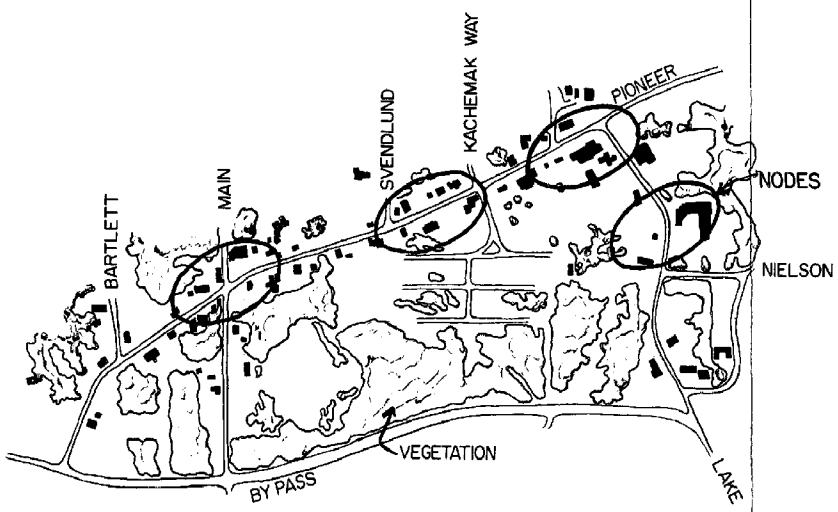


FIGURE 6 - 1 CBD NODE CONCEPT

TABLE OF REVISIONS					TABLE OF REVISIONS				
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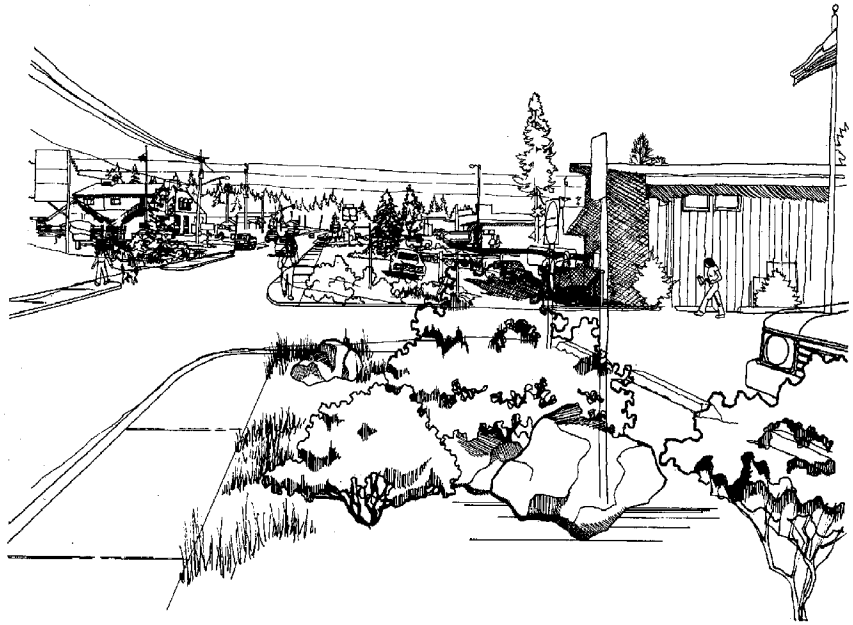
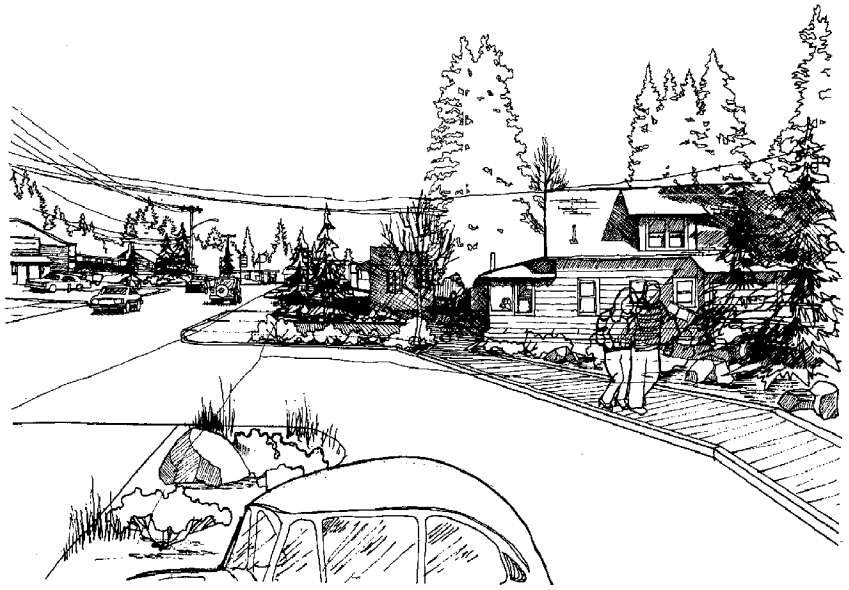
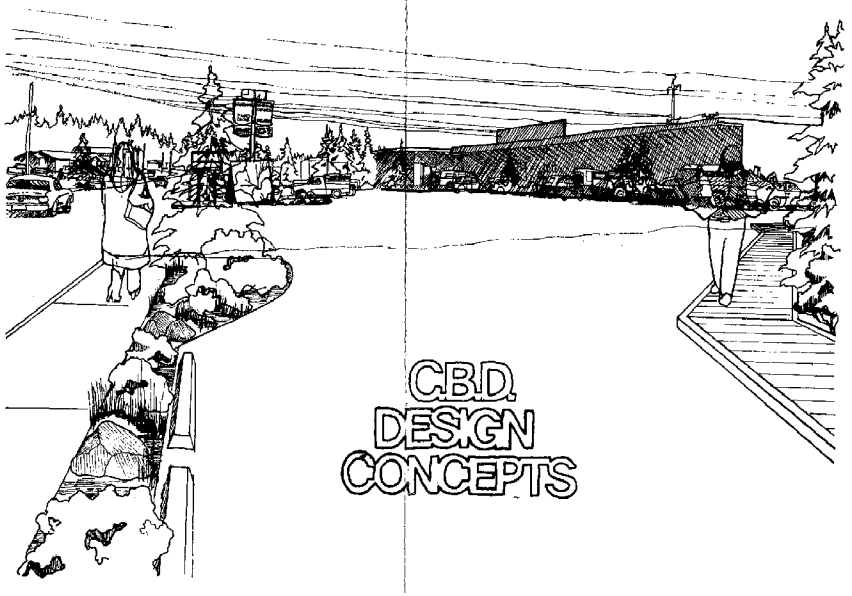
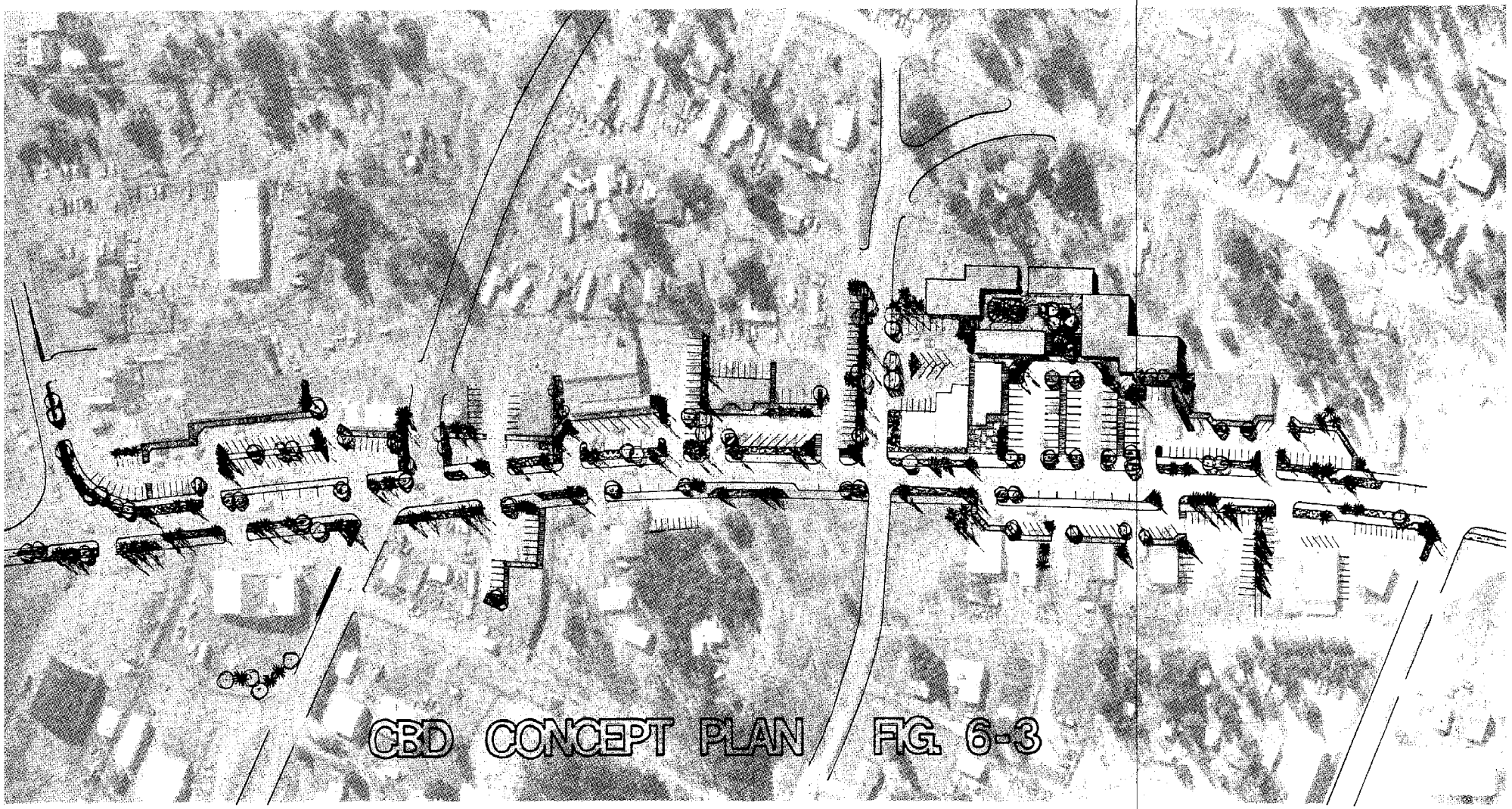






C.B.D. DESIGN CONCEPTS


CBD CONCEPT PLAN / FIG. 6-3

The development of the CBD as described can be undertaken as a joint venture between the City and the business community. For example, the City can petition the state to supply funds to construct the curbs, gutters, sidewalks and some of the landscaped areas. The Chamber of Commerce or individual businesses can organize the parking areas, with assistance from the City, and design and construct the boardwalks. The whole development can be done in phases so the financial burden can be spread out over a several year period.

The Homer CBD has the potential to become more than just a strip development. It can be a viable retail center with a shared commitment to the improvement of the shopping district.

The following goals, objectives, policies and actions provide a means of realizing the CBD design concepts.

CENTRAL BUSINESS DISTRICT

GOAL - Provide, through the Central Business District, a focal point for the community which provides a safe, convenient, hospitable environment for residents and businesses, builds upon its positive features, and fosters cooperation in its management between the city, the state and the private sector.

OBJECTIVE - Improve pedestrian safety, convenience, business viability and provide a focal point for the community in the Central Business District.

Policy 1 - Central Business District commercial development will be encouraged to concentrate in and near existing nodes along Pioneer and Lake Streets, as identified in the Central Business District plan, this chapter.

Action 1.1 - City establish, by April, 1983, a program to encourage more intensive development of the node areas identified in the Central Business District Concept (Figure 6-2) through use of building permits, plat plan reviews and parking requirements, and by developing public improvements and design advice which provide an incentive for private investment.

Action 1.2 - City, in cooperation with other public and private agencies, develop by 1986 a civic center within the Central Business District incorporating cultural and performing arts, meetings and conventions and municipal administration functions.

Action 1.3 - Develop, by the end of 1983, a plan and program to improve parking and pedestrian safety by identifying and designing parking areas, sidewalks and drainage improvements in public rights-of-way and private property. The plan will also include preliminary designs for sidewalks, pathways, pedestrian rest areas and malls, and street lighting.

OBJECTIVE - Attract private investment into Central Business District development while retaining and enhancing the district's positive features.

Policy 2 - Development of the Central Business District shall be cooperatively financed by the city, the state, property owners and merchants. Priority for city funds will go to projects which best achieve the objectives of the Central Business District plan and attracts other state and private investment.

Action 2.1 - Use new or expanded public buildings, parks, parking lots, etc., to attract state and private investment in Central Business District. Examples include municipal administration building, library expansion, public safety building and civic center.

Action 2.2 - As a part of the State silver anniversary celebration, identify viable projects connected with the CBD development and support through planning and funding.

Action 2.3 - Develop advisory design information (for example, typical plans and specifications for boardwalks on private property) to supply to private investors and merchants to encourage uniformly high standards in Central Business District improvement.

Action 2.4 - Examine feasibility of, and if feasible implement, a program of tax breaks or other incentives to encourage merchants and property owners to accommodate public uses, such as parking and pathways, on their property.

Policy 3 - Existing positive features of the Central Business District shall be maintained and enhanced to the extent feasible.

Action 3.1 - In recognition of the climate moderation, noise diffusion, habitat and aesthetic benefits of natural vegetation, the city will encourage the retention of natural vegetation through variances in zoning and parking requirements, developer incentive systems. The city will also establish, by 1985, and actively pursue a city beautification program which identifies major stands of vegetation to be planted, managed and saved.

Action 3.2 - City will request, by February, 1983, Homer Electric Association to give priority in its capital improvements program to undergrounding its electrical lines in the Central Business District.

Action 3.3 - City will adopt, by February, 1983, a zoning classification which will retain the present residential character of the Glacier View and residential areas south of Pioneer Avenue, while allowing the areas to eventually develop as a townhouse and multifamily area as other areas of the Central Business District

become developed. As a part of this action, the city shall upgrade roads into and out of this area.

Action 3.4 - City shall determine the need for providing central parking areas serving the Central Business District.

CHAPTER 7
TRANSPORTATION PLAN

LAND TRANSPORTATION

Background

Homer shares an advantage enjoyed by relatively few Alaskan communities in that it is accessible by either land, sea or air. It also shares in some of the problems experienced in other Alaskan communities related to streets, highways and roads as well, namely that construction and maintenance of an adequate road system is both costly and difficult. Because of the City's physical features, location and economy, however, growth and development of the area will require an effective layout and proper maintenance of surface transportation corridors to accommodate such growth. Also, it is necessary to review existing conditions and problem areas to define measures to improve and enhance the existing transportation network, as well as formulate standards to guide development.

The 1978 Comprehensive Plan recommended that a master streets and roads plan be developed to accomplish these objectives. As such, a master plan was completed in 1979 which includes the following:

1. Review of existing traffic volumes, circulation patterns, network geometrics, laws and ordinances.

2. Projection of traffic impacts related to population growth, economic development, etc., and analysis of major traffic generators in the City.

3. Identification of problem areas in the City and measures to alleviate such traffic problems.

4. Development of road and street standards which the City may use as guidelines for development.

5. Establishment of functional use guidelines to assist in the review and approval of proposed developments.

6. Preparation of a Master Roads and Streets Plan to designate classifications, provide for route continuity and act as a guideline for roads and streets development.

7. Suggested off-street parking requirements for review and incorporation into City code.

Elements of this plan have since been adopted by the City Council for use in guiding development and for inclusion into City code. For example, the suggestions for off-street parking requirements included in the master plan have become incorporated into Chapter 7.12 of the

City code relating to off-street parking, while road and street standards can be used by Public Works officials reviewing plans of developers for construction of improvements.

Among the elements contained within the plan, there are specific segments of Homer's road network which were identified as needing substantial improvements. First, the intersection of Pioneer Avenue, Lake Street and East End Road was determined to be inadequate and redesign of the intersection was suggested, creating a separate eastbound to southbound lane and channelization of the intersection. Nearby, the plan also recommended redesign of the intersection of Lake Street and Neilson Avenue to improve traffic flow around the Lakeside Center Mall by installing a left turn storage lane southbound, an acceleration lane for westbound to southbound traffic and widening and channelizing the Neilson Avenue approach.

Third, the plan calls for redesign of the Main Street and Pioneer Avenue intersection by reconstruction of the approaches of Main Street, channelization, and restriction of parking along Pioneer Avenue in the vicinity of the Main Street approaches. Fourth, the plan calls for structural improvements to improve access to the hospital by providing stop sign control on Hohe Street, a four-way stop at the intersection of Bartlett Street and Fairview Avenue and paving Bartlett Street to the hospital. Finally, the plan calls for upgrading Pioneer Avenue to relieve the problems caused by numerous left-turning movements and on-street parking by consolidating the number of access points, restricting on-street parking and creating a left-turn lane.

In response to these recommendations, funding priority has now been established for each of these projects (excepting the Bartlett Street project) through their inclusion into the Kenai Borough Transportation Study recently completed. This study constitutes the basis upon which State funding is based for projects of such nature within the Borough.

Issues and Possible Solutions

The Master Plan identifies issues and other portions of the surface transportation network where additional assessment is needed, First, the Master Plan calls for the issuance of City policy guidelines on the function and use of the Spit because of the growing and diverse demands which might be placed upon this unique feature of the City. As traffic volumes are directly related to land use, guidelines should be established to govern or control the long-term use of the land along the Spit and therefore the corresponding traffic demand, the plan points out. Already, motor vehicle regulations have been established under Chapter 7.16 of the City code which define parking requirements for any "...person, partnership, firm or corporation (that) shall conduct any business, commercial or industrial enterprise on the Homer Spit..." The City could embark on a program of stricter enforcement of existing regulations, particularly during peak seasonal demand to manage traffic problems on the Spit. For further discussion of Spit land use, the reader is referred to Chapter 5, Homer Spit Plan.

In the Streets and Roads Plan, it is suggested that future traffic volumes on the Spit Road might be such that the road will have to be expanded to four lanes or additional restrictions be placed to regulate or control demands. While detailed traffic studies of the Spit Road have yet to be done, economic and geotechnical constraints alone might prohibit this from occurring. Moreover, the large seasonal traffic volume created by recreational vehicles and work-related trips might be reduced by non-structural improvements such as shuttle buses from recreation areas to the end of the Spit. Should campground facilities be provided for at the base of the Spit, this type of service, with connecting service to the CBD or other campground, might provide sufficient transportation to and from the Spit to reduce large seasonal traffic loads.

In a related manner, the Streets and Road plan also calls for formulation and establishment of a central business district development and access plan to preserve and enhance the character of the City. The plan recommends that the City reserve the right to allow direct access to the Bypass road only at specific predetermined locations. This effort is needed, the plan says, to preserve the function of the Bypass Road to the purpose to what it was designed and intended for: a route around the central core of the City. Limited access to the Bypass Road could be maintained, yet development allowed adjacent to the road by constructing a frontage road to provide ingress and egress. This would require City expenditures to acquire public right-of-way adjacent to the existing State right-of-way and provide utilities (eg., drainage and service road) to service abutting properties. The City could promote such development in an effort to create a central core bounded by Pioneer Avenue to the north and the Bypass Road to the south, or it could encourage more concentrated development along Pioneer Avenue only by limiting access to the Bypass, or enacting zoning restrictions. Options for the CBD are evaluated more fully in the discussion of the CBD.

Another aspect of the Master Street and Road plan relates to the issue of acceptance and maintenance by the City of existing and new or proposed roads lying within the City limits. In the plan, design standards for City roads and streets are proposed, as well as a guide list of 18 items by which the City may use in review of subdivision street plans. These items are general in nature, yet provide a starting point from which detailed evaluation can be made. Also, Chapter 11.04 of the City code contains standards for street construction which are intended to promote quality construction of new roads. For each new subdivision or street construction, then, the City could require that prior to issuance of a right-of-way construction permit (Chapter 11.16 of City Code) a developer first submit engineering plans and specifications to the City for review and approval.

Alternatively, the City Advisory Planning Commission could request the Borough Planning and Zoning Commission to amend the Borough subdivision ordinance to require subdivision applicants to submit road design drawings as part of subdivision plat applications for land in Homer. Already, the City has indicated that it can accept maintenance of new

roads and streets provided that City officials are able to review plans for adequacy prior to construction. In this manner, future road construction can be reasonably assured to be satisfactory prior to use, so that excessive maintenance costs in the future do not occur.

For roads already built within the City which are substandard and not already accepted by the City, improvements to bring such streets up to standards for grade, width, drainage, cross-section, alignment, etc., could be undertaken. However, it is likely that costs to do so would be major, although a very tangible benefit would be reduction in maintenance required and less difficulties during spring break-up. To do so might require that the City bear all or a portion of the cost, or alternatively, that improvement districts (Title 17, City Code) be formed to bear the burden of local street improvements. Because proportioning costs of road improvements which are ineligible for Federal or State funding is difficult, it is important that the City institute some immediate means to insure that future construction is consistent with City standards.

The Transportation Plan (Figure 7-1) designates streets as arterials and collectors, both existing and proposed. The arterial streets include the Sterling Highway, Pioneer Avenue, East-end Road, Lake Street, Fairview Avenue, East and West Hill Road, Bypass Road, Ocean Drive, Kachemak Bay Drive, and the Homer Spit Road. These major corridors receive the most traffic and provide a basic circulation system for the City. Extension of the arterial system includes the link between Fairview Avenue and the West Hill Road.

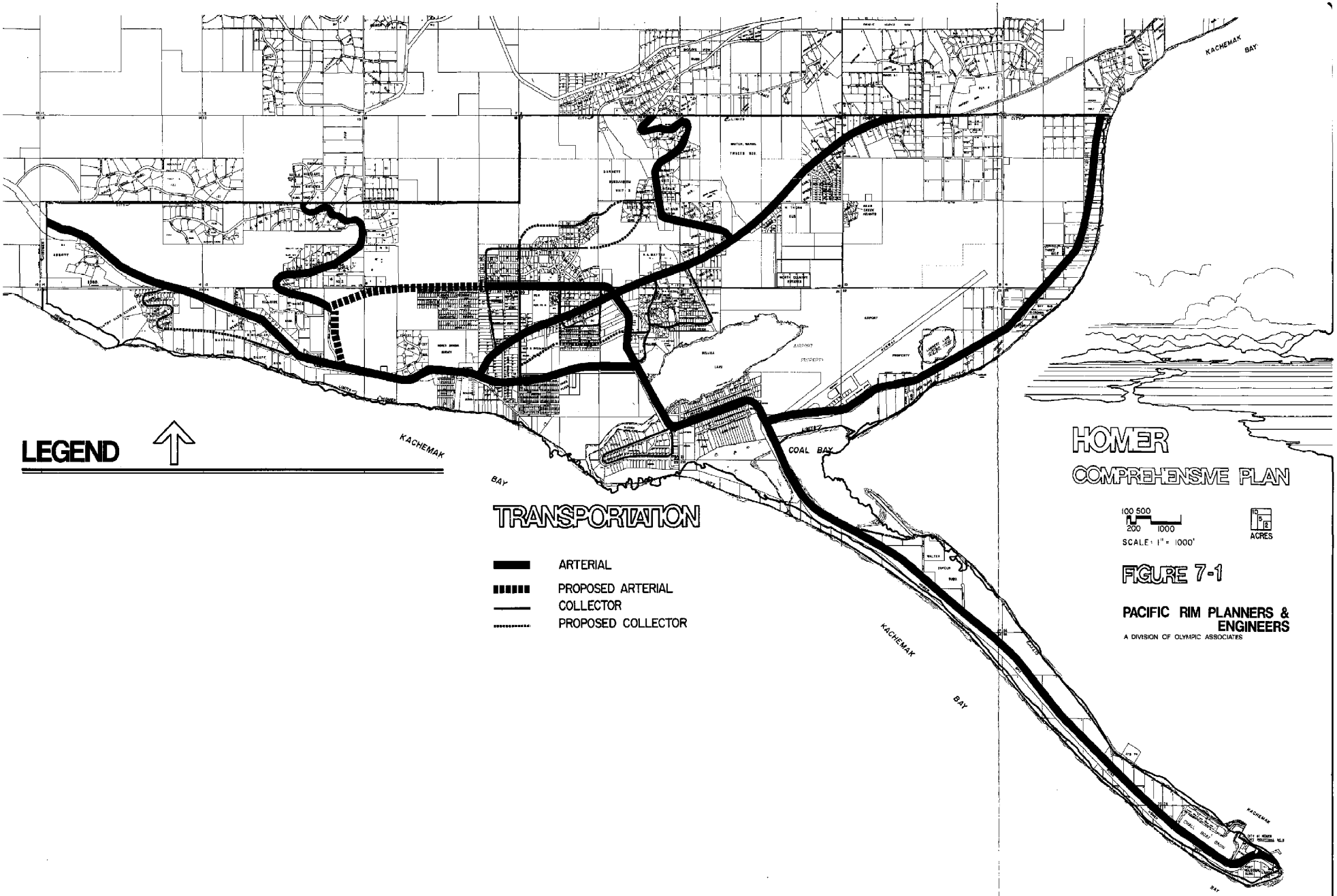
Collector roads are those which route the neighborhood traffic to the arterials. The major collectors are Bartlett Street, Main Street, Heath, Bayview Avenue, Fairview Avenue, and Ben Walters Lane. Extensions of this system would link East Hill Road to Fairview and eventually West Hill Road. Other proposed extensions include the link between Main Street and Lake Street, through the Central Business District.

Loop roads south of and paralleling Pioneer Avenue should be improved to encourage more commercial development near the business district and decrease traffic congestion along Pioneer Avenue. Other streets to be upgraded are the streets in the vicinity of the hospital, so that access is improved.

Several intersections in the community are hazardous to both pedestrians and drivers. Two of these intersections are at Lake Street and Pioneer Avenue, and Lake Street and the Bypass Road.

The traffic loads at Pioneer and Lake are heavy. The intersection should have the turn lanes on Lake Street and the turning radius coming off of Pioneer to Lake should be reduced to decrease the overall size of the intersection.

At Lake Street and the Bypass Road, Lake Street currently enters the Bypass on a corner, therefore creating a difficult angle for vehicles


KACHEMAK BAY
COAL BAY
KACHEMAK BAY
KACHEMAK BAY
LEGEND
TRANSPORTATION
ARTERIAL
PROPOSED ARTERIAL
COLLECTOR
PROPOSED COLLECTOR
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 7-1
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES

turning right on to the Bypass from Lake Street. Also, it is difficult to judge the distances and speed of traffic coming north from Beluga Lake while at the stop sign on Lake Street due to the curve of the road and the topography. This intersection should be redesigned so that Lake Street comes into the By-Pass at a 90 degree angle. This will require the moving of the intersection west along the Bypass. These improvements will greatly reduce the hazards presently contended with by the drivers and pedestrians each day.

Goals, objectives, policies and planned actions for land transportation are listed below.

GOAL: TRANSPORTATION

Provide opportunities for a wide range of reliable, low cost, convenient land, water and air transportation services.

OBJECTIVE: Land Transportation

Provide safe, durable and cost effective road access to all existing or planned developed areas of the city in a manner which allocates costs equitably.

Policy 1 - Road extensions and improvements shall be designed to promote the objectives and policies of the comprehensive plan while providing access for the greatest numbers of existing and future residents.

Action 1.1 - Update City Master Transportation Plan, in cooperation with Borough, establishing a rationale for prioritizing road improvements (through traffic counts, existing and planned land use, and recognizing pedestrian and bicycle traffic concerns).

Action 1.2 - To encourage a more compact form of the Central Business District, develop a new arterial south of and paralleling Pioneer Avenue connecting with Heath Street.

Action 1.3 - Develop an additional road link between the East, Central and West Hill neighborhoods by extending existing collector roads (West Hill Road to Fairview Avenue and South Slope Road to Elderberry Drive or Kachemak Drive).

Action 1.4 - Pursue and complete upgrading of existing substandard city streets consistent with this policy, the capital improvement program and Policy 3, this chapter.

Action 1.5 - Begin program to gather additional traffic count data sufficient to carry out road improvement planning.

Policy 2 - Traffic flow and safety shall be improved through consideration of intersection and parking area design for collector and arterial roads.

Action 2.1 - Identify intersections that are hazardous, incorporate design standards and plan improvements.

Action 2.2 - Realign intersection of Lake Street and Bypass Road to a 90 degree intersection by reorienting the Lake Street approach.

Policy 3 - Road standards and construction methods shall recognize the variability of local soil substrate and hydrologic conditions, while providing a cost effective solution to road transportation needs and functions.

Action 3.1 - City pursue and complete with Borough, State and Federal assistance, a detailed study of geology, soils and hydrology as related to the suitability of various road construction techniques.

Action 3.2 - Within six months of completion of road construction study and plan, City and Borough adopt and enforce road construction standards for city and adjacent areas.

Policy 4 - The bypass road shall be maintained as a limited access major arterial corridor from Pioneer Avenue to Lake Street, with Main Street the principal cross-access point.

Action 4.1 - Limit, through street improvements program and platting standards, the number of access points to the bypass corridor.

Action 4.2 - Explore feasibility of frontage roads and development covenants to preserve scenic integrity and function of bypass corridor.

Policy 5 - In recognition of traffic congestion and safety problems, business owners shall be responsible for providing adequate parking for employees, customers and other visitors.

Action 5.1 - Enforce city parking ordinance standards.

Action 5.2 - Develop, by March, 1983, a joint City and business program to cooperatively develop common parking areas in commercial districts, utilizing design concepts shown in the Central Business District and Homer Spit chapters. City shall identify future parking areas for future development and utilization.

Policy 6 - In recognition of the public support for pedestrian facilities, the City shall support the development of a master plan for the inventory and development of trails, pathways and sidewalks.

Action 6.1 - City to undertake a detailed sidewalk plan so that pedestrian needs can be met at the same time roads are improved.

Policy 7 - Responsibility for financing initial construction, upgrading and maintenance of roads shall reflect their use and function.

a. Primary responsibility for highways and major arterials shall reside with the state.

b. Responsibility for upgrading local service roads shall rest with benefitting property owners.

c. Primary responsibility for developing collectors or other roads with mixed usage shall be shared by the city, the state, the borough, and benefitting property owners.

d. The city will not accept responsibility for any street or road from either the state or private party until it meets city road standards for that classification.

> Action 7.1 - City assume responsibility for maintenance of Pioneer Avenue, Bartlett and Lake Streets following upgrade to city standards by state.
>
> Action 7.2 - State responsibility will continue for By-Pass Road, Ocean Drive, Homer Spit Road and Kachemak Bay Drive from Homer Spit Road to Airport, East and West Hill Roads, Sterling Highway and East End Road.

WATER TRANSPORTATION

Nearly all of Homer's water transportation activities are concentrated at the end of Homer Spit. There, a variety of services and facilities are available, which makes Homer the marine transportation hub of the south Kenai Peninsula.

Chief among Homer's attractions are its small boat harbor and deep water pier. The boat basin occupies approximately 16.5 acres, and is designed to accommodate 398 moored vessels, but currently accommodates up to 1,000 vessels on peak summer weekends. Its waiting list for space averages about 1,300, and waiting time to acquire permanent moorage typically exceeds five years.

The City pier extends out about 460 feet from shore, and has three faces which are frequently occupied. The largest face measures 410 feet long with a depth of 30 feet, and accommodates large, ocean-going vessels such as the state ferry, MV Tustumena (which has preference for use of the dock). The northwest face is 140 feet long by 32 feet wide, with a 13 foot depth, and serves as the home base for the U.S. Coast Guard buoy tender, CGC Sedge. The southeast face measures 60 feet long by 60 feet wide, with a depth of 12 feet, and is mostly used by commercial fishing vessels. Other facilities currently available in the boat harbor include a boat launching ramp, a city fish pier, boat repair grid and fuel float. Homer's port and harbor facilities are operated and managed as an enterprise of the City of Homer by the

City's Port and Harbor Department, under the direction of the Port and Harbor Commission and City Council.

Homer's port and harbor facilities have been the subject of a number of major studies, including those by TAMS Engineers (1980), Woodward-Clyde Consultants (1980), the U.S. Army Corps of Engineers (1981), Peter Eakland and Associates (1979) and the Alaska Department of Transportation and Public Facilities (1982). Though facility recommendations differed, all concluded that usage of both harbor and port facilities has been growing rapidly, far exceeding current capacity, and that demand or usage would continue to grow at rates ranging from 2.5 to 10 percent per year through the turn of the century. During the period 1965 to 1977, for example, cargo shipped through Homer grew at an annual average rate of 11.2 percent per year compared with 8.5 percent annual growth for the state as a whole. Table 7-1 summarizes historical vessel, passenger and cargo volume for Homer.

In the future, if adequate facilities are available, plans estimate that Homer's strategic location and year-round ice-free harbor would help it to serve as a major trans-shipment point for the Kenai Peninsula. Homer would accommodate large volumes of inbound goods routed to Kenai, Soldotna, Anchor Point, etc., and serving as an outbound stop for fish products, logs and wood products, chemicals, and perhaps acting as a service base for minerals and oil extraction.

The City's plan for water transportation, prepared by TAMS Engineers, calls for tripling the size of the boat basin to 48.7 acres, effectively quadrupling the harbor's moorage capacity to about 1,500 slips. Material dredged from the expanded harbor and channel would be used to create a 30.5-acre filled area which would serve as a staging area for ocean-going vessels. A multipurpose ocean berth with 1,400 feet of frontage would be constructed in two stages to accommodate general cargo, along with a roll-on, roll-off barge and ferry ramp. Other planned improvements include an expanded fish pier equipped with vacuum pumps, hoists and icemaking machines, along with a 5-acre support yard for port administration and maintenance buildings, a fish cold storage warehouse, boat repair yard and other marine and trans-shipment facilities.

Other planned actions, not mentioned in the TAMS plan, include establishment of additional boat launch and storage facilities for boats and gear west of the boat basin and off of the spit, and development of shuttle ferry services to Kachemak Bay State Park and south Kachemak Bay communities. A plan map of spit development, including planned port and harbor development, is shown in Figure 5-3 of the Homer Spit Plan, Chapter 5.

Objectives, policies and planned actions for water transportation are summarized below.

OBJECTIVE: Water Transportation

Improve access to public marine transportation, moorage and boat storage facilities.

TABLE 7-1

Vessel Trips, Passengers and Throughput Tonnage - Homer

Year	Vessels	Passengers	Tons	
			Metric	Short
1966	676	2,328	12,529	13,811
1968	586	3,123	15,807	17,424
1970	2,337	5,074	172,136	189,748[a]
1972	2,871	7,052	154,567	170,382[b]
1974	142	10,511	10,831	11,939
1975	1,217	11,215	35,633	39,279[c]
1976	138	10,869	27,906	30,761[df]
1977	162	9,559	107,564	118,570[ef]

---

a. 150,733 metric tons (166,200 tons) = sand, gravel and crushed rock.

b. 36,903 metric tons (40,679 tons) = logs.
97,182 metric tons (107,126 tons) = rafted logs.

c. 21,452 metric tons (23,647 tons) = gasoline.

d. 13,564 metric tons (14,952 tons) = nitrogenous chemical fertilizer.*

e. 52,009 metric tons (57,331 tons) = nitrogenous chemical fertilizer:*
26,922 metric tons (29,677 tons) = kerosene;
10,587 metric tons (11,760 tons) = logs.

f. Chemical fertilizer, although included in totals for Homer, originated at Nikiski. Homer is listed because it was the last port-of-call before a vessel sailed to a foreign port.

* The fertilizer did not actually pass over Homer facilities but was loaded at Nikiski for delivery to a foreign port.

Source: Reprinted from Peter Eakland and Associates, 1979.

Policy 8 - The City shall encourage the Alaska State Legislature and Department of Transportation and Public Facilities, Division of Harbors, in conjunction with the city, federal agencies and the private sector, to pursue and complete development of the end of Homer Spit for marine transportation uses as specified in the Homer Port Development Plan (TAMS Engineers, 1980) and in this plan. (See Homer Spit Plan, Chapter 5.)

Action 8.1 - City Council continue to request, by resolution, funding from Legislature to continue harbor development consistent with plan.

Action 8.2 - City plan and implement those portions of the port project which can be developed without further Legislative assistance (such as parking and harbor slope areas which can be leased to private operators).

Action 8.3 - City shall designate boat-trailer parking areas where convenient to boat launching facilities, but where it will not usurp more intensive uses.

Action 8.4 - City shall request Chevron U.S.A. to relocate fuel storage tanks north of the end of the Spit.

Policy 9 - The City shall encourage the development of boat storage areas off of the end of Homer Spit as a means of reducing boat harbor congestion.

Action 9.1 - Identify areas on east side of Homer Spit and on uplands which are suitable for development as boat storage areas.

Action 9.2 - Where City-owned lands are identified as potential boat storage areas with no higher use, negotiate ground leases with covenants to private developers.

Policy 10 - City shall encourage the State to provide frequent shuttle ferry service to Kachemak Bay State Park and south Kachemak Bay facilities, provided that parking needs are accommodated in a manner which is compatible with the plan.

Action 10.1 - City Council pass and submit to Department of Transportation and Public Facilities, Division of Marine Highways a resolution endorsing plan to provide daily car and passenger ferry service between Homer and Seldovia, Halibut Cove, Jakolof Bay, English Bay, Port Graham, etc., coupled with expanded parking facilities in Homer.

Action 10.2 - City Council pass and submit to Department of Natural Resources, Division of Parks, a resolution supporting daily passenger ferry service to Kachemak Bay State Park coupled with expanded off-spit parking and shuttle bus service during summer visitor season.

Policy 11 - City shall advertise and contact major industries to use the Port of Homer. Determine with major sea carriers what tonnage and other requirements are needed to make it feasible for vessels to stop at Homer from Seattle or Portland.

AIR TRANSPORTATION

Homer's air transportation activities have grown rapidly as the community and south Kenai Peninsula region has developed. Homer is endowed with good aviation facilities, owned and operated by the Alaska Department of Transportation and Public Facilities (ADOTPF).

The Homer Airport has two separate runways. The primary runway is a paved, 7,400 by 150 foot runway capable of accommodating all but the largest commercial jet aircraft. The runway has a number of electronic and visual navigational aids, but lacks the most sophisticated aids, such as glide slope navigational equipment, which would permit instrument-controlled landing approaches. The second runway is a 3,000 by 600 foot designated area of Beluga Lake, which accommodates float and ski plane operations, and has limited navigational equipment (ADOTPF, 1979).

Spurred by deregulation of the commercial air passenger industry and the community's rapid growth in aviation activities, Homer has ample scheduled commuter air service, currently 16 flights per day to Kodiak, Kenai, Seward and Anchorage, from three separate air carriers, Alaska Aeronautical Industries, Southcentral Airlines and Valdez Airlines. In addition, seven Homer-based air taxi operators offer wheeled, float or ski charter service to outlying communities (ADOTPF, 1979).

The airport's principal deficiencies are its layout and facilities. Air carrier, air taxi, air cargo and general aviation activities are crowded together at the southwest corner of the main runway. Parking, aircraft tiedown, apron, taxiway, and terminal space are all inadequate and/or too close to the runway (according to Federal Aviation Administration standards) (ADOTPF, 1979). Since Kachemak Drive limits southerly expansion of these uses, the state's five year plan for Homer airport calls for relocation of the passenger terminal to an area northwest of the paved runway. A new, larger road, apron and parking areas would be constructed, and air taxi and general aviation uses would be allowed to expand into the current passenger terminal area. These improvements are considered necessary to accommodate future growth in air traffic, estimated at about 7.4 percent per year from 1977 to 1998 (see Table 7-2) (ADOTPF, 1979).

Issues, Possible and Planned Solutions

The major air transportation issues which have been identified are related to the need for airport expansion. Terminal relocation and associated improvements are the highest priority, and are spelled out in the state's plan for Homer Airport. Funding of the improvements is

TABLE 7-2

HISTORICAL AND PROJECTED AIR TRAFFIC
HOMER AIRPORT

	Total Aircraft Operations	
Historical	Amount	Annual Growth Rate
1968	$ 13,900	--
1970	17,000*	10.6%
1975	26,000*	8.9%
1977	36,600	18.6%
Projected		
1978	$ 40,000	9.3%
1983	65,600	10.4%
1988	102,300	9.3%
1993	135,600	5.8%
1998	164,700	4.0%

* Estimated from graphs.

Source: Alaska Department of Transportation and Public Facilities, 1979.

currently included in the 1983 Voter's Request (ADOTPF, 1982) but the City needs to take a strong role in urging that the improvements proceed.

Another area of concern lies in acquisition, leasing and disposal policies for state land. Here again, City action could be helpful in encouraging the State to acquire lands within the building restriction and clear zones, and to lease its properties for commercial development consistent with the comprehensive plan. Disposal of State-owned wetlands should probably go the the City, since the areas are best left undeveloped.

The final area of concern lies in airport expansion. Since the State plan did not call for extending the runway length the additional 2,000 to 3,000 feet needed to accommodate the largest commercial jet aircraft, but mentioned this as a possibility, steps should be taken to ensure that private lands off of the east end of the runway are not extensively developed. Since the State plan stopped short of recommending acquisition, this City plan calls for appropriate zoning measures limiting height and development, or for purchase options, purchase of partial development rights, or outright purchase with leaseback for lands which may ultimately be needed for runway extension.

Objectives, policies and planned actions for air transportation are listed below.

OBJECTIVE - Maintain and improve air transportation facilities and services to provide convenient, reliable, low cost air transportation services.

Policy 12 - Lands needed for existing and future airport runways, clear zones, terminals and other airport facilities should be owned by the State, and leased to private operators wherever feasible and desirable.

Action 12.1 - City Council request Alaska Department of Transportation and Public Facilities, Division of Aviation (ADOTPF/DOA) to complete purchase of private land in existing airport building restriction and clear zone (see Figure 7-1).

Action 12.2 - City Council request ADOTPF/DOA to continue leasing lands to private operators considering plans for future airport activities.

Action 12.3 - City Council request ADOTPF/DOA to examine and implement means of reserving lands for runway extension.

Action 12.4 - City Council request ADOTPF/DOA to improve the existing runway and plan to extend the runway in the future to handle larger type aircraft.

Policy 13 - The City shall encourage ADOTPF to implement its plans to improve airport facilities and services, as well as minimize congestion and conflicts in activities.

Action 13.1 - City Council request, by resolution, ADOTPF/DOA to carry out its plans for upgrading Homer Airport, including relocation of passenger and charter airline terminals to north of the runway, and navigational aids and equipment.

Action 13.2 - City designate Beluga Lake as a low activity area giving priority to float planes.

Action 13.3 - City shall request ADOTPF/DOA to improve float plane facilities, i.e., expansion of tie-down area, fuel servicing, fire protection, improved road connecting the lake and the main airport runway.

CHAPTER 8
PUBLIC UTILITIES PLAN

Public utilities are among the most frequently used of public services. Water, sewage, solid waste and drainage management services must function continuously, without fail, and are used daily by virtually every resident and visitor. Utilities are expensive to build and operate, however, and must be carefully planned in order to produce a quality service in a cost effective manner.

This chapter outlines the plan for Homer's water, sewage, solid waste and drainage management services, presenting background, issues, possible solutions, goals, objectives, policies and planned actions for public utilities. Other, more detailed plans have been prepared for each of these topics, and the reader should refer to them for additional information.

The overall goal for public utilities is shown below, followed by the plan elements for each of the four utilities.

GOAL: PUBLIC UTILITIES

Provide good quality, cost effective, environmentally acceptable water, sewer, solid waste and drainage management services in Homer.

WATER SUPPLY

Background

The City provides a treated water supply for most, but not all, of the area within the incorporated City limits. The source of Homer's water is a reservoir created by a dam on Bridge Creek, a mile north of Homer. Water is pumped from this 145 million gallon (mg) storage reservoir to a water treatment plant that chemically treats, filters and disinfects the water prior to distribution. Additional storage of treated water is provided by a 0.5 mg storage tank located at the end of the spit, and a 0.25 mg tank located near the hospital.

Three main transmission lines serve the City. Two of these connect with the network of pipelines serving the central City, while the third transmits water to the distal end of the spit. Pressure reducing valves are required throughout the system to prevent excessively high pressure caused by the great difference in elevation between source and consumer. Water service is also available via tanker truck sales for residents not within economical distance of existing lines at a slightly higher cost. Also, many non-residents haul City water for their residential needs.

Recent expansion of the water treatment plant has increased the capacity of the plant to 2.0 million gallons per day (MGD), probably sufficient to meet anticipated peak demands to the period 1985-1987.

Changes in industrial and commercial usage (such as expanded local seafood processing or emergence of lower Cook Inlet oil activity) could hasten the need for additional facilities, however, and need to be considered.

In 1977, a Comprehensive Water Plan was prepared to evaluate existing and future supplies and demands, evaluate distribution system alternatives and prepare recommendations for timing and need for selected improvements to the City's water system. Criteria used to assess the needs for improved water service were based on the City's 1969 Comprehensive Development Plan, and assumed greater land use intensities than are called for in this plan (see Land Use Plan, Chapter 4).

Nonetheless, the 1977 water plan pointed out areas of the municipal water system which were in need of upgrading, and based upon these prioritized recommendations, the City proceeded to construct some of these improvements. For example, expansion of the treatment plant was carried out to increase plant capacity, as mentioned above. Additional treated water storage was constructed at the end of the spit, and other improvements, such as pressure-reducing valves, were installed. An important additional conclusion was that existing service areas were adequate to serve projected study populations, and as a result, the 1978 Comprehensive Plan called for higher density development in areas already served by the water utility.

The 1977 water plan also reported that the existing capacity of the Bridge Creek reservoir was probably not sufficient to meet future demands 20 years hence. As a result, further studies have been performed to assess possible future sources of water and comment upon options the City may pursue in developing an additional supply of water. One report, prepared in late 1980, provides a list of possible surface water sources which are located south of the Anchor River (CH2M Hill, 1980). Estimates of yields, water quality and order-of-magnitude costs for alternative system improvements were presented and a course of action suggested.

Previous Objectives and Policy Recommendations

In the 1978 Comprehensive Development Plan, the overall objectives for utility delivery, including City water service were:

1. Provide Homer area residents with the highest quality of service at least cost to taxpayers; and

2. Encourage private enterprise to provide services whenever feasible.

From these overall objectives, specific policy recommendations were prepared, which included the following:

1. Require municipal notification by concerned parties if a significant increase in water consumption is expected.

2. Encourage higher density development in areas already generally served by the water utility.

3. Where feasible, introduce water service concurrently with sewer service.

4. Review the 1977 Comprehensive Water Plan to assure compatibility with future land use plans.

Issues, Possible Solutions and Planned Actions

Major issues facing Homer regarding water supplies are related to provision of adequate quantities of supplies as well as increased level of service to City residents. As such, the City is currently engaged in a revision and updating of the earlier 1977 Comprehensive Water Plan, as well as embarking on a new evaluation of future water supplies. Below are brief summaries of work being conducted within each study.

The 1982 Comprehensive Water Plan determines and records expansion of the water system which has occurred since 1977, and also develops a revised set of improvements and expansions to the water system deemed necessary to serve anticipated service area and population to the year 1992. In order to accomplish this, planning criteria relating to population growth, land use, and the like are utilized from this Comprehensive Plan update. Future water demands in the residential, commercial and industrial sectors are projected, as well as design and operational criteria for improvements based upon future service area, housing unit densities and incremental development. From this, the capability of the existing water system to supply such growth is evaluated, and necessary improvements to the existing distribution system are proposed. An analysis of the financial operation of the water utility, its viability and capacity to finance needed distribution system improvements are also evaluated.

The City has also initiated work to determine the timing, need and source of additional water supplies to meet future requirements determined in the 1982 Water Plan update. Previous projections (CH2M Hill, 1980) suggest that the existing Bridge Creek reservoir will be fully exploited within the next six to ten years, after which time average daily demand will exceed reservoir capacity. Since the ultimate capacity of the reservoir is limited to available stream flows, it will be necessary to develop alternative sources of water. This study, therefore, evaluates the use of other surface or subsurface sources of supply and proposes development of a preferred alternative to Bridge Creek supplies. The study also evaluates the potential needs of customers outside the City limits, particularly those to the east of Homer, since potential future supply sources such as Fritz Creek lie in that direction. (Should such an alternative prove desirable, it could be that Homer would be asked to jointly participate in development of that supply source. It would then be necessary for the City to determine at what level and under what arrangements could the City participate with other entities in a project of this nature.) The result of this study is planning and design criteria to be employed in developing a future

source of supply, and a description of the timing needed by the City to carry out such a project in an orderly fashion. Also developed will be the preliminary plans for constructing needed improvements and financing mechanisms the City may use to finance such a project.

Associated with this study are assessments of land impacts and procedures the City will need to follow in the event that another surface impoundment and a reservoir is required. As noted in the 1978 Comprehensive Development Plan, protection of current and future watersheds is of great importance to the City. The plan notes that the State and Borough have the authority necessary to protect such watersheds, as Alaska statutes give general law cities authority to protect their water supplies outside of their municipal boundaries. The Borough, however, must grant approval before Homer can exercise this authority. The 1978 plan notes that neither the Borough, the State nor the City has adopted policies or regulations to protect Homer's existing watershed, but such efforts will likely be needed to minimize potential conflicts between development and public uses. The Borough has undertaken water resources inventories to develop data which will help support steps taken or regulations made to protect Homer's supply of water, and must cooperate if Homer's future water supplies are to be protected.

Objectives, policies and planned actions for water supply are listed below.

OBJECTIVE - WATER SUPPLY

Maintain sufficient water supply to serve domestic, commercial and fire protection needs.

Policy 1 - Water supply improvement needs will be addressed prior to the time they are required.

Action 1.1 - Investigate and develop future water sources.

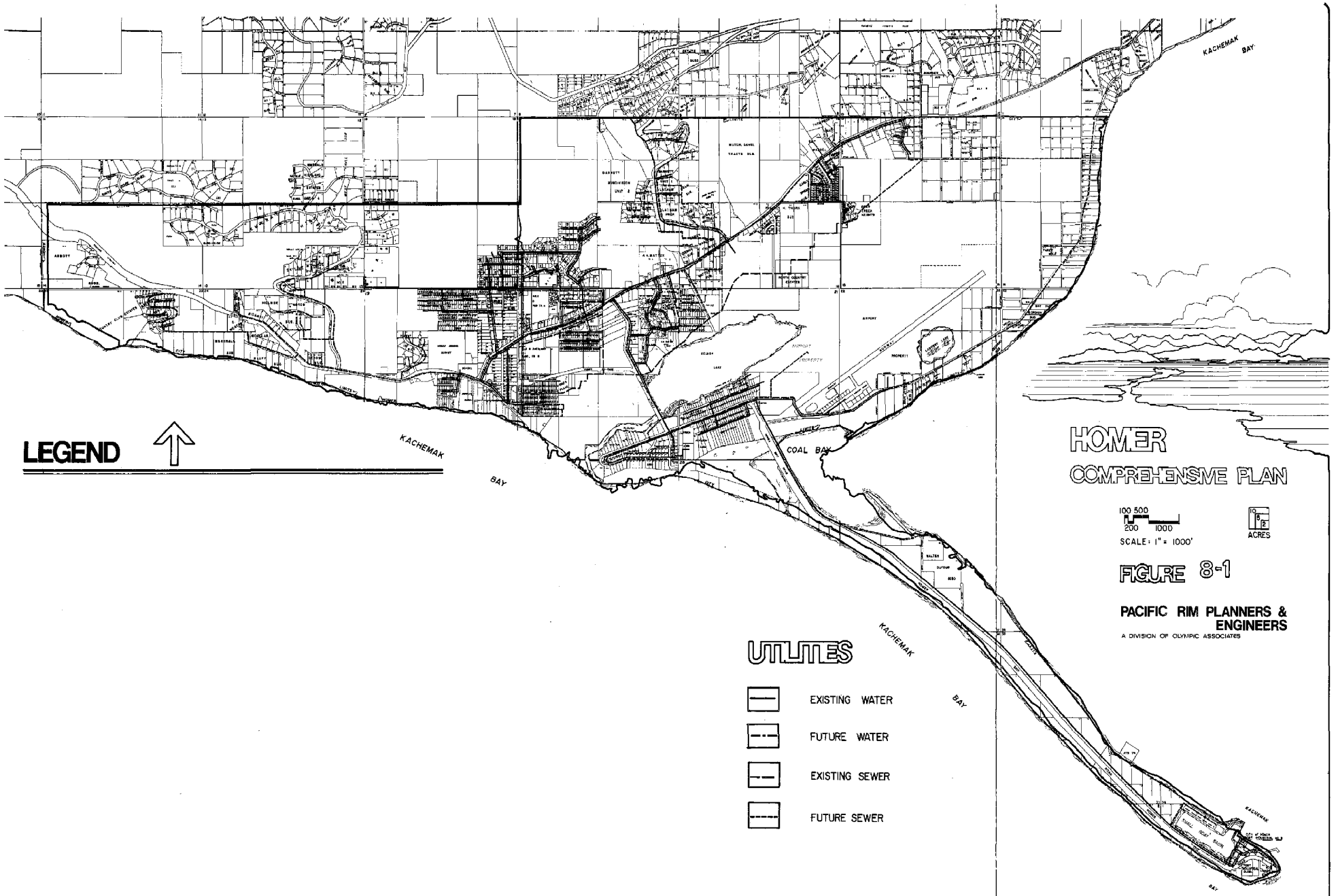
Policy 2 - Water service will be extended first to areas of higher existing or potential population density and industrial areas where it is feasible to operate and maintain the system, where water service can be extended concurrently with sewer service (see Figure 8-1).

Action 2.1 - Adopt, with or without revision, 1982 Water Plan update.

Action 2.2 - Implement priority water distribution system improvements.

Policy 3 - City adopt and enforce uniform construction standards for roads and utility improvements.

Action 3.1 - Subdividers will be required to provide a minimum of a ten foot (10') section of waterline onto each lot, to reduce problems with other utilities when the water connection is made.


KACHEMAK BAY
COAL BAY
KACHEMAK BAY
KACHEMAK BAY
LEGEND
UTILITIES
EXISTING WATER
FUTURE WATER
EXISTING SEWER
FUTURE SEWER
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 8-1
PACIFIC RIM PLANNERS & ENGINEERS
A DIVISION OF OLYMPIC ASSOCIATES

SEWAGE COLLECTION, TREATMENT AND DISPOSAL

Background

Homer's initial sewer system became operational in 1972, and several recent additions since that time have expanded the initial service area boundaries. The sewage collection system, comprised of collectors and trunk sewers, now covers several miles from east of the elementary school to just west of Homer High School. The majority of on-line sewers serve the central commercial district and the residential areas to the north and east of the central core. Other areas currently served include Ocean Drive and the Homer Airport.

Sewage collected from these areas is routed primarily by gravity flow to the City sewage treatment plant located on the north side of Beluga Slough. (Sewer District No. 2, serving Ocean Drive and the airport, has a lift station located near the Beluga Lake outfall on Lake Street to convey sewage from the district to the treatment works.)

The 0.277 MGD sewage treatment plant began operation in 1972 and consists of an influent pump station, two aerated lagoons, a chlorine contact chamber, an effluent holding pond with inoperative tide gates, a sludge holding pond and a marine outfall. The plant has a design capacity to serve a sewered population of between 2,000 and 2,500 depending upon per capita wasteload, and is currently undergoing plant modification to increase capacity.

Due to Homer's low population density and linear arrangement, many areas of the City are not presently served by sewers. Typically, septic tanks and drain fields have been employed to provide on-site treatment and disposal for residences and commercial establishments. Many of these individual septic tank and drain field systems have failed or caused problems throughout the City (excepting the northwestern portions within City limits). These problems have been attributed to the fact that soil conditions are not especially suitable for operation of such systems, although improper drainfield location, construction techniques, maintenance and review and inspection practices lead to failures as well. Presently, sewage generated out on Homer Spit is also disposed of by means of septic tanks. Guidelines for on-site sewage disposal are provided in Chapter 14.04 of the City code, which states:

> All septic tanks now in use or hereafter constructed within the City shall meet the specifications of the Alaska Department of Health and Social Services, and no septic tank shall be hereinafter constructed without obtaining a written permit from the Department's Area Sanitarian for the Kenai Peninsula. Vaults, privies, and cesspools shall not be considered adequate sanitary facilities. (Section 14.14.020c)

Previous Recommendations

In 1977, a Comprehensive Sewer Plan was developed by the City to guide the orderly expansion of Homer's sewer system, identifying sewer improvements that might be required within a ten year period. In addition, cost estimates for all improvements, a financial plan and time schedule for such improvements were prepared at that time. Also included was an evaluation of existing and future treatment facilities for the purpose of developing cost estimates of treatment plant improvements. Detailed engineering work on those plant improvements have since been initiated, as described earlier.

The sewer plan as prepared was based on the City's 1969 Comprehensive Plan, associated future land use plan and zoning at the time. The land use plan contained assumptions regarding population density and future development which have since been revised through the updating of the City's Comprehensive Plan in 1978. Further, the sewer plan considered the impact of oil-related activities in lower Cook Inlet on sewer service in the City, and prepared alternate plans based upon that potential. As a result, a review of the earlier sewer plan has been initiated by the City such that the plan can be updated to reflect new population, economic development and flow projections.

Although as of this writing the plan is currently being updated, some of the conclusions and recommendations from the previous sewer plan are still valid. They include:

1. Following the policy recommended in the adopted comprehensive development plan of encouraging concentrated residential and commercial development will result in greater utilization of existing sewer utilities and minimize the total investment required to expand the system.

2. Do not make large investment in sewerage facilities in anticipation of growth until requirements can be more firmly established than they are presently. This is especially true for the spit. (Although the 1977 sewer plan called for immediate construction of sewerage improvements on the spit, the Homer Spit Sewerage Facilities Plan later recommended the maintenance of existing septic tank systems on the spit until a later date when development activities had increased.) Once this has been completed, however, more realistic assessment of sewerage facilities can be developed.

3. On-site treatment and disposal systems will continue to be needed in outlying areas of the City for some time. The City should review policies and guidelines that govern installation of such systems within the City.

4. The feasibility of constructing conventional gravity sewers in rural areas of the City with low ultimate population densities is doubtful due to a very high cost per individual service (e.g., along Kachemak Drive). Should septic tank - soil absorption

systems fail, however, it may be necessary to consider other sewage disposal methods (in the 1977 sewer plan alternative collector sewers were identified).

The 1977 sewer plan also recommended that population growth be accommodated within sparsely populated land previously served by sewers such that no additional sewers would be needed until Homer's total population reached at least 2,700 (1982 population). However, subsequent to this recommendation, additional trunk sewer construction was completed. Sewer service has now been extended to the eastern portion of the City beyond the elementary school and in other portions of the City. In some cases, the installation of these sewers can lead to surcharging or overloading of the sewer system and the treatment plant, particularly when long lines serve distant, sparsely populated areas. This can be attributed to shallow ground water conditions within the City and the fact that infiltration of ground water can result in excessive sewer flows. Of course, this problem becomes magnified as sewer connections increase with further development. It may be, therefore, that the existing sewer service area is now more than adequate to provide for future sewered parcels for growth beyond a total population of 2,700, and this question should be resolved during the update of the 1977 sewer plan.

Issues, Possible and Planned Solutions

The City's 1978 Comprehensive Plan noted that there was an increased desire for residential sewer service by municipal residents. It also noted that subdivision activities at that time were resulting in fewer and fewer parcels that could be developed with conventional on-site sewage disposal systems (i.e., septic tank - drain field systems). This continues to be the case. However, with residential development continuing to occur in a dispersed pattern, the cost of expanding services to provide sewer service will continue to be very high per customer. Therefore, it might be advantageous for the City to encourage the adoption of other means by which to provide sewage disposal service in outlying areas, other than conventional septic tank or gravity sewer systems.

Within the last several years, alternative on-site sewage treatment and disposal systems have been developed to provide relatively low-cost service to rural areas and small communities. Some of these systems include the use of septic tanks as pre-treatment, but employ different methods of ultimate disposal. Examples include mound, sand filter and overland flow systems, or combinations thereof. Alternatively, small-diameter pressure sewer systems have been built and operated successfully for clusters of homes or subdivisions to reduce the cost of construction, the cost of materials and reduce the size of sewers needed. A third possibility, waterless, recycling or low-toilet systems with water conservation household fixtures and appliances, have been utilized in some areas to reduce or even eliminate wastewater flows. These include such items as compost toilets, recycling chemical or water toilets, total household wastewater recycling systems (e.g., Pure-Cycle system), bathing and faucet flow restrictors, and the like.

Within this range of possible treatment and disposal options, it is possible that lower-cost systems and household modifications can be developed to provide sewage disposal for service areas within the City that remain at a low population density. The City could encourage and promote the use of such alternative disposal methods, as such alternatives have been listed as "potentially acceptable" by the Alaska Department of Environmental Conservation as substitutes for gravity sewers or septic tanks. However, installation and operation of many of these alternatives would likely require either increased involvement by the State or Borough to regulate such systems, or would require increased management by a local government entity with appropriate authority, such as the City Public Works Department.

Rather than promoting low-density development by providing increased opportunities for on-site disposal, the City could take the opposite approach. That is, the City might discourage large subdivision development outside sewered areas by restricting issuance of building permits to only those areas already within existing service areas. This is strong action, and is not among the planned actions for sewage management.

Another issue to be addressed concerns provision for sewage treatment facilities on the Spit. Previous studies concluded that existing septic tank systems on the Spit were adequate until such time as development became more concentrated. Should land use on the Spit become more concentrated, then, it is possible that other means of sewage treatment and disposal will be necessary. This question is addressed in the Comprehensive Sewer Plan update.

A final consideration involves septage (septic tank pumpings) treatment and disposal. Since a significant portion of Homer's population is not served by the City's sewer system, septage wastes from Homer are considerable. Recent estimates calculate an unsewered 1982 population of 1,082 (CH2M Hill, 1981). Some planning has already been done to assess the feasibility of constructing a septage treatment and disposal facility to handle Homer's septage wastes, since the City's existing waste treatment facilities are not able to handle those wastes, and septage haulers must now haul to a Borough controlled site near Kenai for ultimate disposal. Some options have been identified, such as a treatment of locally generated wastes at Homer by the City via a number of procedures. Costs are quite high, however, and no facilities have yet been considered.

Alternatively, the Borough has investigated possible techniques by which it can accept and treat these wastes near Homer, although the Borough has not yet assumed septage responsibility (Bambard, 1981). This issue is not included in the Comprehensive Sewer Plan update, but needs to be addressed as increased use of septic tank systems in Homer is likely.

Objectives, policies and planned actions for sewage management are listed on the following page.

OBJECTIVE - SEWAGE COLLECTION AND TREATMENT

Provide environmentally acceptable, cost effective treatment for all sewage in Homer.

Policy 4 - City adopt and enforce uniform construction standards for roads and utility improvements.

Action 4.1 - Sewer service will be extended where population density is high enough to make it feasible to construct, operate and maintain the system, where the extension can be concurrent with extension of water service, and in a manner consistent with the Comprehensive Plan (see Figure 8-1, Utilities).

Action 4.2 - Adopt, with or without revision, 1982 Sewer Plan update.

Policy 5 - On-site sewage treatment, or alternative systems, shall be encouraged in areas where sewage collection systems are infeasible.

Action 5.1 - City pursue, with Borough, State and Federal assistance, a detailed study of soil suitability for infiltration fields and other on-site sewage treatment processes, as possible permanent alternatives to city sewer for lower density developed areas of the city.

Action 5.2 - City, together with Borough, provide facilities in or near Homer to treat and dispose of holding tank wastes.

Action 5.3 - City study suitability of combined fish processing plant wastes outfall, in combination with other treatment alternatives, on Homer Spit, and implement recommendations.

Policy 6 - Subdividers will be required to provide a minimum of a 10 foot section of sewer line to each lot to reduce problems in future utility connections.

SOLID WASTE MANAGEMENT

Background

Solid waste disposal is one of several powers which the Kenai Peninsula Borough retains rather than the City of Homer. As such, the Borough provides for disposal of Homer's solid waste stream via a series of designated landfill sites located throughout the Borough. Typical municipal solid wastes (all wastes except any hazardous or septage wastes) are landfilled at a Borough facility located approximately four miles west of Homer. Septage wastes are required to be handled separately and routed to another landfill located near Kenai for ultimate disposal.

Wastes that are generated within Homer are handled by contract haulers who work under contract with the Borough as well as City residents. Also, presently the City has allocated a small portion of its operating budget to contract hauling services.

The present Homer landfill, opened by the Borough in July, 1979, is comprised of two parcels of land. One is currently owned by the Borough, and the other is owned by the State and operated by the Borough by means of a Special Use permit. According to recent reports (Bambard, 1981) the Borough has selected this second parcel as part of its authorized selections of State lands, and is attempting to have transfer of ownership of the land completed before the permit expires in 1984.

With the combination of these two parcels of land, the site of the Homer landfill comprises approximately 48 acres. Based upon projections made in a recent study (Bambard, 1981), only 15 acres are usable as a landfill under the Borough's present method of landfill operations.

The anticipated remaining useful life of the Homer landfill using conventional disposal methods is six years, although the projections assumed a slower rate of population growth (and, thus, waste quantities produced) than are used in this plan. The Borough's recent installation of a baler operation will probably extend the life of the landfill another 10 years. Nonetheless, a new landfill site will need to be developed within the next decade or decade and a half.

Earlier studies also addressed alternative means by which septage (septic tank pumpage) could be handled by the Borough. This waste qualifies as a solid waste although it is currently not the responsibility of the Borough to handle such waste. The Borough has, however, investigated means by which septage wastes could be handled locally in the Homer area in place of direct haul to the Sterling special waste site in the Kenai area. The City has also conducted independent studies of septage disposal alternatives, although no clear solution to the problem of septage disposal has yet been formulated by either the City or the Borough.

Issues, Previous Recommendations and Options

A Borough report, Consolidated Wastes on the Kenai Peninsula (Bambard, 1981) prepared a summary of recommendations regarding existing and future solid waste management operations affecting Homer. These recommendations are concerned primarily with improved operation of the existing Homer landfill, future management of typical municipal solid wastes generated in the Homer area, and possibilities for a Borough-controlled septage disposal facility. Below are a summary of pertinent recommendations:

1. Maintain the existing landfill concept near Homer and upgrade contract documents as needed to ensure proper landfill operation until site is used up.

2. Locate, design, permit and construct a transfer site to facilitate residents east of Homer.

3. In three to five years, begin planning for a replacement site for Homer landfill. New site to go into operation when existing landfill's life is used up.

4. Coincineration of septage and Homer's solid wastes is only marginally feasible at this time and, therefore, the Borough should proceed with an evaluation of all other potential septage management alternatives.

5. Given all the facts, make the determination of whether the Borough should acquire septage responsibility or not.

Of particular note to these recommendations is the fact that preliminary evaluations of potential landfill sites have already been conducted (U.S. Soil Conservation Service, 1980) which concluded that an economically feasible replacement site for the existing landfill does not exist. As such, the Borough decided to purchase and operate a baler to extend the life of the present site. As the site nears capacity, the City could, as an option, encourage Borough development of some form of waste coincineration with heat recovery to handle septage as well as locally generated solid wastes. Estimated capital costs for alternative septage disposal facilities for the City (CH2M Hill, 1981) are on the same order of magnitude as for projected Borough coincineration facilities (Bambard, 1981).

Under these conditions, more detailed planning would need to be given to the concept of an incineration system to assess technical and economic feasibility, as well as management and administration of such a facility. As an alternative, the City might encourage the Borough to continue existing solid waste disposal practice and assume septage responsibility in order for the Borough to provide a closer septage disposal facility to serve Homer. Such alternatives might consist of a land treatment or lagoon system situated near Homer where septage from the entire southern Peninsula could be handled by the Borough.

A third concern of solid waste management is the location of transfer stations and collection sites. Currently, the transfer station is located outside of Homer, on the East End Road, away from the concentration of population and businesses. Planned actions are for the Borough to improve transfer station and collection site locations, taking into consideration population and disposal site location.

Objectives, policies and actions for solid waste management are shown below.

OBJECTIVE - SOLID WASTE MANAGEMENT

Provide safe, effective and convenient disposal of all solid wastes and sewage sludge.

Policy 7 - The Borough shall continue to be responsible for solid waste management in the Homer area.

Action 7.1 - Borough secure future disposal sites.

Action 7.2 - City and Borough cooperate to develop and operate facilities to dispose of sewage sludge and septic tank septage.

Action 7.3 - Borough strategically locate transfer stations and collection sites, taking into consideration population and disposal site location.

DRAINAGE MANAGEMENT

Historically, the City of Homer has not experienced severe flooding or severe drainage management problems. Small areas along streams have flooded when ice forms on channel bottoms, thus filling natural drainage ways, but these events are relatively small and isolated nuisances as compared to hazardous flooding experience in other areas. Moreover, most of the peak storm events causing large volumes of surface runoff are conveyed through the city by means of natural drainage channels to Beluga Lake and Kachemak Bay, which have not as yet been disturbed. Figure 8-2 illustrates the major drainage ways in Homer.

Flood damage, however, can increase greatly if damagable facilities are constructed in areas subject to flooding, or if artificial stream crossings through these drainage ways restrict the movement of water. Future flood conditions in the City, therefore, will be affected significantly by population growth, future land use and the extent to which development encroaches upon or alters natural drainage ways.

Background

The need for an adequate system of drainage ways within Homer and surrounding areas has long been recognized by residents and local officials. Several studies of drainage management and flood potential have been prepared, including:

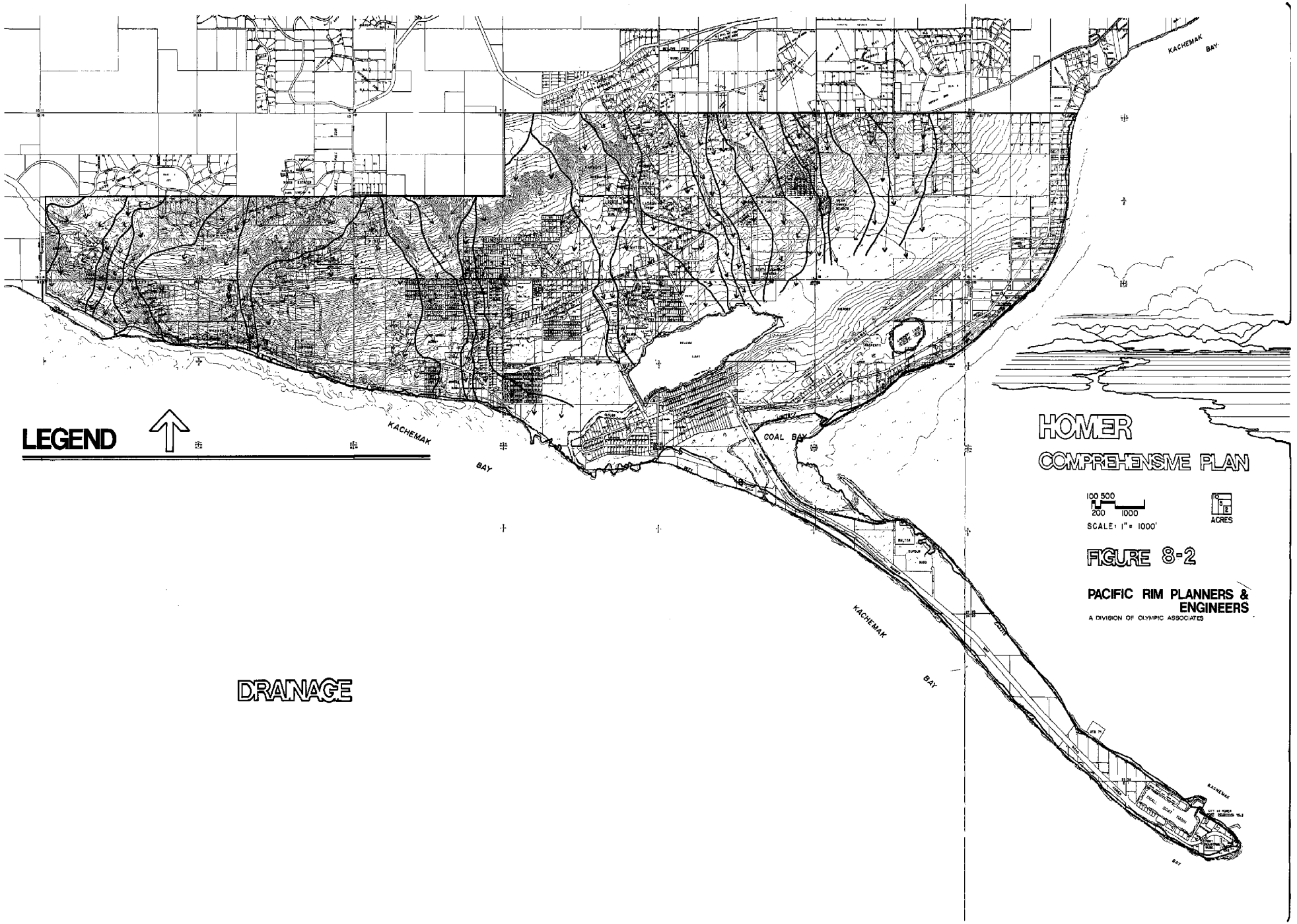
Homer, Alaska, History of Flooding, Aufeis (Glaciation), Erosion and Sedimentation. Sandra Stringer, The Scotia Group, Fairbanks, Alaska, 1976.

Potential Flooding, City of Homer, Kenai Peninsula Borough, U.S.D.A., Soil Conservation Service (SCS), Anchorage, Alaska, 1978.

Drainage Management Plan, Homer, Alaska, CH_2M-Hill, Anchorage, Alaska, 1979.

Homer Drainage Study, Homer, Alaska, Quadra Engineering, Inc., Anchorage, Alaska, 1981.

Revised Drainage Management Plan, Homer, Alaska, Quadra Engineering, Inc., Anchorage, Alaska, 1982.


KACHEMAK BAY
COAL BAY
KACHEMAK BAY
KACHEMAK BAY
LEGEND
DRAINAGE
HOMER
COMPREHENSIVE PLAN
100 500
200 1000
SCALE: 1" = 1000'
ACRES
FIGURE 8-2
PACIFIC RIM PLANNERS & ENGINEERS
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To briefly summarize, these studies have evaluated existing conditions which affect drainage within the City, and have prepared means by which to maintain and improve drainage as development of the area proceeds. Increasing reluctance on the part of lenders to approve housing loans in flood-prone areas of Homer provided much of the impetus for conducting these studies. The lenders (principally the Federal Housing Administration) wanted assurance that drainage needs would be addressed as additional housing and roads were built.

Drainage management was also addressed by the City's 1978 Comprehensive Plan. The plan noted that, if left uncontrolled and unmonitored, development activities such as grading, removal of vegetation, disturbance of the soil layer and disruption of natural drainageways would lead to increased soil erosion and glaciation.

The plan's recommendations for drainage management included:

1. Prepare and adopt a City drainage management plan.

2. Consider responsibility for erosion and sedimentation control before approval by the Planning Commission of any proposed subdivision. The proposed methods for alleviating erosion and sedimentation control problems should be reflected in the developmental design specifications, where applicable.

3. Include stringent control measures stipulating responsibility for erosion and sediment control during foundation excavations with the issuance of building permits.

4. Require that developers submit drawings including proposed drainage problems during actual construction periods, as well as permanent drainage plans. Temporary structural measures for erosion and sediment control should be required as necessary (diversion berms, interceptor swales, energy dissipators, channel lining, crushed aggregate, mulching, etc.).

5. Require that developers and/or subdividers submit drawings indicating those areas most likely to be subject to glaciation as a result of construction, development, or interruption of natural drainage patterns, together with proposed methods for elimination, amelioration, or control of same. Such regulations should be applicable to any adjoining properties or other areas subject to such effects, as well as the subject property itself.

Subsequent work related to these recommendations includes development of a comprehensive drainage management plan for the entire City. Conducted in two parts, the plan details current problem areas and existing conditions; expected future system requirements in light of expected land use changes and local hydrologic conditions; alternative approaches to drainage control; a proposed drainage system including culverts, channels, ditches and natural drainage ways; and recommendations for implementation of the drainage plan.

Detailed engineering design and construction specifications for drainage improvements have also been prepared for the core area of Homer, that being the area approximately bounded by Bayview Avenue on the north, Lake Street to the east, the Bypass road to the south and the high school to the west. Drainage and erosion control guidelines have been developed incorporating proven engineering principles to give developers and others constructing portions of the City's drainage system a set of standard criteria from which to design and build such improvements. Finally, draft drainage management ordinances have been prepared for the City which would give the City power to control development of the drainage system and document the City's policy and procedures for maintenance and expansion of the system. Although such plans and alternative implementation measures have been developed and are available for City staff to use, neither the drainage management plans nor either of the two ordinances mandating City drainage standards have yet been adopted by the City Council.

Existing regulations regarding road construction and drainage are contained in the City code and Borough subdivision ordinances. City code requirements related to drainage are contained in Articles 4 and 5. Article 4, concerning driveway and right-of-way construction permits (Section 14-400g), requires permit applications to be accompanied by a plan showing complete details on drainage. The code states:

> "All driveways and buffer areas should be constructed so as not to impair the drainage within the street or road right-of-way nor alter the stability of the roadway subgrade and at the same time not impair or materially alter drainage of the adjacent areas. All culverts, catch basins, drainage channels, and other drainage structures required within the buffer area and under driveways as the result of the property being developed, shall be installed in accordance with the standards set by the city, said standard being available at City Hall."

Article 5 of the code contains the following standards for street construction (Section 14-500.4.):

"A. Cross Culverts
   1. Shall be sized for stream flow based on a 25-year flood.
   2. Shall be 18-inch minimum inside diameter.

B. Driveway Culverts
   1. Shall be 18-inch minimum diameter.
   2. Minimum length shall be 21 feet - maximum length 35 feet.
      a. Special conditions requiring longer culvert lengths will be subject to the approval of the Public Works Director.
   3. Driveway elevation at road ditch line shall be 0.1 foot below the elevation of the edge of shoulder.
   4. Driveway ditches shall be constructed in such a manner so that no scour will occur to road ditch."

The Borough's subdivision ordinance is administered by the Borough Planning Commission for areas both within and outside the Homer boundaries. Applications for subdivision approval are submitted to the Plat Committee of the Borough Planning Commission. Subdivision applications for areas within the City are referred by the Plat Committee to the City's Advisory Planning Commission for review and comment. Decisions of the Plat Committee can be appealed to the Borough Planning Commission as a whole, with subsequent appeal to the Borough Assembly.

The subdivision ordinance requires only that limited information on topography, soil conditions, or drainage patterns be submitted with the plat application. These information requirements are listed below (from Subdivision Ordinance, Section 20.12.060).

"1. A vicinity map showing natural and manmade features, such as shorelines and streams.

2. Approximate locations of areas subject to inundation, flooding or stormwater overflow; when adjacent to lakes or nontidal streams, the line of ordinary high water; wetlands.

3. Contours at suitable intervals when any roads are to be dedicated, unless the Planning Director or Commission finds evidence that road grades will not exceed 6 percent on arterial streets, 10 percent on other streets.

4. Approximate locations of slopes over 20 percent in grade."

Possible and Planned Solutions

Drainage management plans developed by the City through independent consultants are comprehensive in scope as they identify a complete trunk drainage system for the central core of the City, describe procedures for developers and others to follow in constructing improvements to the system, and recommend procedures for the City to follow in implementing drainage management. Although maintenance of the status quo is an alternative, i.e., using this information already developed without the City assuming drainage regulatory powers, this is not desirable because drainage problems in the City will probably continue to increase absent some action.

The need for a legal mechanism to implement drainage management lies in the fact that much of the City's drainage system will be designed and constructed by private developers, who assume no long-term responsibilities. If all drainage system components were to be constructed and maintained by the City, the City could use the drainage management plan as an internal document for the design of the system. However, as Homer grows, road, sewer, water, and drainage services will have to be provided. Connection of all these utilities to the existing city systems should be accomplished by the developers in accordance with standard design specifications and accepted guidelines. Various

alternative legal mechanisms are available to implement a Drainage Management Plan and are described below.

Adoption of the Revised Plan by Resolution

At a minimum the City Council could adopt this report by resolution and use its recommendations as general guidelines. At the present time, the Public Works Department can use the existing plans as a basis for reviewing developers' plans. This approach would be the easiest form of implementation but might not be very effective in guiding ultimate development of the drainage system, since developers and subdividers would not be legally compelled to follow it. It would, however, provide at least a stronger policy statement for staff and officials to follow when negotiating with developers. This is considered a minimum first step in the plan.

Drainage Control Ordinance

The next level of implementation is to develop a new ordinance that would require that certain drainage control measures be accomplished. To be effective, the ordinance would provide for the orderly development of the City's drainage system and provide for control powers to be extended to areas in the Borough which physically drain into the City. Borough consent would also be necessary for the City to exercise regulatory powers outside Homer's corporate limits.

The extent of a drainage ordinance is to document the City's policy and procedures for maintaining and expanding the drainage system. For the most part, the ordinance is designed to provide guidelines for future development. The City will, of course, have to also continue the policy of obtaining desired easements for portions of the existing drainage system which go through developed private property, and initiate and finance a capital improvements program to upgrade the existing system.

Already, recommendations for a draft ordinance and two draft ordinances have been prepared to address drainage control within Homer and the surrounding area contributing to Homer's drainage system. The most recent draft ordinance, prepared by Quadra Engineering, includes the following features:

1. Requirement for developers to submit drainage plans as part of application for subdivision approval, building permits, zone changes, conditional use and other such applications.

2. Specifications for the content of a drainage plan.

3. Performance standards to minimize downstream damage and erosion, to guide construction practices, and to protect water quality.

4. Procedures for review, approval, and appeals processes and standards for granting variances.

5. Requirements for easements for all drainage system components.

6. Bond and liability insurance requirements, inspection and acceptance procedures, enforcement and maintenance responsibilities, etc.

The provisions of this draft ordinance could be accepted by the Council, or could be modified to streamline requirements suggested for developers, review procedures of the City, etc. Adoption of a drainage ordinance is a high priority action in the drainage plan.

Alternatively, the drainage and erosion control requirements could be adopted as amendments to existing ordinances. Either or both the subdivision ordinance and zoning ordinance could be revised to include drainage requirements. In any event, if the ordinance is to be successful, the City must spend additional funds both to enforce the ordinance as well as to advise developers about proper building practices.

Borough Subdivision Ordinance

The existing Borough subdivision ordinance requires only that limited information on topography, soil conditions, or drainage patterns be submitted with the plat application. The ordinance does not require runoff calculations, a drainage system plan, or drainage easements. As currently written, the ordinance offers few tools for evaluating or solving drainage problems.

Making changes to the Borough subdivision ordinance would be more difficult than passing a citywide drainage ordinance since it requires approval by both the Borough Planning Commission and Assembly. However, it may be worthwhile to recommend such changes since the subdivision ordinance is one of the few mechanisms currently available to address drainage problems related to development outside the city's boundaries. Possible additions to the subdivision ordinance are detailed in the 1979 Drainage Management Plan prepared by CH_2M-Hill, and include the following:

1. More specific requirements for information on drainage, topography, and soils to be included with the preliminary plat application. (Add to Section 20.12.060.)

2. Requirements for the dedication of drainageway easements. (Add to Section 20.20.040.)

3. Setback and other design standards for lots within a subdivision that abut or include a natural or manmade drainage channel. (Add to Section 20.20.230.)

4. Provisions for review of the subdivision plat by the borough engineer or another certified engineer. That review process would include an assessment of drainage data and recommendations to alleviate potential drainage problems. (Add to Section 20.12.080.)

5. Procedural changes whereby the city advisory planning commission would be permitted to review and comment on applications for subdivisions in areas which are tributary to the city. This procedure could be initiated through a change in the ordinance itself or possibly through an intergovernmental agreement between the City and the Borough.

As an alternative, the 1979 plan points out that the City may be able to utilize Section 20.16.060 of the current subdivision ordinance to achieve its objectives. That section prohibits the Borough from giving final approval to a plat until there is a compliance with all city-required improvements. The section reads as follows:

> "Improvements--Installation agreement required. No final plat of a subdivision located within a first class or home rule city shall be recorded prior to compliance with any city ordinances concerning the installation of improvements. Evidence of such compliance shall be provided by the subdivider in the form of a written statement from the appropriate city official that improvements required by city ordinance are or will be installed. Such evidence of compliance shall be a part of the final plat submission and the time for action by the Commission as required by 20.16.170 shall not commence until said evidence is submitted."

If drainage improvements are required through a City of Homer ordinance, the City may then refuse to sign-off on the subdivision until the developer posts a bond or otherwise guarantees to the City's satisfaction that the drainage improvements will be constructed. Implementation of City drainage standards in unincorporated areas draining into the City of Homer (with cooperation of the Borough) is another key feature of this plan.

Zoning Ordinance

Another opportunity for enacting drainage regulations is through the city's zoning ordinance. Possible options identified in the 1979 drainage plan include the following:

1. The zoning map could be revised to include a drainageway overlay zone. Within this zone, special regulations and design standards relating to drainage could be imposed.

2. All critical drainageways could be included in the government reserve district. This would involve purchasing the land outright, or acquiring easements. The City could then keep the land in its natural state or develop it as park land.

3. Drainage regulations and data requirements could be added to existing zoning district regulations (residential, commercial, industrial). These requirements might include (a) a site plan showing drainage, topography, and proposed location of structures; (b) runoff data; and (c) a minimum setback for structures from drainage channels. These regulations could also be cross-referenced to the City drainage plan or ordinance if adopted.

The first recommendation, a drainageway overlay district in the zoning ordinance, is included in the Land Use Plan (Chapter 4). The second recommendation is also included in the Land Use Plan, modified that subdividers be required to dedicate drainage easements as a condition of city plat approvals. The Land Use Plan calls for retention of drainage easements in a natural state unless better drainage is provided. The third recommendation has not been implemented; planned actions for drainage management, however, include adoption of a drainage management ordinance by the City.

In addition to legal implementation, the 1979 and 1982 plans also identify several other steps which should be taken to ensure proper management of the drainage system. These include:

Management and Administration - At a minimum, the public works director, or designated representative, could review all improvements to the existing drainage system and the proposed addition of any new drainage system components. Inspection of drainage-related construction activities would also be desirable and should be accomplished by a building (construction) inspector in conjunction with other construction inspection duties.

Standard Design Criteria - An adequate set of standard design criteria for drainage improvements needs to be developed. Standard drawings and specifications could be adjusted by the public works director to meet the particular requirements of the City. These design standards should be available to developers at the public works department and city hall. These would supplement and elaborate any standards referenced in a City drainage ordinance. Staff should be trained in explaining and inspecting for proper practices.

Easements - In order to maintain, repair, and replace drainage system components, easements for all such components not within City rights-of-way should be obtained. Acquisition of easements for newly developed property would be spelled out in a drainage ordinance adopted by the City. For areas currently developed and subdivided, drainage easements would be acquired as part of any capital improvement program and elsewhere on an as-needed basis.

Objectives, policies and planned actions for drainage management are summarized below.

OBJECTIVE - DRAINAGE MANAGEMENT

Provide adequate drainage of Homer's watersheds, without increasing erosion or danger of slope failure, in a cost effective, environmentally sound manner.

Policy 8 - Subdivisions and construction activities shall acceptably accommodate drainage flows with no adverse downstream impacts.

Action 8.1 - Adopt, with or without revision, the 1982 Revised Drainage Management Plan.

Action 8.2 - City encourage the Borough to complete technical studies to identify major drainages and provide for drainage management consistent with City drainage management plans.

Action 8.3 - City adopt, and Borough approve, a drainage management ordinance to provide drainage and soil erosion guidelines for all watersheds draining through the City, covering both incorporated and unincorporated areas. This would involve a City Advisory Planning Commission review of all plats for compliance with the drainage guidelines.

Action 8.4 - City and Borough planning commissions recognize and accommodate downslope drainage and soil erosion concerns when reviewing and approving subdivision plats.

Action 8.5 - City construct key improvements in downtown drainage system identified in Capital Improvements Plan (Chapter 14).

Action 8.6 - City Engineer (or designated representative) review and approve all improvements to drainage system, and inspect construction activities.

Action 8.7 - City Engineer and planning director develop standard design criteria for drainage improvements to make available to developers.

Action 8.8 - City and Borough Planning Commissions acquire drainage easements from subdividers during platting process, and request or purchase easements for key drainages from private property owners.

CHAPTER 9
PARKS AND RECREATION

Park and recreation facilities and programs are often neglected in smaller communities due to their expense and the need for other more basic services. Homer has grown rapidly the past ten years. As the community grows, so does the demand for recreation opportunity. Homer has not neglected this need. The city recognizes the therapeutic value of recreation and has an active parks and recreation advisory commission and has been allocating funds for the development of several park facilities.

During the course of this planning effort several issues were identified which addressed the subject of parks and recreation. The overall issue was that additional facilities be made available to the residents of the community. Also, there is some concern that access to open space and traditional recreational areas is diminishing. The results of the community survey indicated that park and recreation development was important to the residents and one of the highest demands was that a public fishing pier be established on the spit.

In December of 1981, the Homer Parks and Recreation Development Plan was completed. This report included an extensive survey effort of the residents and the tourists, an inventory of existing parks and recreation opportunities and a suggested development plan. Some 50 proposals were identified for future parks, trails, campgrounds, playfields and other facilities.

During the development of the Comprehensive Plan, these proposals were reviewed by the Park and Recreation Advisory Commission. The following priority list of the top five projects which would benefit mostly residents and a list of those projects which would benefit mostly tourists was assembled.

Projects Benefiting Mostly Residents

1. Bayview Avenue Park
2. Senior League Field
3. High School Softball Field
4. Beluga Lake Park
5. Day Use Park at end of Spit

Projects Benefiting Mostly Tourists

1. Homer Spit Campground (at base of Spit)
2. Tourist/Roadside Park on Bypass
3. Visitor Information Center
4. Cliff Area Campground
5. Boat Launching Facilities

A more extensive list of possible projects is found in the 1981 Park and Recreation Development Plan. This plan, because of its recent completion, should be relied upon as a part of the comprehensive plan. The Development Plan includes sections on existing park and recreation resources, an analysis of needs, recommendations and a proposed development plan.

Utilizing this information, recommendations and analysis from this plan, the following goals, objectives and actions are presented.

GOAL 1 - Park and recreation opportunities for the residents of the community are to be made available.

OBJECTIVE 1 - Improve existing park and recreation facilities and points of interest to the community to meet the recreation needs of the resident population.

Action 1.1 - City shall do a sidewalk, bike path and trail master plan.

Action 1.2 - Public access and circulation shall be encouraged in wetlands, drainages and other waterfront and scenic areas by acquisition of pedestrian easements and construction of pathways and sidewalks.

Action 1.3 - Public access to beaches shall be maintained by the City continuing its ownership of tidelands and acquiring or maintaining key upland access points.

Action 1.4 - Secure park and recreation lands in advance of need. Work with the Borough to reclassify and possibly acquire Borough lands for future public use.

Action 1.5 - Recognize the therapeutic value of recreation programs by continuing support of the recreation director position and community school program.

Action 1.6 - Obtain lands, plan and construct facilities per the Homer Park and Recreation Development Plan.

Action 1.7 - The scenic integrity of the bypass road shall be maintained by the purchase of property or easements along the south side of the bypass and development standards on the north side of the road.

Action 1.8 - Identify bird habitats, eagle nesting and roosting areas, wetlands and wildlife habitat for future preservation.

Action 1.9 - Review large tracts of land outside the city in state or borough control to determine their value for winter sports and extensive recreational uses. Seek classification to protect these values.

GOAL 2 - The needs of the tourists for park and recreation opportunity shall be recognized and endeavored to be met.

OBJECTIVE 2 - Improve the park and recreation facilities in Homer and the region to meet the needs of visitors and tourists.

Action 2.1 - Costs of recreation facilities which mainly benefit non-residents (such as the Homer Spit) shall be the responsibility of the State and/or Borough.

Action 2.2 - Encourage development of Kachemak Bay State Park by state, provided that the state also takes responsibility for mitigating impacts (such as parking, public transportation and overnight accomodations, solid waste and sewage disposal) on Homer.

Action 2.3 - The City shall work with the State of Alaska to finalize and implement the agreement to purchase, maintain and manage private properties on the west side of Homer Spit and to maintain and manage City properties on the west side of the Spit.

Action 2.4 - The City shall encourage the State and Borough to develop, operate and maintain recreation sites in the vicinity of Homer, especially out East End Road.

CHAPTER 10
HOUSING

INTRODUCTION

One of the most important assets of any community is its housing. Provision of affordable, adequate shelter is a high priority, and is the subject of much public and private effort throughout Alaska.

Homer's housing is generally good in comparison with other Alaskan communities. Contractors, lenders and residents have been quite active in recent years, building at least 500 units in the past six years alone (based on City building permit records). Census data show a total of 635 dwelling units were added between 1970 and 1980. Because of the generally young age, Homer's housing is not plagued with many of the serious deficiencies which usually accompany older housing, such as poor energy efficiency and a high rate of structural defects.

Still, significant problems remain in several areas, and need to be addressed. Among the issues are:

(1) The need for improvement in the quality and affordability of the housing of low income and senior citizens.

(2) The effect of building and zoning codes on the cost and feasibility of housing construction.

(3) Suitability of mobile homes or other factory-built housing in Homer's neighborhoods.

(4) Location and suitability of multifamily and other higher density housing.

(5) The need for temporary housing for seasonal workers and others.

(6) The need for low cost mechanisms to finance housing during construction.

(7) The need to provide low cost roads, water and sewer service to additional housing sites.

BACKGROUND

Traditionally, most of Homer's housing has been single family homes built on individual lots. With the predominance of seasonal occupations in fishing, tourism, education and farming, many residents have had a hand in building most or all of their houses. Moreover, many residents supplement their incomes by working their off-season in construction. As a result, Homer has a large pool of skilled labor available, and has a high rate of new housing construction. Figure 10-1 summarizes these trends.

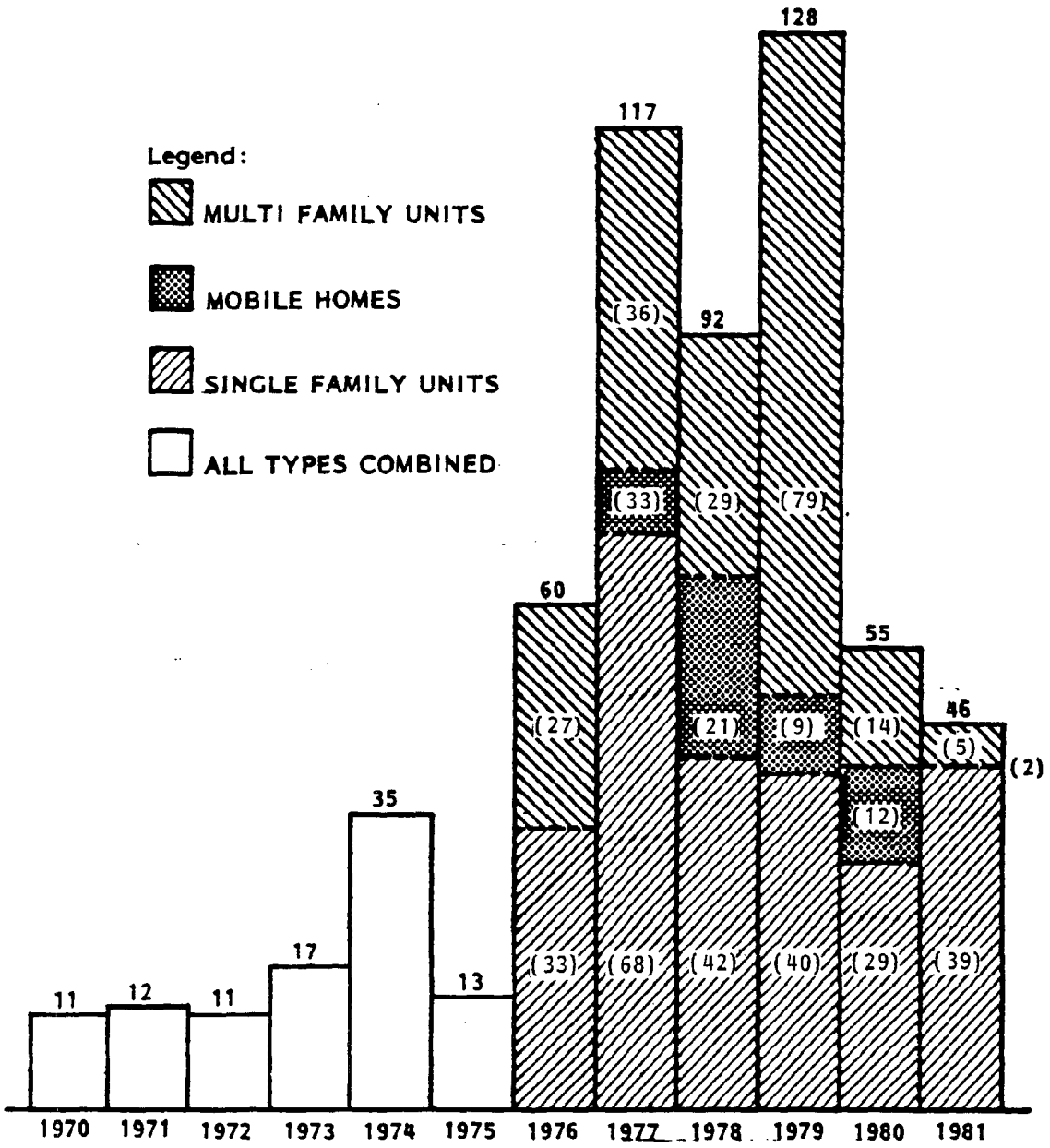

Figure 10-1- **Trends in Housing Starts by Type of Unit, 1970-1981 (Source: Kenai Peninsula Borough, 1981 and 1982)**

The rate of new housing construction has not been even, however. The first half of the 1970's, for example, appeared to have a fairly low rate of new construction, averaging about 18 permits issued by the City each year from 1971 to 1975. Beginning in 1976, the rate exploded, reaching a peak of 128 units authorized in 1979. The annual average was 90 units authorized from 1976 to 1980, or a rate about five times as great as for the first half of the decade.

Several factors would appear to explain this. One is that City records have been spotty, but improving. Building permit compliance was fairly low, and the number of units started probably was quite a bit higher. (Census counts indicate that the actual number of units added was about one third higher than the number of permitted units.)

The other major factor in the spectacular growth in housing starts was the combination of rapid population and economic growth, and growth in State-subsidized lending programs which occurred at the time.

Another interesting trend is the composition of new housing starts. Figure 10-1 shows that the peak growth years of 1977 through 1979 were characterized by large proportions of multiple family housing and mobile homes. This reflects some of the speculation surrounding the Lower Cook Inlet oil lease sales and oil exploration, since multiple family and mobile housing are less expensive and more quickly constructed, and tend to show up in boom periods. By contrast, single family housing starts have tended to remain much more stable -- ranging from 33 to 68 over the period 1976 to 1981 -- than multifamily or mobile home housing. This tends to validate at least the more recent housing start figures.

The composition figures also point to a more fundamental change in Homer's housing: an increasing emphasis on multifamily, as opposed to all types of single family (factory and site built) housing. Figure 10-2 compares the proportions of Homer's housing in 1977 which were single family, mobile home and multifamily with building permits authorized from 1977 to 1981. The comparisons show declines in the proportion of single family and factory built housing, but a very large increase in multifamily units.

While the boom in multifamily housing appears to have been spurred on by the prospect of rapid growth, the Homer area has now grown to a size where rising land costs make multifamily units increasingly attractive. Rising land costs may also be responsible for the relatively smaller number of mobile homes authorized over the past several years, as land values tend to make it more expensive to develop lots for mobile homes. In the future, therefore, it is likely that townhouses, apartments and mobile home parks, all featuring increased housing densities, will become increasingly common.

POSSIBLE AND PLANNED SOLUTIONS

Of the seven issues listed earlier, most require some involvement of public and private organizations to make any significant improvements.

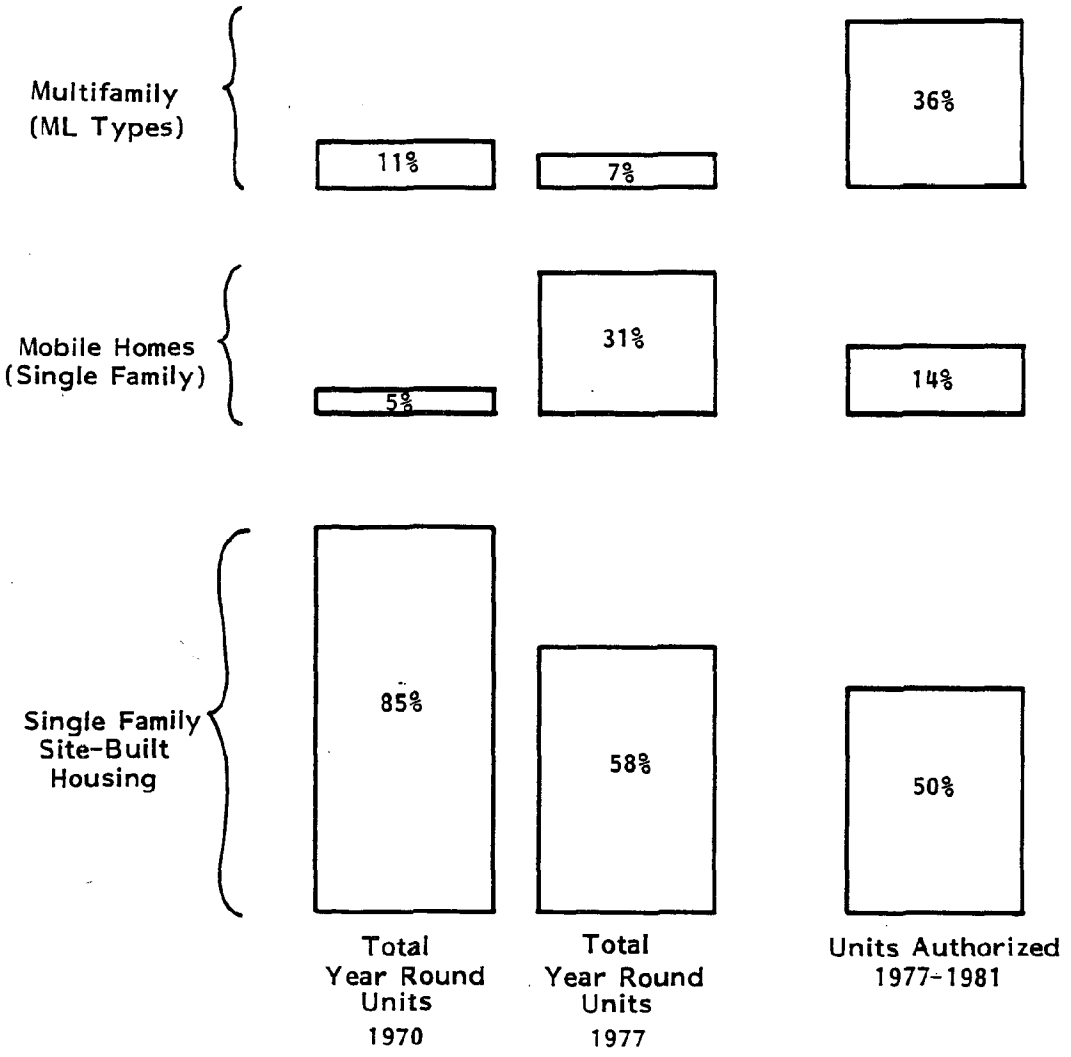

Figure 10-2 - Year Round City of Homer Housing, 1970 and 1977, versus New Units Authorized, 1977-1981, by Type of Unit

Source: U.S. Bureau of the Census and Kenai Peninsula Borough, 1981 and 1982.

The first issue, need for improvement in housing quality and affordability, is currently addressed by State and a few Federal programs which provide loan subsidies and operate subsidized housing units. A private group is developing a senior citizen's housing project with State assistance. Short of direct participation in financing these programs, the City and local private groups can assist the process by acquiring or designating housing sites which are serviced by roads, water and sewer, and are easily accessible to commercial areas. Accessibility is particularly important for senior citizen housing.

Development standards can also play a part. Although the City's zoning and subdivision standards are not very restrictive, some changes, for example more liberal allowance of mobile home parks, would have a beneficial effect on cost of housing. Unfortunately, they tend to have a negative effect on single family neighborhood property values. Weighing these considerations, planned actions to address the first issue include working to designate mobile home park sites and performance standards, and working with the State and private groups to assure acquisition of housing sites which meet accessibility, road and utility criteria.

Planned solutions for the second issue, effect of building and zoning codes on the cost and feasibility of housing construction, are similar. While the building and zoning codes are generally not excessive, a possible solution is to review Homer's zoning and subdivision standards, analyzing the effect of each standard on housing cost, and identify unnecessary or excessive provisions. Revisions can then be drafted. The plan also calls for code enforcement to assure that new housing construction results in safe, durable dwellings.

The third issue, suitability of mobile homes in residential areas, was addressed above and in the land use plan. Planned actions related to this issue are simply to identify suitable areas and development standards, with consistent enforcement of them, along with possible incentives to encourage good development practices.

Location and suitability of multifamily and other higher density housing can be addressed by planning and constructing utility and road extensions. Higher density housing will be encouraged to locate in urban residential areas. Over the next several years the Planning Commission should monitor to make sure that enough developable land is available for higher density housing, and review development standards to make sure that neighborhood integrity will be protected.

Temporary housing for seasonal workers and others, identified in the fifth issue, can be addressed by any of a number of actions. The City can develop housing directly, or develop tent and trailer pads with utilities, leasing them to employers and seasonal workers who could install temporary or permanent units. Alternatively, the City could lease undeveloped land, and let employers complete site improvements (water, sewer, restrooms, showers, etc.). A third possibility is to identify and post sites where camping will be allowed, and provide showers and restrooms nearby. Planned solutions for this issue are

for identification and posting of camping sites, along with encouraging employers to lease City or State land for temporary housing, and City operation of centralized public showers and restrooms on the Spit.

The sixth issue, need for low cost mechanisms to finance housing during construction, cannot be addressed directly unless the City were to reverse a long standing policy and decide to begin direct lending to builders. An alternative action is to encourage the Alaska Housing Finance Corporation to begin this type of lending activity. The latter is the planned solution.

The final issue, the need to provide low cost roads and utilities to housing sites, can be best addressed by following coordinated water, sewer, roads and capital improvements plans. Since these plans emphasize priority for serving higher density areas, costs can be spread out over more households, and costly duplication of improvements (e.g., wells and septic tanks) can be avoided. Planned goals, objectives, policies and actions for housing are summarized on the following pages.

GOAL - HOUSING

Safe, comfortable, affordable housing for all residents which expresses individual tastes while respecting neighborhood standards.

OBJECTIVE - Safe, comfortable housing for all residents.

Policy 1 - The City shall encourage the State and private groups to provide low income and senior citizens with opportunities for affordable housing.

Action 1.1 - City work with State and private groups to locate and acquire sites for subsidized housing which have existing or planned roads and water and sewer service.

Action 1.2 - City identify sites for mobile home parks, amend zoning to permit in these locations.

Action 1.3 - City carry out capital improvements program to provide public services to planned housing areas.

Policy 2 - The City will enforce building standards, with enforcement of plumbing, fire and electrical standards the responsibility of the State.

Action 2.1 - City research and adopt a building ordinance, hire a building inspector to enforce the ordinance.

Action 2.2 - City Council, by resolution, request State to provide inspection and enforcement of State fire, plumbing and electrical codes.

Action 2.3 - Planning Commission review zoning and subdivision standards for unnecessary or excessive standards, and recommend appropriate modifications to City Council.

Policy 3 - Businesses hiring temporary or seasonal workers will continue to be encouraged to provide suitable housing for their workers.

Action 3.1 - City review possible housing sites, negotiate ground lease with employers.

Action 3.2 - City identify and post sites where tents or other seasonal housing will be allowed.

Policy 4 - Multi-family and other higher density housing will be encouraged to locate in urban residential areas.

Action 4.1 - Implement by completing utility extensions, road upgrades and other public improvements in urban residential areas (also, see Action 1.2, this chapter).

Policy 5 - The City will encourge the Alaska Housing Finance Corporation to begin a program to provide low cost construction financing for rural housing.

Action 5.1 - City Council resolution to Alaska Housing Finance Corporation or legislature.

OBJECTIVE - Afforable housing for all residents which reflects individual tastes and neighborhood integrity.

Policy 6 - The Capital Improvements Plan will be utilized to encourage new housing construction in areas planned for residential development.

Action 6.1 - City Council adopt Capital Improvements Plan and implement as part of annual capital improvements budget.

CHAPTER 11
PUBLIC SAFETY, SOCIAL AND HEALTH SERVICES PLAN

FIRE PROTECTION

Homer's fire protection is provided by an independent, non-profit corporation, the Homer Volunteer Fire Department, Inc. (HVFD). The HVFD has a long tradition, having been formed in 1954, ten years prior to the incorporation of the City of Homer. As an independent organization, the HVFD serves the greater Homer area, deriving its funding from service contracts with the cities of Homer and Kachemak; other revenues come from reimbursements and grants from state agencies, and from donations, interest, earnings and miscellaneous sources.

As an independent organization, the HVFD represents a means of providing essential services over the entire greater Homer area, and of attempting to keep costs at a minimum while spreading them among the groups who are served. This section examines some of the major advantages and disadvantages of the HVFD approach, examining alternatives and outlining a plan for the future.

Background

The HVFD operates under articles of incorporation and bylaws adopted by its members. According to the bylaws, direction of HVFD is provided by a Board of Trustees elected by members. New membership, and eligibility to vote for Board members, is open only to persons actively participating in the HVFD and accepted in two different votes of the membership. Opposition by three or more members on either of the two votes results in rejection or expulsion.

There is no formalized provision for citizen or voter overview of the HVFD. Thus, for example, if an official of the HVFD was opposed by the community but was acceptable to the membership, there is currently no procedure for resolving the grievance unless one of the cities withholds operating funding, endangering the HVFD's ability to continue providing needed services. Similarly, the Board of Trustees can incur liabilities in any amount it chooses, without oversight of either voters or officials of either city (HVFD, 1982).

The HVFD provides a variety of services, including fire protection, rescue and emergency medical service, and maintains a strong commitment to training of both its own members and the general public in fire prevention and emergency medical treatment. HVFD records for 1979 through 1981 show a rapidly increasing amount of effort, as measured by service calls and personnel hours, devoted to these functions. Over the period 1979 to 1981, total hours rose from 5,000 to over 8,900, or an average annual rate of increase of 33 percent (not including maintenance hours).

A large part of the increase came from increased training, as total personnel hours involved in fire or rescue calls increased at an average annual rate of 24 percent. The total number of fire and rescue calls increased at a rate of only 14 percent for 1979 through 1981, and 16 percent for 1977 through 1981. By contrast, average total personnel hours devoted to training and meeting activities increased at a rate of over 38 percent per year from 1979 to 1981, reflecting a stronger emphasis on training and the need to train an increasing membership. Table 11-1 summarizes these figures.

Of course while these figures do not cover a sufficiently long time period to definitively establish any trends, several observations can be made. One observation is that quality of service, and independent ratings of that service, have shown significant improvement. Homer's fire ratings for 1982 have improved from 7 to 5 for homes and commercial buildings served by water hydrants, and from 9 to 8 for off-hydrant residential (commercial off-hydrant was unchanged). (Fire insurance ratings are determined by an independent inspection agency, the Insurance Service Office, which considers availability and training of personnel, and availability and capacity of water service and fire fighting equipment in making its ratings. The ratings are on a scale of 1 to 10, with 1 being the best. By way of comparison, Homer's on-hydrant residential rating of 5 is the same as ratings for Kodiak, Kenai and Seward, and better than ratings for Soldotna, Cordova, Palmer, Wasilla, Dillingham and Seldovia.) The effect of the improvement in fire ratings is a reduction in fire insurance premiums ranging from 9 to 37 percent for on-hydrant homeowners and 10 to 25 percent for on-hydrant commercial establishments (HVFD, 1982).

Another indicator of service quality, average time taken to respond to calls has also improved dramatically. Following completion of the new fire station at Pioneer Avenue and Lake Street, a residency program was instituted wherein several HVFD members live at the station full time, enabling equipment to be brought to the scene of a fire or accident much more quickly. As a result, average time taken to respond to a call dropped 63 percent, from 3.46 to 1.28 minutes (HVFD, 1982).

Another observation is that the rate of increase in the number of service calls, which averaged 16 percent from 1977 to 1981, increased much faster than population, which grew at about seven percent. Total personnel hours spent on calls, and total recorded personnel hours on all activities, increased at much faster rates, averaging 24 and 34 percent per year, respectively. Table 11-1 summarizes these and other figures on the HVFD's operations.

Several factors contributed to the rapid recorded increases in calls and personnel hours. One factor is that record keeping has improved with the recent addition of a paid manager, resulting in more consistent and complete recording of service calls and personnel hours.

A second factor is that the HVFD has invested a great deal of effort in advertising its services, responding to calls and in training. As

Table 11-1

SUMMARY OF HOMER VOLUNTEER FIRE DEPARTMENT ACTIVITIES
1977 - 1981

Activity	Total Personnel Hours and Service Incidents by Activity					Annual Average Change (%)
	1977	1978	1979	1980	1981	
Fire Calls						
No. of Calls	40	39	62	45	103	26.7%
Hrs. on Calls	NA	NA	725	792	1,539	90.3
Rescue Calls						
No. of Calls	153	187	205	184	245	12.5
Hrs. on Calls	NA	NA	1,062	940	1,222	7.3
Fire & Rescue Calls Combined						
No. of Calls	193	226	267	229	348	15.9
Hrs. on Calls	NA	NA	1,787	1,732	2,761	24.3
Training & Meetings						
Hrs. Fire Training	NA	NA	1,625	2,107	1,930	13.9
Hrs. Resc. Training	NA	NA	778	2,719	3,217	103.4
Total Training	NA	NA	2,403	4,826	5,147	46.4
Total Meeting Hours	NA	NA	810	939	1,011	11.7
Total Training & Meeting Hours	NA	NA	3,213	5,765	6,158	38.4
Total Recorded Hours	NA	NA	5,001	7,499	8,919	33.6

NA = Not Available

Source: Homer Volunteer Fire Department, 1982

the quality of service has improved, residents may have had a greater inclination to report small fires (such as chimney fires) and accidents, raising the total number of calls and hours on calls. Unfortunately, no data are available to objectively measure changes in the average severity of calls.

A third, more serious, possibility is that fire danger has increased. State fire codes are only lightly enforced, and the HVFD believes that dangerous conditions have proliferated. A prominent example is improperly installed wood stoves and other heaters (HVFD, 1982).

Profile of Services

The HVFD has a total membership of 58 members, plus a single paid staff member who serves as a station manager. The Department currently operates nine pumper and tanker trucks ranging in age from 9 to 38 years old, an ambulance and two utility trucks (HVFD, 1982).

Most of the HVFD's revenues -- typically about 80 percent of total funds and in-kind services received -- originate from the City of Homer. The remainder comes from a service contract with Kachemak City (about six percent of revenues) and miscellaneous grants, donations and reimbursements from State agencies for ambulance and wildfire fighting services in unincorporated areas (the reimbursements are based on labor and equipment hours expended). Moreover, the City of Homer's contribution has been growing at the rate of nearly 16 percent per year, compared with total annual revenue growth of 14 percent, indicating that an increasing share of the cost is being paid by the City of Homer. Fire protection and emergency medical service expenditures are growing even more rapidly, averaging 21 percent per year for total expenditures, and 30 percent annually for operating expenditures alone. Table 11-2 summarizes revenue and expenditure data for the HVFD.

Little is available in the way of information on how costs of service are incurred. Generally, the City of Homer requires a fairly high level of service due to its relatively large property values, and much of the cost of providing service is relatively fixed. Equipment and staff must be available no matter how frequently or infrequently it is used. Three possible methods (or a combination of them) can be used to allocate the costs. One is to allocate costs based only on the geographic distribution of service calls. Using this method, the City of Homer's share of total annual costs in 1981-1982 would be 86 percent, while Kachemak's share would be 1 percent. Fritz Creek and Diamond Ridge's share would be 4 percent, and the State of Alaska's share would be 10 percent. Table 11-3 summarizes cost allocation under different methods.

A second method would consider only the value of property to be protected in allocating service costs. This method assumes some rather difficult measurement problems can be solved (for example, measuring and allocating costs of protecting boats which do not remain in Homer's small boat harbor year round, thereby avoiding assessment).

Table 11-2

REVENUES AND EXPENDITURES OF
HOMER VOLUNTEER FIRE DEPARTMENT
Fiscal Years Ending 1981 to 1983

	FY 1980/81 (Actual)	FY 1981/82 (Projected)	FY 1982/83 (Budgeted)	Annual Change (Percent)
REVENUES (by source)				
City of Homer	$106,462	$140,652	$142,244	15.6%
City of Kachemak	--	9,000	9,000	--
Other	17,174	23,538	8,650	-29.0
Total Funds	$123,636	$173,190	$159,894	13.7%
EXPENDITURES				
Operating Expend.				
Personal Services	$ 22,289	$ 29,742	$ 42,274	37.7%
Office Supplies	1,745	1,000	1,000	-24.3
Operating Supplies	25,195	36,500	38,200	23.1
Other Services and Charges	39,806	47,504	68,870	31.5
Total Oper. Exp.	$ 89,035	$114,746	$150,344	30.0%
Capital Outlay	23,241	34,555	13,550	-23.6%
Total Expenditures	$112,276	$149,301	$163,894	20.8%
SURPLUS (Deficit)	$ 11,360	$ 23,889	$ 4,000	

Source: City of Homer Budget, Fiscal Year 1982-1983

Table 11-3

ACTUAL AND PROJECTED COST ALLOCATION OF HOMER VOLUNTEER FIRE DEPARTMENT COSTS COMPARED WITH POSSIBLE ALLOCATION METHODS

	Avg. Percentage of Cost Borne FY's 1980/81, 81/82 & 82/83	Share of Total Cost If Based Upon	
		Service Calls	Population
City of Homer	85%	86%	61%
City of Kachemak	4%	1%	8%
Fritz Creek & Diamond Ridge	0*	4%	31%
State Facilities (harbor, Sterling Highway, airport, etc.)		10%	0%

* Some reimbursements paid by State Forestry for wildland fires

Source: Pacific Rim Planners and nEngineers, Olympic Associates Co.

In 1981, Homer's total assessed valuation was $118.6 million, compared to Kachemak City's $9.4 million. Nearby unincorporated areas are not reported separately, but unincorporated areas of the South Peninsula Hospital Service Area (including Ninilchik, Anchor Point, Diamond Ridge, Fritz Creek and Halibut Cove) have total 1981 assessed valuation of $61.5 million. Using this method, Homer's share would be about 12.6 times Kachemak City's; however, for Fiscal Year 1982/1983 Homer's share is about 15.8 times that of Kachemak City's. Without more detailed data, the comparison cannot be made for unincorporated areas.

Costs could also be allocated based upon population. Homer's share of total population in Homer, Kachemak City, Fritz Creek and Diamond Ridge precincts in 1978 was 61 percent, compared to 8 percent for Kachemak City and 31 percent for Diamond Ridge and Fritz Creek voting precincts.

Overall, then, if population is used as a basis for allocating costs, the City of Homer is paying too large a share relative to other areas, particularly unincorporated areas, whose only contribution to revenues are reimbursements for wildland fires. If the service call method is used, Homer's current share of costs is about right, while Kachemak's share is too large and unincorporated area's share is again too small. No firm conclusions can be drawn about cost allocation using the assessed valuation method without additional data, except that Homer's share is probably too large relative to Kachemak City's.

Issues

Problems and issues identified to date relating to fire protection and emergency services in Homer can be grouped into two major categories. One is the type of fire protection and emergency services needs likely to be faced in the future. The second relates to how the response is organized.

Issues include:

1. Increased potential for fire and explosion on the Homer Spit created by harbor expansion and new industrial and commercial activities and by the existing tank farm (HVFD, 1982).

2. Increased fire protection needs for large new commercial and public buildings (for example, need for sprinkler systems, fire code enforcement, and fire protection capabilities for buildings higher than the 35 foot height which current equipment can serve, should the City's 35 foot height limitation incorporated in the zoning ordinance be relaxed).

3. Inability to respond to fires over unimproved roads during wet or icy conditions. Problem roads mentioned by the HVFD include East Hill, West Hill, Main Street, Kachemak Way, and unpaved segments of East End Road. Also, Sterling Highway from Pioneer Avenue to Baycrest Hill is a problem during icy road conditions.

4. Water system improvements continue to be needed, particularly "looping" to assure that water lines can be supplied from either end of a pipe, effectively doubling its fire flow capacity.

5. Organization and financing of the Homer Volunteer Fire Department continues to be an issue. Facets include the Department's autonomy from voters and government officials, cost allocation and financing of service provided to unincorporated areas.

6. Fire and emergency service building and equipment needs also continue to be an issue, including Spit fire stations, emergency communication systems, and new fire, rescue and emergency medical service equipment.

7. Staffing of the HVFD is a potential problem. As the Homer area grows, fire protection needs may begin to overly tax the mostly volunteer staff, as technical skills, training requirements and service calls all increase.

Policy Alternatives

Most of the policy questions to be decided relate to the level of service to be provided and to the organization and financing of the service. The HVFD has identified specific service, equipment and capital improvement needs in order to provide what it considers acceptable fire and emergency medical services. Most of the items constitute improvements in service, although some involve replacement of worn equipment or expansion to keep up with growing service needs. These improvements are summarized in Table 11-4.

The Insurance Service Office (ISO) has fire service standards for on- and off-hydrant service. ISO ratings have noted four areas of deficiency: lack of full time fire department staff, inadequate pumping and water storage capacity, outmoded equipment and poor fire hydrant distribution. Most of these concerns are being addressed, as reflected by the recent improvement in fire ratings. As improvements continue to be made, Homer's fire ratings will also probably improve at least another point.

The central policy question in this area is what level of service should be provided, and whether the increases are desired by Homer's residents. The public opinion survey of city residents indicated strong support for City funding of fire protection services, while a quarter of those city residents polled, and nearly 40 percent of non-residents, indicated that their neighborhood has fire hazard problems. Thus, residents appear to support some improvements in fire service.

The other key policy question is the organization and financing of fire and emergency medical services. The current organization -- the HVFD -- is able to offer good service at a fairly low cost, but is not directly accountable to residents and businesses through an electoral process, and lacks the power to compel those who use the service to pay their fair share.

Table 11-4

FIRE AND EMERGENCY MEDICAL SERVICE EQUIPOMENT AND CAPITAL FACILITY NEEDS

Item	Justification
1. Quick Response pumper truck with 4x4 or 6x6 drive train	Replace aging pumper, also add better capabilities.
2. Quick Response tanker	Improve pumping capabilities.
3. Personnel carrier	Improve crew carrying capabilities.
4. Aerial ladder truck	Improve capabilities; needed if buildings built over 35' high.
5. Modular ambulance	Improve capabilities.
6. Heavy rescue truck	Improve capabilities.
7. Station 1 improvements (paving, telephone and intercom improvements)	Improve capabilities.
8. Construct new Station 2 on Homer Spit (2 bay with living quarters)	Improve capabilities, handle growing needs.
9. Construct dry standpipe system and mini fire stations at small boat harbor	Improve capabilities.
10. Area-wide communication system with backup power source	Improve capabilities.
11. Fire fighting training facility	Provide improved training opportunities.

Source: Homer Volunteer Fire Department, 1982, and Insurance Service Office

Other areas of the Borough have chosen to organize service districts, which may levy a limited property tax in unincorporated areas. The service district would essentially be a creature of the Borough, operated by Borough staff and regulated by the Borough Assembly. Accountability to voters would be improved, and revenues would be both stabilized and raised perhaps more equitably. Also, with a larger tax base, a service district would have greater financial capability to borrow money to acquire major buildings and capital improvements.

Under this alternative, the service district could contract with other cities to consolidate services and save a number of fixed costs (for example, shared administration). However, once a special district has been created, there is no legal impetus to force it to consolidate with other agencies. The chapter on local government summarizes some of the problems inherent with overlapping special purpose agencies.

While, ultimately, fire services might best be provided by a single general purpose government organization, this prospect does not appear feasible at present. The Kenai Peninsula Borough may choose to assume fire protection powers, but both the assembly and voters have consistently chosen not to assume additional powers. Alternatively, either of the two cities could annex additional areas or extend the service under the extraterritorial powers specified in Title 29 of Alaska Statutes. The former appears impractical until more areawide services can be feasibly provided; the latter alternative could be used, but taxing powers might not apply.

A final area which will be addressed in the coming years is staffing. Assuming that an areawide approach continues to be used, additional paid staff positions will need to be added in training and administration as burdens on the current volunteer staff increase. Over the next five years, planned additions include paid fire and emergency medical chiefs and an assistant station manager. Other possible staff additions might include a Homer Spit station manager and a training coordinator.

LAW ENFORCEMENT

Like other public services, Homer's law enforcement efforts have faced rising demands as Homer has grown. For example, Alaska Consultants, Inc. (1979) reported an eight-fold increase in service calls handled each year between 1970 and 1978, or an average yearly growth rate exceeding 30 percent.

Law enforcement needs are related to much more than simply resident population, however. Tourists, seasonal workers and transients combine to swell summertime service calls to twice the level of wintertime calls, and transients probably had a great deal to do with the jump in law enforcement problems which occurred in 1976 through 1978, at the time of the first oil lease sales. Thus, for example, the City's total of 74 arrests in 1980 is far less than the 93 and 144 reported in 1977 and 1978, respectively (Alaska Consultants, Inc., 1979 and Alaska Department of Law, 1981).

Even though the severe law enforcement problems associated with the oil lease sales have not fully materialized as previous studies have predicted (Alaska Consultants, Inc., 1979), the underlying trend in Homer's crime rates has been to grow to a point where they now meet or exceed the State average for virtually every category (Table 11-5). While there are some difficulties with comparing overall rates (due to possible under-reporting of crimes in the lightly patrolled rural areas of the State), Table 11-5 shows substantially higher crime rates in all categories except criminal homicide and robbery.

Homer's police station was constructed in 1978. With total floor space of 3,000 square feet, it accommodates five offices and a jail with four cells. Two of the offices are leased to the Alaska State Patrol and the U.S. Fish and Wildlife Service. Staff of the City Public Safety Department includes six police officers, an animal control officer and five dispatchers. In addition, the harbormaster and harbor staff are commissioned with police powers.

Issues, Possible Solutions and Planned Actions

Relatively few issues have been identified which relate to law enforcement. The few issues include:

* A need for increased expertise and capabilities for conducting criminal investigations (especially property crimes).

* A need to discourage criminal activity.

* A need for expanded facilities to keep up with growing space and equipment needs.

Financing of police services provided to unincorporated areas is not as serious an issue as for many other services (such as fire protection and library services), since the State of Alaska has increased its law enforcement coverage by three State Patrol officers. Hence, the City is not called upon to provide services to unincorporated areas as frequently as it is for other services.

Over the coming years, however, law enforcement needs in unincorporated areas will grow to a point where higher quality, regionally coordinated services will be needed. At that time, a better form of regionalized services, perhaps involving service districts, annexation, contracting or borough assumption of areawide or non-areawide powers will be needed.

Objectives, policies and planned actions for public safety are listed below.

OBJECTIVE - PUBLIC SAFETY

Provide a high, improving level of protection of life and property in a cost effective manner.

Table 11-5

COMPARISON OF HOMER AND STATE OF ALASKA CRIME RATES
ACTUAL OFFENSES REPORTED TO POLICE
(Rates per 1,000 Residents)

	HOMER		ALASKA	
	No./1000	Percent	No./1000	Percent
VIOLENT CRIMES				
Criminal Homicide	0.0	0.0%	0.1	0.1%
Forcible Rape	1.4	1.3	0.7	1.1
Aggravated Assault	10.4	9.9	2.9	4.8
Robbery	0.0	0.0	0.9	1.5
Total Violent Crimes	11.8	11.2%	4.6	7.5%
PROPERTY CRIMES				
Burglary	21.7	20.7%	14.1	23.0%
Larceny	62.9	59.9	36.7	59.7
Motor Vehicle Theft	8.6	8.2	6.0	9.8
Total Property Crimes	93.2	88.8%	56.8	92.5%
TOTAL OFFENSES	105.0	100.0%	61.4	100.0%

Source: Alaska Department of Law, Criminal Justice Planning Agency, 1981

Policy 1 - The City, the Borough, the Homer Volunteer Fire Department and other agencies will work together, coordinating resources and activities to continue to improve public safety.

Action 1.1 - Establish a Homer area public safety coordinating committee, consisting of representatives of City and State law enforcement agencies, the Homer Volunteer Fire Department, the Coast Guard and the South Central Hospital District, among others.

Action 1.2 - Coordinating committee, with Borough and State assistance, develop a public safety and emergency management plan (including Homer Spit evacuation plan), including recommended means of coordinating financial and physical resources. (See also Local Government Plan, Chapter 13.)

Action 1.3 - Complete capital improvements and continue personnel training programs to improve service capabilities.

Action 1.4 - Pursue a means of integrating physical and financial resources of Homer area public service providers.

Action 1.5 - Conduct a major effort to reduce all types of crime in Homer to less than the State average.

Action 1.6 - Continue attempts to lower fire rating in Homer.

EDUCATION

Along with other public services, Homer's education needs have grown rapidly. Over the 13 year period from fall, 1968 to fall, 1981, enrollment in Homer's public schools have grown by an average of 4.8 percent per year. The October, 1981 total enrollment of 917 students was nearly 84 percent higher than the October, 1968 total of 499. If the total enrollment associated with Homer's Christian school (which opened during this period) is included, Homer's student population probably doubled over the past decade.

Homer's public schools include the East Homer Elementary School, and the Homer Junior-Senior High School, with October, 1981 enrollments of 388 and 529 students, respectively. The elementary school serves the Homer area alone, while the junior-senior high school serves Homer, Anchor Point and the Old Believers community at Nikolaevsk. Both schools are operated by the Kenai Peninsula Borough School District.

The elementary school has a total of 14 general classrooms, a media center, library, a multi-use room for art and music, another multi-use room for physical education and cafeteria, and administrative offices. The staff includes an administrator and 18 teachers along with a handful of support staff. The junior-senior high school, occupying a three building complex on the west end of Homer, has 19 general classrooms (nine of which were built in 1979), a vocational education shop, business education and home economics classrooms, offices, a swimming

pool, a gymnasium, an athletic field, a track and a hockey rink. The staff includes two administrators, 28 teachers and six to eight support staff. The junior-senior high school also supports a community schools program.

Both schools have experienced growing pains, and will need substantial upgrading or replacement. A new high school has been designed and construction is scheduled to begin in 1983. With this expansion, the high school could accommodate at least another decade of growth, and the existing junior-senior high school would have sufficient size to serve as a middle school. The elementary school would still need expansion and replacement of temporary structures.

Beyond building needs, continuing adult education should be expanded and improved with the continuing assistance of Kenai Community College.

Objectives, policies and planned actions for education are listed below.

OBJECTIVE - EDUCATION

High quality, diverse elementary, secondary and adult educational opportunities for all residents.

Policy 1 - The City and Borough shall work closely together to ensure that additional classroom and support facilities are provided to keep pace with growing space needs.

Action 1.1 - Homer Advisory School Board, City Planning Commission, City Council and Borough work closely together in selecting sites for new school facilities, working to ensure that the following criteria are met:

a. Sites should be serviced by existing or planned water and sewer lines (as per the City's adopted water and sewer plans).

b. Sites should be on a main existing or planned arterial road (as per the City's adopted Streets and Roads Plan).

c. Pedestrian access by students and visitors shall be considered and accommodated.

Policy 2 - Improvement of continuing and adult education opportunities will be encouraged.

Action 2.1 - City and Borough work together to promote the extension of Kenai Community College to provide additional continuing education opportunities.

Action 2.2 - City and Borough work together to promote coordination of community schools, public schools and the Kenai Community College.

HEALTH AND SOCIAL SERVICES

Homer's health services are provided by a combination of public and private agencies. The South Peninsula Hospital is owned by the Kenai Peninsula Borough and operated by a private, non-profit group, South Peninsula Hospital, Inc. A portion of the hospital's revenues come from property tax levies for the South Peninsula Service District, which includes Homer, Anchor Point, Kachemak City, Ninilchik, and Diamond Ridge.

The hospital is a 17 bed facility, first completed in 1956 and expanded in 1977, with specialized rooms for surgery, delivery, nursery, emergency, x-ray, laboratory and outpatient services. Emergency medical transportation is provided by the Homer Volunteer Fire Department. Staff available to the hospital includes four resident physicians.

At the time the hospital was first opened, it had low occupancy rates, averaging between 30 and 40 percent, allowing considerable room for growth. And growth has occurred. The 1977 level of 1,981 patient days (including outpatients) has grown to 2,668 in 1981, a one third increase, and an average annual growth rate of 76.7 percent (Kenai Peninsula Borough, 1982 and Alaska Consultants, Inc., 1979).

As the hospital's patient load continues to move toward, and eventually exceeds, 50 percent average occupancy, expansion will again need to be considered. Future improvements will need to focus on specialized services, such as trauma care and diagnostic facilities. A 3.5 million dollar bond issue was approved for expanded diagnostic facilities and additional, unfinished space; construction is to begin in spring, 1983. Further investments will be needed to finish this space.

The Alaska Department of Health and Social Services funds a public health center in a small building located in the Central Business District. Services provided there include public health nursing, social work and mental health counseling. Like the hospital, it faces rapid increases in service demands; the mental health caseload more than doubled from 56 to 113, in the two years from 1979 to 1981. (Kenai Peninsula Borough, 1982).

Two other private groups provide social services in Homer. The Cook Inlet Council on Alcohol and Drug Abuse offers eduction, information and intervention programs in alcohol and drug abuse primarily with state aid, supplemented by private contributions. The Kachemak Women's Resource Center offers emergency housing for battered women, as well as counseling, support groups and educational programs for women. It is funded primarily by State aid and private contributions, supplemented by a limited amount of City funds.

Objectives, policies and planned actions for health and social services are listed below.

OBJECTIVE - SOCIAL AND HEALTH SERVICES

Provide high quality, improving social and health services to all Homer area residents and visitors.

Policy 1 - The City will work closely with the South Central Hospital District, private groups and the State to ensure that additional social and health services and facilities are provided to keep pace with growing demands and space needs.

Action 1.1 - Investigate and utilize Federal, State and private funding sources.

Action 1.2 - Organize a means of equitably distributing costs for services rendered.

LIBRARY

The Homer Public Library, by ordinance, is a department of the City. However, in many ways it is a community public service project. Although funded by the city government, many of the services, materials and assistance it provides could not be maintained if it were not for the community support and the volunteer hours which are given throughout the year.

The library's policy states, "The Homer Public Library is established to provide books and other library materials as a source of information, entertainment, intellectual development and enrichment of the community. It is the aim of the library to help the community grow and develop its potential through the benefits of effective library service."

The community is represented by the seven member Homer Public Library Advisory Board. Also actively involved with the library is the non-profit corporation, Friends of the Homer Public Library. This group is organized for charitable and educational purposes connected with the library.

The Homer library currently has three full-time paid staff positions. These positions are: librarian, library assistant, and library aide. The library is currently on a 5-day per week schedule; thus the full-time staff must be and is supplemented by volunteers to cover the number of hours the facility is open per week. The staffing at this level is not sufficient in terms of back-up for allotted annual leave, sick leave and unexpected emergencies.

The sporadic nature of volunteer service in terms of both numbers participating and number of hours contributed prevents efficient use of this supplemental service. To illustrate: in fiscal year 1980-1981 (July 1 - June 30) a total of 1,329.75 hours were contributed by 82 different persons. The entire contributed hours was less than that of

three quarters of a full-time employee. For the fiscal year 1981-1982 (July 1 - June 30) the number of volunteers declined to 46 persons, and the number of hours to 953.80, which is less than half of a full--time employee.

Given the numbers above, it is evident that a great deal of time must be spent by the librarian and library assistant in training, assigning tasks, coordinating and supervising volunteers. Although the contributions of time are useful, there is a loss in effectiveness and efficient use of paid staff who must oversee the services provided.

The amount of use the library receives is reflected in the circulation and attendance figures which are kept by the library staff. Table 11-6 shows the usage in the fiscal years ending June 30, 1980, through June 30, 1982.

Table 11-6

HOMER PUBLIC LIBRARY USAGE
Fiscal Years 1980, 1981 and 1982

	1979-80	1980-81	1981-82	Avg. Annual % Increase
Circulation				
Adult	10,876	14,014	18,435	30.1%
Juvenile	9,097	10,098	12,931	19.2%
Total	19,973	24,112	31,366	25.3%
Attendance				
Adult	8,335	11,474	15,529	36.5%
Juvenile	1,987	3,569	4,782	55.1%
Total	10,322	15,043	20,311	40.2%

Source: Homer Public Library

Table 11-6 indicates that there has been an increase in circulation over the past three years of about 25 percent per year. During this same period, the population increased by about 8 percent per year, or on a per resident basis, the net gain was nearly 17 percent per year.

The library is at a point now where the facility is not sufficient to handle the current users' demands, and decisions must be made as to the City's commitment to the library. The current need is to expand the parking lot to accommodate more vehicles, to expand the building, and to provide more collection and storage space.

The primary source of funding for the library is from the general fund of the City of Homer. Table 11-7 shows library revenues and number of books added by year for the past three fiscal years.

Table 11-7

HOMER PUBLIC LIBRARY REVENUE SOURCES

	1979/80	1980/81	1981/82	Avg. Annual % Increase
General Fund Operating Budget	$60,000.00	$75,049.00	$157,344.00	62%
Revenues from Sources Other Than General Fund				
Cards, Lost Damaged, Books Overdue	2,227.29	3,109.90	3,284.24	21.4%
Donations	1,518.63	475.40	385.81	-49.6%
Gift Fund	400.77	1,304.20	1,376.77	85.4%
State Grants, Library	2,000.00	1,000.00	10,000.00	123.6%
TOTAL	$ 6,146.69	$ 5,889.50	$ 15,046.82	56.46%

Source: Homer Public Library

Other sources of revenue besides the City's general fund are grants from the Alaska State Library, charges for photocopying, lost or damaged books and other materials, overdue charges for audiovisual equipment and non-resident borrowers' cards. Anyone living outside the city limits of Homer is charged $5.00 for a library card which is good for three years.

The approved budget for fiscal year 1982/83 is $137,207, which corresponds to a 32% average annual percent increase. This relates fairly well to the increase of services, circulation and attendance.

The library not only serves the City residents, but also residents of Anchor Point, Kachemak City and unincorporated areas around the City of Homer. These users do not contribute to the operation of the library except through token library card fees and through sales taxes. However, since the majority of the library's General Fund support is from property taxes and State per-capita revenue sharing, non-residents pay proportionately much less than City residents. Therefore, the City is providing services with little compensation. In the recent community survey, one question asked if library services should be supported by the City and/or supplemented by other funding. The survey revealed that 15% of those responding did not want the City to support the library and 27% did want the City to support the library. Another 52% wanted the City to partially support the library but would like to see the state or borough governments contribute to the cost of service. From these figures, there appears to be strong support of the library services. It also appears that the library is seen by the residents as a regional facility and that funding support should come from more than just the residents of Homer. Therefore, avenues of funding support should be investigated to supplement the City's contribution. At a minimum, the feasibility of increasing the $5.00 non-resident fee for library cards should be evaluated.

As previously stated, the demand for expanded facilities is evident by the use and circulation figures. The City has taken steps to expand the facility by purchasing property adjacent to the library. This property is large enough to accommodate an expansion of the existing building and to provide much needed parking for patrons. Although the property is being purchased by the City, funding for the expansion has not presently been secured.

The existing library building (3,500 sq. ft.) was constructed in 1978 at a cost of $370,000 (60% of this was derived from a grant from the Alaska State Library). Based on figures obtained from the city librarian, an additional 5,500 square feet of space is currently needed. Rough estimates for the expansion of the library run approximately $825,000.

Summary

The City of Homer has a library facility and staff which is a credit to the community. Areas which need to be addressed in the near future are the equitable sharing of the costs of providing services to non-

resident users, and the funding of capital improvements to the existing faculty.

Currently, the Kenai Peninsula Borough does not have library powers. Such powers can be granted on either an areawide or non-areawide basis by a vote of approval from those borough residents who would be affected by the levying of taxes for such a purpose. For Homer, a feasible option would be to encourage the borough to create non-areawide library powers, which would then enable the Borough to support library service outside cities. This would also enable Homer to retain its autonomous library program, while seeking funds from the borough to support that percentage of service and resources that benefit library users living outside the City.

This option is explored further in Chapter 13 of this document. The availability of funds for expansion of the library should be investigated through the State.

The following policies and actions pertaining to the library are presented below.

OBJECTIVE - LIBRARY

Provide high quality, improving library services to all Homer area residents and visitors.

Policy 1 - City and support groups for library, museum, cultural center and other interested groups will work together to develop secure financing for library, museum and related arts services.

Action 1.1 - Investigate and utilize Federal, State and private funding sources.

Action 1.2 - Organize a method to equitably spread costs among all users of services.

Policy 2 - City and other groups will work together to support desirable improvements in library services.

Action 2.1 - Pursue, with State and Borough assistance, construction of library expansion.

CHAPTER 12
ECONOMY

Homer's economy has grown by diversifying into a range of activities. While fishing and government remain the cornerstone of Homer's economy, the community has grown by adding new economic roles. Retail trade and services have been added to recycle a greater share of earnings in Homer and surrounding areas. Homer's fishing fleet has expanded by entering new fisheries and product areas. Residents have created or obtained new jobs for themselves by selling services to customers outside of Homer.

Overall, Homer's greatest economic resource is its residents, who have combined their talents to create many new and innovative enterprises. New small businesses have been responsible for a large part of recent employment growth and diversification of Homer's economy.

ISSUES

Five economic development issues have been identified and addressed in this plan and in previous planning efforts.

The major issue is the lack of overall stability and strength in Homer's economy. The community depends on the fishing industry for nearly half of its economic base, and with continuing weaknesses faced for at least the short-term in important fisheries, diversification is needed.

A related issue is the health and expansion of the local fishing industry. Previous studies have identified approaches which Homer can take to strengthen its fishing industry, and actions should be outlined to implement those approaches which continue to be feasible.

A third issue is the need to establish agricultural and small businesses. Previous plans have identified several areas in which progress can be made, but again specific actions and responsibilities need to be spelled out and followed.

Fourth, the oil and gas industry has been an issue. Previous city plans called for development of nearby natural gas fields for local use; establishment of marine service base or terminal functions for possible outer continental shelf oil and gas development was an issue, but specific actions to encourage or discourage this type of activity were not spelled out.

The fifth issue was the development of other industries which might provide some of the strength and diversification desired. Other possibilities need to be identified, along with actions and responsibilities to develop the industries which are desired.

The following sections describe possible solutions for these issues, and present goals, objectives, policies and planned actions for economic development.

BACKGROUND AND POSSIBLE SOLUTIONS

Major economic development decisions (for example, decisions by large firms about where to locate new plants) tend to be based on the availability of and cost of a large number of factors (Fernstrom, 1973):

* Raw materials
* Cost of transportation
* Markets or customers
* Competent labor
* Financing, including government subsidies
* Low cost, reliable energy
* Water supply and wastewater disposal
* Suitable building sites

Many published sources are available which describe in detail how to approach and carry out economic development. Fernstrom (1973) is one of the best. Approaching Homer's economic development, however, requires an understanding of the kinds of economic development that are possible and the conditions which would need to be met. This section identifies particular economic activities for which it is possible for Homer to participate, and describes what the community must do to be able to take part.

Fisheries Industries

Long the cornerstone of Homer's economy, the fortunes of some important fisheries industries have declined in recent years as both prices and harvests of key species plunged. The effect has been particularly dramatic for crab and shrimp. Salmon harvests have been relatively healthy, but prices have been poor.

As the Kachemak Bay and Cook Inlet fisheries have declined, increasing numbers of Homer's fishermen have begun to range further from Homer. A large number now fish the Bering Sea for crab, Prince William Sound for salmon, herring and shrimp, and Bristol Bay for salmon and herring.

Increasingly in recent years, fishing effort and prospects have begun to center on the deep water fisheries of the Gulf of Alaska and the Bering Sea. With extension of U.S. jurisdiction out to 200 miles and reduced foreign harvests, stocks of many lower valued fish have become increasingly strong. Although the previously anticipated boom in bottom-fishing and processing has for the large part failed to materialize, the physical potential exists and could still be developed under better market and technological conditions.

Numerous studies have been completed of the potential for fisheries development in Homer and elsewhere in Alaska which identify Homer's potential as a fisheries center. Two which studied Homer's potential in some detail are TAMS Engineers (1980) and Woodward-Clyde (1980). Both concluded that Homer could expand its share of fishing, fish processing and support activities in existing fisheries, particularly salmon.

Over the next decade, the primary hope for expansion in Homer's fisheries will be in salmon and some of the higher valued bottomfish species.

One activity which has grown into a substantial business over the past half decade is transporting, processing and shipping Bristol Bay salmon. This activity will probably continue at present levels or even increase, as shoreside processing capacity is limited in Bristol Bay. Key ingredients in building this activity are the planned expansion of aprons at the Homer airport (to allow cargo planes to be based out of Homer), along with planned expansion of processing capacity, cold storage and shipping capacity.

Bottomfishing activities which are likely to increase in coming years, and in which Homer could participate, are joint venture fishing (larger American boats fishing for foreign processors), and halibut and black cod fisheries. The joint venture fisheries involve primarily larger crab boats who have sought alternative means of earning income to compensate for poor crab fishing. Black cod and scallop fishing with shoreside processing are beginning to emerge. And halibut, though overfished for decades, is likely to enter some form of limited entry management, which may improve catches in the manner salmon catches have improved.

Cook Inlet salmon harvests have not responded as strongly to limited entry as in other parts of Alaska, but prospects appear fairly good for improvement. The Cook Inlet Regional Salmon Plan, recently released by the Cook Inlet Aquaculture Association, the regional nonprofit salmon aquaculture group, projects year 2000 harvests will be two and a half times the average harvest level of 1970 through 1980 by a combination of improved management and aquaculture activities.

Crab and shrimp are perhaps the only areas of Homer's fisheries -- existing and potential -- for which other studies have not projected any future increases. If the poor harvests which these fisheries have produced in the past half decade continue, it is likely that Homer's fleet will continue to diversify in both its range and species.

In light of these prospects, Homer's fishing industry must become more diversified. It must operate in a variety of fisheries and geographic areas, and at all times of the year.

Specific actions that can be taken to help Homer's fishing industry reach its potential are, for the most part, already underway. Actions already underway include harbor expansion, completion of the new fish

dock, and expansion of the north harbor area for fish processing and port activities.

Other actions which are not yet underway but should be undertaken, include establishment of convenient gear storage and boat repair areas and services, and establishment of additional processing plants.

Some communities also utilize financial incentives (such as lower moorage, land lease and tax rates), but availability of services and amenities, as well as location with respect to fishing grounds, are much more important. Hence, priority for funds ought to go to developing needed facilities and services.

Tourism

Homer's tourism trade has grown with virtually no substantial effort or investment by the community. Relatively few important services, such as campgrounds and resort hotels, are available, and those that are have in the past been accorded low priority in community development decisions.

Yet despite this lack of attention, tourism has grown into a ten million dollar per year business. Homer is adjacent to some of the best scenic and fishing attractions in Alaska, and each year thousands of visitors travel to Homer for those attractions. The Homer Spit is itself one of the most heavily utilized recreational areas of the state, and about half of the harbor moorage is rented by out-of-towners for recreational boats.

Most tourism in Homer is weekend recreational vehicle camping and fishing by Anchorage area residents. This type of tourism has the least economic impact on Homer per visitor, however, since recreational vehicle campers spend little for meals, lodging and other services. In addition, the trade is highly seasonal, mostly occurring between late May and the end of August.

Over the past few years, another variety of tourism has begun to emerge. This also involves predominantly Anchorage area residents, but out-of-state visitors are also involved. This variety of tourist comes to stay for a week or more, but does not bring his or her own lodging, vehicles and boats. Instead, they rely on local lodging, restaurants, charter fishing and guide services for a full range of desired services. Economic impact is much greater, since the tourists spend more per day and stay longer.

A good illustration of how this type of tourism is growing and changing Homer is the charter fishing business. Until the mid-1970's, charter fishing was virtually non-existent in Homer. Yet as many as 35 charter fishing boats operated out of Homer's harbor at one time or another during the summer of 1982, with gross receipts in the millions of dollars. Other illustrations of the types of services affected include the private lodges near Chinapoot Bay and near the head of Kachemak Bay.

Recent reports indicate that tourism in the Homer area will increase at somewhere between four and 12 percent per year, depending on the extent to which it is encouraged by communities such as Homer. Road access improvements, such as construction of the proposed Turnagain Arm crossing, will boost the growth rate even further. Key actions which must be taken to encourage tourism in Homer fall into three categories: increasing Homer's tourist facilities, managing Homer's existing facilities and attractions, and marketing Homer as a visitor destination.

Increasing tourist-oriented facilities involves the greatest number of actions. Key facilities needed include additional full service hotel and motel space (with adjoining restaurants) with good views of the water, a meetings and convention center, camper parks and campgrounds, and attractive, pedestrian-oriented shopping areas and visitor attractions. Since the Homer Spit Plan (Chapter 5) calls for no more new motels and hotels on the Spit, efforts could concentrate on upgrading the Land's End Resort, and on constructing another motel or hotel complex in another area, such as the Central Business District or Bishop's Beach.

Other areas of potential tourist development include package tours, development of winter sports facilities, wild bird sanctuary viewing, cruise ships and a base for charter flights to nearby recreational areas. The package tour business can be developed by retaining staff members to work with travel agencies and tour companies, and by advertising campaigns. The Homer Convention and Visitors Bureau would need to be revitalized to accomplish this.

Attraction of cruise ship business has been addressed by Woodward Clyde (1981). Only limited traffic is forecast to travel as far as Cook Inlet; however, smaller cruise ship tours within Kachemak Bay and Cook Inlet may continue to increase. Improved facilities, ground transportation and attractions would be needed, particularly at the end of the Spit, to take advantage of this fairly limited business.

Charter flying already originates from the Homer Airport for wheeled planes and from Beluga Lake for float planes. Improvement of this business can be aided by implemented planned airport improvements.

Campgrounds could be constructed by the State at the base of Homer Spit, and in other areas of Homer, as described in the Parks and Recreation Plan (Chapter 9). The meetings and convention center should ideally be located within close distance of hotels and motels, such as at the FAA site within the Central Business District. And attractive, pedestrian-oriented shopping areas could be developed adjacent to the boat harbor (see Chapter 5) and in the Central Business District (see Chapter 6).

Managing Homer's tourist facilities requires implementing the agreement between the City and the State Division of Parks regarding management of the west side of Homer Spit. Public access to other waterfront areas also needs to be secured.

The final area, marketing of Homer as a tourist destination, has begun with establishment of the Homer Convention and Visitor's Bureau. However, continuing funding needs to be secured to enable the Bureau to carry out the consistent, quality advertising and coordinating role that is needed.

Oil, Gas and Other Minerals

Since the closing of local coal mining operations at the turn of the century, mining has been of only marginal importance to Homer. The community is near deposits of a variety of important minerals (including coal, oil, natural gas and chromite), but none of the deposits are of sufficient quality and concentration to warrant large scale commercial development (Woodward Clyde, 1980). Still, mining has been of some importance recently to Homer, and could be of much greater importance in the future if certain events, only a few of which can be controlled by Homer, occur.

Oil and gas has had the greatest impact on Homer, and continues to have the greatest potential. Beginning with the development of the Upper Cook Inlet oil and gas fields in the late 1960's, Homer has served a limited capacity in supplying first exploration, then development and finally servicing Upper Cook Inlet. The impact, both economic and environmental, was extremely limited.

Beginning in 1977, the Lower Cook Inlet oil and gas lease sales had a significant effect. Although no marine service bases were established in Homer (existing bases near Kenai were used), the community was an important supplier of water and served as a transshipment point for crews, food and materials to exploratory drilling rigs.

To date, drilling results from the Lower Cook Inlet sale have not shown commercially promising quantities of oil or gas, but potential still exists for both the Lower Cook Inlet area as well as lease sales in Shelikof Strait and the Northern Gulf of Alaska. Should oil prices begin to climb rapidly again, these areas will look much more commercially promising, and Homer may again find interest in the community being a marine service base.

Other minerals are also a possibility. Over the summer of 1981, Anaconda, Inc., actively explored Red Mountain, site of a chromite mine operated during World Wars I and II. Chromite is a strategic mineral, and the U.S. heavily depends on unstable foreign sources for nearly all of its chromite. Results showed the ore to be of lower grade than presently needed to commercially develop the mine. Like oil and gas, however, should prices begin to rise rapidly again, or if a disruption should occur in the supply of chromite, the mine may be redeveloped and Homer would find strong interest in its acting as a service base.

Other minerals have been explored or mined in the past, including local coal fields and limestone deposits on the west side of Cook

Inlet; however, none of these are commercially feasible to mine under present or foreseeable market conditions (Woodward Clyde, 1980).

Until commercial prospects for these mineral deposits improve, Homer will likely continue to play a role as a staging center for limited exploration efforts, mostly involving air shipments. For this role to continue, planned airport improvements are needed to provide greater space for offices, warehouses, equipment, supplies and aircraft.

Should one or more of the mineral prospects move to a development stage, the need for improvements will shift to Homer's water transportation facilities. Docks and water supplies will be heavily used, and a large amount of land area will be needed for storage of supplies, equipment and for offices, warehouses and worker housing. Since the need for most of these facilities is presently speculative, community actions should concentrate on making sure space is available which suits community priorities (i.e., location of storage and office areas off of the Spit, and preferably at the airport) and constructing facilities which would have other uses (such as the planned port facilities). Land control regulations (such as the zoning ordinance) must also provide clear, effective implementation of this comprehensive plan.

Forest Products

Homer is also located near stands of commercially valuable timber. In the past, timber harvest has primarily centered on export markets (most notably Japan) and has been dictated by U.S. Forest Service logging and processing rules.

In recent years, however, this situation has begun to change. Native corporations have gained title to much commercial-grade timber, and as export market conditions have waned, increasing attention has begun to focus on markets for dimensional, kiln-dried lumber in Anchorage and Fairbanks. On the Kenai Peninsula, sawmills have been established at Anchor Point and elsewhere to begin serving this market.

While the economics of Southcentral timber are and will probably remain marginal for some time to come (due to a high rate of defect in the timber and high labor, energy and transportation costs), it is quite possible that Homer could participate. As planing, kiln drying and sorting operations become established, Homer might serve as a center for these types of operations. To participate, Homer will need one or more low cost industrial sites with at least water service, and low cost, reliable energy sources.

Because of the noise, traffic and visual impacts of wood products operations, careful consideration will need to be given to siting of such facilities. Performance standards may be needed to offset some to the impacts. Overall, however, it is more likely that Homer's higher land prices alone will divert most new forest products operations to sites outside of Homer.

Services and Trade

As indicated in Chapter 3, services and trade activities have been the fastest growing segments of Homer's economy. While some of the growth has been due to tourism, the majority has come from Homer's expanding role as a trade center for the south Kenai Peninsula.

Small businesses have been at the heart of this growth. Many have been started by newly arrived residents seeking a means to earn a living. This motivation has been important, for it served to establish a number of businesses which were, initially, only marginally feasible.

Much growth can still occur. While the public opinion survey found that a large percentage of food and other convenience goods and services purchased by Homer residents are now bought in Homer, larger items such as furniture and appliances still are not, and could be sold in Homer. Increasing population and income in Homer and other south peninsula communities will also provide opportunities for further growth.

The major types of actions which can be taken to improve Homer's trade center business are continued improvement of centralized, convenient shopping centers, such as the Central Business District improvements described in Chapter 6. These will help to open up areas of land which would provide more centralized locations for new businesses for less cost.

Completion of planned port and harbor improvements, upgrading of trucking services and roads, and even extension of a spur rail line of the Alaska Railroad from Moose Pass to Homer, could decrease the cost of goods moving into Homer, and could even allow Homer to serve as a port of entry for products moving into other parts of Alaska. Reducing Homer's costs relative to other communities would improve the competitiveness of Homer's retail businesses, and establishing a port of entry function would enhance another component of Homer's economic base. Also, the Bradley Lake hydroelectric project will help all aspects of Homer's economy by holding down future electric power cost increases, in addition to the direct boost its construction will contribute to Homer's economy.

Other Activities

Among the other activities that can contribute to the economic development of Homer are transportation, government, light manufacturing, and attracting retired and commuter households.

Transportation, an important activity in Homer already, will increase as improvements are made to Homer's transportation facilities. Airport and port improvements, particularly increasing the capacity of the port to handle ocean-going vessels, will be particularly important. With this, it may be possible for Homer to expand its role to serve all of Kenai Peninsula, although Seward must be considered a competing port.

Government could also help spur economic growth. Besides the City of Homer and the Southcentral Peninsula Hospital, the Borough will increase school employment in response to growth in enrollment. Further, State employment may begin to grow even more as the south Kenai Peninsula develops. State employment has become more decentralized, and several agencies have already established field offices in Homer or have upgraded their existing Homer offices. These include the Department of Fish & Game, State Troopers, and a road maintenance operation of the Department of Transportation and Public Facilities.

The latter two agencies would probably continue upgrading their Homer offices, and others could begin to follow suit; possibilities include the Marine Highway System (if ferry routes are expanded with Homer as a base port), Kenai Community College and Department of Natural Resources (particularly if Kachemak Bay State Park or mineral exploration and development of State lands accelerates). Federal agencies, such as the Coast Guard, could also expand if their service roles or demands grow.

While decisions about expanding Borough, State and Federal employment will mostly be outside of the community's control, some assistance can be provided by making sure that undeveloped land and developed offices are available. City policies regarding office locations should also be clearly spelled out.

Light manufacturing, including arts and crafts and manufacture of specialty products, has apparently grown also in recent years. Homer artists are gaining in reputation, and marketing channels are improving. The primary type of assistance which could assist these types of enterprises is to help develop low cost working and marketing spaces. Some communities have redeveloped warehouses into low cost artist studios, complete with shops for display and sale of wares. Similar approaches could be used for some light manufacturing activities.

Retired and commuting households are attracted to Homer by its quality of life and accessibility. Homer can encourage this type of growth by carrying out the proposed improvements in this plan, as well as continuing to enforce City codes designed to preserve Homer's rural character. The Homer Convention and Visitors Bureau could include these items in its advertising and sales campaigns. Retired and commuting households offer great potential for stabilizing Homer's economy.

PLANNED SOLUTIONS

Goals, objectives, policies and planned actions for Homer's economic development are listed below.

GOAL - ECONOMIC DEVELOPMENT

A diversified, growing economy, with year-round job opportunities for residents in businesses which are fulfilling and compatible with the community.

OBJECTIVE - EMPLOYMENT

Develop new year-round job opportunities.

Policy 1 - The City and Chamber of Commerce will participate in and encourage development of a year-round visitor industry.

Action 1.1 - City, in cooperation with other Homer public and private groups, develop a center for meetings, cultural events, conventions and other gatherings which is located near to lodging, restaurants and bars.

Action 1.2 - City, Chamber of Commerce and other groups conduct a market study of visitor industry, decide which types are desirable, and develop a unified marketing effort to attract them. The market study should collect market data, and develop indices to measure program effectiveness.

Policy 2 - The City will develop benefits, tax structure, amenities and the like to attract desirable businesses to Homer.

Action 2.1 - City Manager review and report to City Council Homer's attractiveness and competitiveness with other similar communities in terms of taxes, amenities, land availability, port facilities, etc., along with recommendations for improvement.

Action 2.2 - City study possibility of piping natural gas from nearby natural gas wells and seek implementation, if feasible.

Policy 3 - The City will continue to pursue strengthening and diversification of the commercial fishing industry.

Action 3.1 - City and State complete planned harbor expansion.

Action 3.2 - City plan, secure, make available, and market sites for processing, boat and equipment repair, gear storage and vehicle parking.

Policy 4 - The City will continue to pursue development of a deep water freight and passenger ship port.

Action 4.1 - City and State complete construction of dock, marshalling yard and related facilities.

Action 4.2 - City promote movement of freight through the Port of Homer.

Policy 5 - The City will support the continued development of Homer as a retail and service center for the south Kenai Peninsula.

Action 5.1 - City and private businesses implement Central Business District plan to improve attractiveness of shopping areas to out-of-town customers.

Policy 6 - The City will encourage the continued development of arts and crafts and light manufacturing businesses in Homer.

Action 6.1 - City continue to allow home occupations in residentially zoned areas, provided traffic, noise, smoke and other impacts are kept within acceptable bounds. City Manager, Planning Commission review zoning code and recommend improvements to City Council every two years.

OBJECTIVE - Expand Homer's economy in a manner which is compatible with the community and consistent with the Comprehensive Plan.

Policy 7 - The City shall encourage commuting workers to come to Homer, and to continue to live in Homer.

Action 7.1 - Implement Comprehensive Plan to continue to maintain and improve Homer's public services and attractiveness as a place to live.

Policy 8 - Mining and oil-related development (service bases, staging areas, service and supply businesses, processing plants, etc.) will be encouraged to locate in areas of Homer where their adverse effects on the community (noise, traffic, etc.) will be controlled and minimized.

Action 8.1 - City Planning Commission continue to monitor location and availability of industrially zoned sites in areas suitable for oil or mining-related development, and encourage potentially impacted activities (for example, residential and retail trade) to locate in other areas.

Action 8.2 - City Planning Commission and City Council research and implement incentives for oil and mining-related developments to control adverse impacts.

Policy 9 - Research and educational institutions will be encouraged to locate in Homer if their activities are compatible with the community and consistent with the comprehensive plan.

Action 9.1 - Implement comprehensive plan to continue to maintain and improve Homer's attractiveness as a research and educational center.

Policy 10 - City shall encourage the Federal and State governments to construct a railroad spur line to Homer to utilize Homer as a port of entry for trade goods.

Action 10.1 - City request Federal and State governments to study the feasibility of construction of a railroad spur line from Moose Pass to Homer.

CHAPTER 13
LOCAL GOVERNMENT

Organization and financing of Homer's public services have been steadily growing in importance, and will be even more vital in the future. Homer continues to attract residents whose primary motivation for moving to Homer is quality of life, rather than economic opportunity. The newly arriving residents, and many long time residents, want a wide variety of high quality services. As seen in earlier chapters, increasing amounts of money have been spent to upgrade nearly every service, with particularly dramatic effects in areas such as fire protection, library and parks and recreation services, which had previously received little funding.

While much of the funds have come from the state, equally large increases have come from local sources, such as taxes and service fees. From this, and from the findings of the May, 1982 public opinion survey conducted for this plan (see Appendix A), it is apparent that the organization and financing of Homer's local government needs to be addressed in this plan.

This chapter presents an analysis and plan of the financing and organization of Homer's local government. Organization is addressed first, followed by public finance. Goals, objectives, policies and planned actions are presented for each topic.

ORGANIZATION

Homer's public services are provided by a variety of organizations. Each derives its operating authority from a specific grant of powers from the State of Alaska; how the authority is used has been established by State laws and decisions made by local residents and elected officials.

The purpose of this section is to discuss how the variety of public and private agencies serving Homer cooperate and interact. It examines the services each provides, as well as the costs of providing the services, and methods of financing them. Lastly, the paper looks at how well these organizations work together in providing the services that residents, visitors and businesses want, and what options will be available to implement the services called for in this comprehensive plan.

Background

Local public services can be provided by any one of the following organizations:

- Cities
- Boroughs
- State agencies
- Federal agencies
- Service districts

- Non-profit public service organizations and cooperatives (such as Homer Electric Association or the Homer Chamber of Commerce)
- Private enterprise (such as Glacier State Telephone Company)

Generally, State (and Federal) law defines what powers these organizations may exercise, and stipulates the steps they must take to organize and to carry out their functions.

In the Homer area, a large number of these organizations provide public services. State agencies are particularly active. The Department of Transportation and Public Facilities, for example, operates the Homer Airport, the ferry system, and constructs and maintains the major arterials in and around Homer. The Division of Parks (Department of Natural Resources) is responsible for operating many State parks, and has agreed to assume responsibility for the west side of the spit. The Department of Environmental Conservation is responsible for inspecting and approving on-site sewage disposal systems. The Department of Fish and Game regulates fishing and hunting activities.

The Kenai Peninsula Borough is organized as a second class borough under State law, and may choose to assume a wide range of responsibilities. Generally speaking, it has chosen to exercise only the minimum responsibilities required of it by law: education, solid waste disposal, and planning, platting, and zoning. (It has delegated zoning to cities who desire to assume the power and the City of Homer has requested and received this authority for its incorporated areas from the Borough). It also assesses properties and collects property and sales taxes for other local governments. The Borough has chosen not to assume responsibility for other services such as ports and harbors, roads, fire protection and law enforcement, but may be compelled to by an initiative process and election. In such an election, the Borough could be compelled to provide areawide services to incorporated and unincorporated areas, usurping the City services, or the Borough could be mandated to assume non-areawide powers, covering only unincorporated areas. In the latter case, the Borough would be free to choose to contract with cities such as Homer to provide mandated services, or the Borough could provide a separate service.

One result of the Borough's choice to avoid providing other services is increased service burdens on cities, state agencies, and a proliferation of service districts. Cities such as Homer provide a fuller range of services than unincorporated areas, but find many of their services used by residents of unincorporated areas who do not pay many of the taxes and fees to support the services. This increases the financial burden on City residents.

In Homer, the City and other public organizations provide a wide range of services, many of which are used, to a greater or lesser degree, by persons who do not reside within Homer's city limits. Examples of services used by non-residents include the City's port and harbor facility, the library, the museum, water supply, and sewage treatment,

hospital service, law enforcement, parks facilities, recreation programs and fire protection. The City is also contemplating providing a cultural and performing arts center which would also receive use by non-residents.

Possible Solutions

One response to the lack of areawide services has been the formation of areawide special service districts. Such districts have been formed to provide hospitals (as Homer's Southcentral Hospital District is), roads and fire protection. The districts are heavily dependent on assessments of real property within their boundaries, however, and generally lack the ability and flexibility to obtain funding from other sources, such as State and Borough grants and revenue sharing, that full-service municipalities do. Further compounding the problem is the fact that the Borough's tax base is not evenly distributed geographically. Districts in areas with oil and gas facilities, plants or other major economic activity are able to obtain needed funds at a much lower tax rate than relatively undeveloped areas. The south Kenai Peninsula area around Homer, for example, lacks oil and gas facilities, hence the property tax base is relatively low. Lacking a strong tax base, and facing the need to levy a relatively high property tax rate to provide services, most unincorporated areas outside of Homer have been hesitant to organize special purpose districts. As a result, the City is often called upon to provide services to persons who do not fully support the cost.

Other responses are possible. One is for the City to finance areawide services from sources other than property taxes. Sales taxes and high users fees are the two most frequently used approaches. It is difficult, however, to raise sufficient funds from this approach without creating other serious problems. High sales taxes and users fees impact lower income persons much more severely than property taxes, and tend to deny the service to those who may use it most. High taxes also discourage economic development, as businesses may choose to locate outside of the City in order to lower their cost of doing business. Sales taxes also tend to fall rapidly during economic recessions, and tax city residents who are already paying for services through other means.

Another possible solution is to annex additional areas to the City. State law provides that cities may initiate annexation actions with or without the approval of the affected property owners, subject to the approval of the State Local Boundary Commission and the Legislature. The Commission and Legislature generally view proposed annexations favorably so long as the area to be annexed will receive services in proportion to the taxes it pays. Consequently, a number of annexations approved in recent years have included stipulations that the property tax rate be lower until full services can be provided to the area.

Another possibility is for the City to provide services under a service contract with service districts or individual residents. Rates would need to reflect the full cost of providing the service, including

capital cost and general administration costs. In most cases, however, service can be provided for a lower unit cost if spread over a larger number of persons. In times of rapid growth, the City could also contract with private service providers, as it does with the Homer Volunteer Fire Department for fire protection services, to avoid assuming additional debt.

Homer is legally organized as a first class city. Under Alaskan law, it may choose to provide virtually any of a wide range of public services, with powers granted to it by the State. Some cities have chosen to go one step further and reclassify to home rule status, essentially giving the community much greater control over how the government is organized and what functions it chooses to perform. Rather than exercising only those powers granted by State law, the City can exercise any power not denied it by State law. The difference is greatest for setting tax rates and fees, for choosing how its government is organized, and for excepting the City from some legal requirements imposed by the State.

If regional services are desired, and the Borough continues to choose not to provide such services, difficult choices must be made. If the City continues to provide increasing regional services without a stable tax base or other form of support, its financial strength will be drained, and it will increasingly need to turn to higher user charges and sales taxes to finance the services. Besides their negative effects on lower income residents, user fees are sometimes not a reliable source of financial support.

Special purpose districts can also be expected to increase in number and scope. Besides the present hospital district, additional districts may be formed to provide roads, fire and police protection, water supply, sewage disposal and even recreation. While this would alleviate many of the pressures likely to be faced by the City of Homer, coordination would become an increasingly difficult problem. Service costs probably would also be higher than if provided by a single, general purpose government, as administrative and other services would be duplicated.

Eventually, some form of a regional government should emerge in the greater Homer area, probaby involving consolidations of service districts with Homer and/or other cities. Annexation of unincorporated areas might also take place.

Planned Solutions

The City must preserve its viability by addressing major problems:

1. The City must decide what services it will provide to different areas of the City and surrounding areas.

2. Stable, reliable tax or other financial means must be established to pay for services which equitably spread the costs among those who use it.

3. Means must be found to enable the City to survive loss of significant reductions in Federal, State and Borough grants and revenue sharing.

4. Some type of regional method of providing services to unincorporated areas must be found.

Goals, objectives, policies and planned actions for local government organizations are listed below.

GOAL - LOCAL GOVERNMENT

Establish strong, well organized, self-sufficient local government which is responsive to community wants and needs.

OBJECTIVE - LOCAL GOVERNMENT VIABILITY AND REGIONAL SERVICES

Maintain a strong local government which provides services desired by Homer area residents, and equitably allocates their costs among those who receive or benefit from the services.

Policy 1 - a. The City, Borough and other local agencies will seek and implement a means of extending public services (now provided by the City in incorporated areas) to unincorporated areas, on the condition that costs, resources and decision-making are equitably shared between incorporated and unincorporated areas.

b. Until a regional cost and decision-sharing approach is established, City utility (water, sewer, and drainage) and road services will be extended only to incorporated areas of the City of Homer.

Action 1.1 - City and Borough examine feasibility of alternative methods of providing services to unincorporated areas which are likely to request public services now provided or financed by the City. The study should examine annexation, areawide and non-areawide Borough service mandates, incorporation, service districts and contracting options, and be completed by September, 1983, or as soon thereafter as funding is available.

Action 1.2 - Implement findings of Homer areawide public service study.

PUBLIC FINANCE

Homer's public services are paid for by a variety of financing sources. Some are strictly local in origin, while others originate outside of Homer. This section examines the financing of Homer's public services, describing trends in revenues, expenditures and fund balances, and assessing the community's likely ability to pay for services and capital improvements in the future.

Most of Homer's public services are provided by the City of Homer. Services currently provided by the City include: police protection, water service (most areas of the City), sewage collection, treatment and disposal (some areas of the City), parks and recreation activities, port and harbor facilities, library, animal control, zoning, streets and roads, and other general governmental services (elections, etc.).

The City also provides partial funding for public services provided by other public agencies including: fire protection, museum, mental health and alcoholism treatment, and senior citizen's services.

Other services are provided by a variety of organizations; major examples include: highway, port and airport facilities and marine transportation by the State Department of Transportation and Public Facilities; electrical service by Homer Electric Association; telephone service by Glacier State Telephone Company; hospital care by Southcentral Hospital Service Area; and solid waste disposal, education, planning and platting by Kenai Peninsula Borough.

The City's finances are summarized annually in audited financial reports prepared by outside accounting firms. The most recent report, covering the fiscal years ending June 30, 1980, and June 30, 1981, contains summaries of the City's financial operations which are in accordance with recently adopted national standards for governmental accounting, auditing and financial reporting. The report also contains a statistical appendix which summarizes trends in the City's finances from the fiscal years ending June 30, 1972, through the fiscal year ended June 30, 1981. Six of the following tables are reprints from that appendix, with figures summarizing average annual percentage change added for purposes of analysis.

Expenditures

Table 13-1 summarizes the City's general governmental expenditures by function for the period. From 1972 through 1982, total general governmental expenditures increased more than eight times, or by an average of nearly 27 percent per year. The rate of increase is boosted somewhat by the large increase in debt service during the most recent year (caused by a large expenditure to effectively pay off debts early by placing future debt service payments in a trust, two previous bond issues. Overall expenditures increased by about 26 percent per year, or about three times the rate of inflation.

Table 13-1

CITY OF HOMER, ALASKA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Government	Public Safety	Public Works	Parks and Recreation	Library	Other	Debt Service	Total
1972	$ 52,150	$ 82,506	$ 78,944	$ 3,623	$ 500	$ 68,001	$ 35,002	$ 320,726
1973	52,040	88,441	31,526	6,139	1,265	75,469	29,923	284,803
1974	78,415	91,036	48,280	12,113	1,000	129,864	30,502	391,210
1975	78,438	129,640	69,946	10,100	1,000	210,542	39,823	539,489
1976	94,451	175,093	69,571	14,817		105,960	39,209	499,101
1977	157,291	250,902	125,664	9,156		204,951	112,439	860,403
1978	200,268	326,316	167,687	10,226		514,985	190,885	1,410,367
1979	278,482	426,934	200,477	15,069	8,550	705,715	145,813	1,781,040
1980	306,962	575,589	277,147	37,313	60,117	385,293	148,947	1,791,368
1981	427,598	631,811	307,321	81,291	75,049	193,942	999,569	2,716,581
Annual Average Change								
1971-1981	26.3%	25.4%	16.3%	41.3%	74.5%	12.4%	45.1%	26.8%
1976-1981	35.3%	29.3%	34.6%	40.6%	---	12.9%	91.1%	40.3%

Source: City of Homer Annual Financial Report for the Fiscal Year July 1, 1980 - June 30, 1981

The largest increases went to library services and parks and recreation, but these two categories previously had relatively low levels of expenditures.

Table 13-1 also indicates a fairly dramatic speedup in the rate of total expenditure between 1976 and 1977, when the Lower Cook Inlet oil lease sales were occurring and the City's population growth rate jumped. Impact funds helped the City pay for a rapid build-up in its public service capabilities to meet rapid increases in service demands. As the potential for oil development waned, however, population growth continued and State funds became available to finance further improvements in services.

Table 13-2 provides additional detail on expenditures for the fiscal year ending June 30, 1981 (FY 1981). The table breaks expenditures into more detailed service categories, and also divides the expenditures into operating and capital expenditures for the City's enterprise, special revenue and debt service funds.

In FY 1981, the City spent about $3.3 million on operating public services and payments to other public service providers, and an additional $0.6 million on capital improvements. Much of the capital improvements were financed by grants from State and Federal agencies.

The largest single category of expenditures was the port and harbor enterprise, which alone accounted for about a quarter of total expenditures. With no expenditures listed for capital improvements, the port and harbor enterprise accounted for nearly one third of operating expenditures. Police and fire protection amounted to about 21 percent of all expenditures, or one quarter of all public service expenditures, but only a sixth of operating expenditures. Other large categories of expenditures were general, public works and water service functions.

Debt service, including defeasance, amounted to about $1.0 million during FY 1981. About $150,000 of this was annual debt service, however. The remainder was defeasance, or advance payment to a trust fund, of future debt service. As a result, the City's burden of long term debt is relatively low, as will be seen later.

Revenues

Table 13-3 summarizes trends in the City's general revenues by source from 1973 through 1982. Total revenues, excluding enterprise revenues, increased steadily by about 27 percent per year over the period of 1972 to 1981. The long range increase generally matched the increases in expenditures, but did not match the short range increase in expenditures of about 40 percent per year from 1976 to 1981.

Major "own" sources of revenue for the City are the property tax (75 percent of tax revenue in FY 1982) and the sales tax (25 percent of tax revenue in FY 1982) (see Table 13-4). Tax revenues generally matched the general rate of increase in total revenues throughout the period.

TABLE 13-2

CITY OF HOMER, ALASKA
ALL EXPENDITURES BY TYPE
(Includes Enterprises)

	Operating	Capital	Total	Percent
General & Admin.	$ 393,903	$ 30,045	$ 423,948	8.4%
Police Protection	478,834	37,719	516,553	10.3
Animal Control	35,329	--	35,329	0.7
Fire Protection	104,842	463,010	567,852	11.3
Public Works	295,147	111,715	406,862	8.1
Planning	32,707	--	32,707	0.7
Parks & Rec.	51,707	45,328	97,035	1.9
Library	70,344	4,705	75,049	1.5
Commissions	7,652	--	7,652	0.2
CETA Program	15,467	--	15,467	0.3
Cemetery	1,125	--	1,125	--
Museum	35,808	--	35,808	0.7
Health & Alcoholism	10,804	--	10,804	0.2
Legal & Judicial	16,957	--	16,957	0.3
Water Service	375,584	--	375,584	7.5
Sewer Service	176,470	--	176,470	3.5
Port & Harbor	1,227,749	--	1,227,749	24.4
Totals	$3,330,429	$592,522	$4,022,951	80.1%
Debt Service				
Annual			146,987	2.9
Bond Defeasance			852,584	17.0
Total			$ 999,571	19.9%
GRAND TOTAL			$5,022,522	100.0%

Source: Price Waterhouse, 1982.

Table 13-3

CITY OF HOMER ALASKA
GENERAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes	Licenses and Permits	Public Safety	Intergovernmental Shared Revenue	Intergovernmental State Grants	Special Revenue	Other	Total
1973	$ 147,007	$ 970	$ 3,754	$ 72,266	$ 44,575	$ 29,522	$ 11,346	$ 309,440
1974	227,960	1,039	5,429	78,686	31,034	28,730	26,367	399,245
1975	324,726	2,852	6,759	105,086	72,725	29,116	55,083	596,347
1976	443,158	16,122	3,320	121,572	82,518	34,745	19,383	720,818
1977	665,168	15,801	9,546	145,735	115,782	70,156	22,022	1,044.210
1978	882,098	14,013	25,660	190,510	113,013	237,548	56,814	1,519,656
1979	1,191,638	20,415	41,504	187,505	96,467	491,410	79,354	2,108,293
1980	1,236,064	23,536	39,257	219,608	77,647	331,805	65,702	1,993,619
1981	1,484,536	6,013	104,382	551,067	30,325	102,064	130,315	2,408,702
1982	1,290,085	20,635	86,506	923,470	13,377	1,057,337	35,022	3,426,432
Avg. Annual Change (%)								
1973-1982	27.3%	40.4%	41.7%	32.7%	-12.5%	48.8%	13.3%	30.6%
1977-1982	14.2%	5.5%	55.4%	44.7%	21.0%	72.0%	9.7%	26.8%

Source: Arthur Young & Company, 1983

TABLE 13-4

CITY OF HOMER, ALASKA
TAX REVENUES BY SOURCE
LAST TEN FIXCAL YEARS

Year Ending June 30	Total Taxes	Property Taxes	Sales Tax
1973	$ 147,007	$ 147,007	
1974	227,960	213,096	$ 14,864
1975	324,726	230,290	94,436
1976	443,158	326,428	116,730
1977	665,168	418,689	246,479
1978	882,098	500,758	381,340
1979	1,191,638	751,812	439,826
1980	1,236,064	894,557	341,507
1981	1,484,536	1,178,956	305,580
1982	1,326,010	990,565	335,445
Avg. Annual Change			
1973-1982	27.7%	23.6%	--
1977-1982	14.8%	18.8%	6.4%

Source: Arthur Young & Company, 1983.

Table 13-5 summarizes the City's property tax levy over the nine year period ending with FY 1982. Several characteristics are worth noting for their implications for future revenues. First, it should be noted that assessed valuation rose at a far greater rate than the rate of inflation, and the difference was much greater than might be expected in any but a rapidly growing area. The difference was particularly noticeable during the boom years from 1976 through 1981, when the difference between the rate of increase in assessed valuation and the rate of inflation exceeded 25 percentage points.

Another important factor is the effect of general economic conditions on property tax delinquencies. For example, the years following completion of the Trans Alaska Pipeline, in which Alaska suffered from a prolonged recession, saw a marked decline in tax revenues as a percent of current levy (Table 13-5), dropping to as low as 92.1 percent in 1979. Thus, property tax revenues might be sensitive to general economic conditions in Homer's economy, and high delinquencies could return during future recessions.

The third feature of the property tax relates to Borough assessment practices. Homer property values generally are reassessed only every third year, leading to a stepwise sort of pattern of assessed valuation increases. Homer was reassessed for FY 1981, so the next large increase probably will not occur until FY 1984.

Intergovernmental revenues have also increased, but fundamental changes have occurred in their structure. For example, Federal revenue sharing provided the bulk of "shared revenues" through 1980, but declined precipitously in FY 1981, to be replaced by shared State revenues. State grants actually declined beginning with 1978, but reimbursements for services performed by the City at State facilities (e.g., longshoring at the dock) and State revenue sharing rose dramatically. Other revenues also increased greatly, as State revenues increased enough to offset the disappearance of Federal revenues.

Table 13-6 summarizes the City's revenues by type and sources of funds for FY 1980 and 1981. Total revenues from all sources (excluding proceeds from new borrowing) soared more than 40 percent between the two years, rising from $3.6 million in FY 1980 to nearly $5.1 million in FY 1981.

A critical measure of any local government's self-sufficiency is the control it has over its sources of revenues. Increased dependence on State and Federal funds, for example, limits the City's flexibility in the short run, and can lead to painful choices in the long run when the support declines. Fortunately, the City's overall level of support directly attributable to intergovernmental funds has remained at a relatively small level -- about 20 percent or one fifth of total revenues. However, direct grants from the State constituted nearly all of this figure in FY 1981, and may reach as high as one third of total revenues if State contributions to service charges (e.g., for airport security) and enterprise revenues (e.g., for longshoring of State ferries) is included.

Table 13-5

CITY OF HOMER, ALASKA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Mills	Total Tax Levy	Total Tax Revenue	Total Revenue as a Percent of Current Levy	Real and Personal Property Assessed Value (Millions $)
1973	12	$ 164,228	$ 147,007	90	13.69
1974	12	231,878	213,096	92	19.32
1975	12	251,975	230,290	92	21.00
1976	14	320,389	326,428	101.88	22.88
1977	12	421,282	418,689	99.38	35.11
1978	12	507,660	500,758	98.64	42.31
1979	12	816,292	751,812	92.10	68.02
1980	12	882,307	894,557	101.39	73.53
1981	10	1,131,518	1,178,956	104.19	113.15
1982	8	1,003,331	990,565	98.73	125.41
Avg. Annual Change					
1973-1982		22.3%	23.6%		27.9%
1977-1982		19.0%	18.8%		29.0%

Source: Arthur Young & Company, 1983

TABLE 13-6

CITY OF HOMER, ALASKA
ALL REVENUES BY TYPE AND SOURCE
Fiscal Years Ending June 30, 1980 and 1981

Revenue Type and Source	Year Ended June 30 1980 Amount	1980 %	1981 Amount	1981 %
Own Source Funds				
Unrestricted Funds				
Taxes				
Property Taxes	$ 894,557	24.8%	$1,178,956	23.2%
Hotel-Motel Tax	--	--	29,925	0.6
Subtotal Taxes	$ 894,557	24.8	$1,208,881	23.8
Service Charges	54,105	1.5	115,500	2.3
Interest on Deposits	167,967	4.7	291,025	5.7
Fees, Permits & Misc.	39,495	1.1	49,344	1.0
Subtotal Unrestr. Funds	$1,156,124	32.0	$1,664,750	32.8
Restricted Funds				
Sales Tax*	341,507	9.5	305,580	6.0
Water Enterprise	249,722	6.9	348,342	6.9
Sewer Enterprise	135,328	3.7	147,844	2.9
Port & Harbor Enter.	987,077	27.3	1,577,469	31.1
Subtotal Restr. Funds	$1,713,634	47.5	$2,379,235	46.8
SUBTOTAL OWN SOURCE FUNDS	$2,869,758	79.5%	$4,043,985	79.6%
Intergovernmental Funds				
Federal	211,954	5.9	109,047	2.1
State	527,471	14.6	925,290	18.2
Subtotal Intergov. Funds	$ 739,425	20.5	$1,034,337	20.4
TOTAL ALL FUNDS	$3,609,183	100.0%	$5,078,322	100.0%

*Sales tax proceeds are dedicated to pay for several general obligation bond issues.

Source: Price Waterhouse, 1982.

Another important measure of a City's financial health is the trend in revenues it generates of its own accord and on which no special restrictions apply. They are listed as unrestricted own source funds in Table 13-6. They are important since they indicate the degree of flexibility the City has in managing its funds, and how quickly the City can reallocate its funds in the event of changing needs. For example, this would indicate how quickly the City could shift funds to repair damages from a severe storm or earthquake.

In this important category, the percentage actually increased, from 32.0 percent in FY 1980 to 32.8 percent in FY 1981. The increase was strongest in all but property taxes, a small reduction in the City's dependence on a single, potentially volatile, revenue source. Interest earnings on the City's rising fund balances have become more important than fees, permits, service charges and miscellaneous revenue combined. Service charges alone also grew in relative importance, but a large part of the increase can be traced to charges paid by State agencies.

The remainder of the City's revenues -- nearly half in both periods -- was comprised of locally generated revenues whose use is subject to restrictions. Most of these revenues were receipts of the City's water, sewer, and port and harbor enterprises, which are generally operated as separate businesses. City policy and legal covenants with creditors (bondholders) generally limit the use of enterprise revenues to the purposes of the enterprise. While enterprise fund accounting is useful to ensure that user-fee financed services pay their own way, flexibility to respond to changed financial condition is compromised if too large a fraction of revenues becomes subject to such restrictions.

Bonded Debt

Table 13-7 summarizes trends in the City's bonded, or long term, debt over the nine year period ending in FY 1982. Although gross bonded debt rose over the period, the increases were overshadowed by rapid increases in the assessable value of the tax base, and by rapid retirement of outstanding debt.*

As a result, the ratio of the City's net bonded debt to assessed valuation fell by over half through the period, standing at just 1.5 percent at June 30, 1981. This is well below levels of municipal debt generally accepted by lenders (which range from 5 to 10 percent of assessed valuation). Total scheduled debt service as of the end of FY 1981 was approximately $334,000 per year, or about 6.6 percent of annual revenues, again well within generally accepted levels.

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*More accurately, the debt has been set aside through defeasement, in which funds to pay future debt service have been placed in a trust fund, earning the City net interest over the remaining life of the debt.

Table 13-7

CITY OF HOMER, ALASKA
RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Population	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1973	1,243	$ 13,685,666	$ 443,000	$ 12,100	$ 430,900	3.1%	$347
1974	1,243	19,323,167	431,000	9,577	421,423	2.2	339
1975	1,538	20,997,917	1,518,000	179,012	1,338,988	6.3	871
1976	1,538	22,884,928	1,505,000	290,162	1,214,838	5.3	790
1977	1,802	35,106,833	1,892,000	517,384	1,374,616	3.9	763
1978	2,055	42,305,000	1,838,000	719,875	1,118,125	2.6	544
1979	2,205	68,024,337	1,784,000	1,118,258	665,742	.98	302
1980	2,209	73,525,583	1,724,000	1,468,696	255,304	.35	115
1981	2,209	113,151,816	1,983,000	328,948	1,654,052	1.5	749
1982	2,588	125,413,808	2,367,000	518,309	1,848,691	1.5	714
Avg. Annual Change							
1973-1982	8.5%	27.9%	20.5%		17.6%		8.3%
1977-1982	7.5%	29.0%	4.6%		6.1%		-1.3%

Source: Art Young & Company, 1983.

Fund Equities

A final measure of the City's financial health is the amount readily available in the form of fund equities to cover unexpected financial needs. Table 13-8 summarizes fund equities (differences between assets and liabilities of each fund) as of the end of Fiscal Years 1981 and 1982 for the City of Homer. Total equities of all funds combined increased by more than $9 million during that one year period alone, with nearly $1.7 million -- about one-third of gross annual revenues from all sources -- available in unreserved, undesignated categories to meet unexpected shortfalls or emergencies.

Policy Considerations

Following on the heels of a decade or more of uninterrupted growth in revenues and services, it is important to carefully consider policy issues as they impact the City's financial health. The City has substantially upgraded its budgeting, accounting and auditing systems to track current performance and provide advance warning of developing problems, which also complies with current government accounting, auditing and financial reporting requirements. Significant development is still needed in the financial accounting system to keep pace with future growth.

Additional factors should be considered, however. One is financial performance criteria; strong financial management is better achieved if officials are given guidelines to strive for. Policies for this plan are:

(1) A policy on use of debt. Generally, long-term debt should not be used for current expenses, and short-term debt cannot exceed more than 80 percent of current revenues.

(2) Policies should be set for enterprise revenue rates, specifying what percent of full (direct and indirect) costs should be borne by the utility's customers. Generally, 100 percent of the costs borne by revenues is a rule of thumb, but some exceptions can be made if regional benefits are provided (for example, port and harbor benefits).

(3) Emergency reserves should be maintained at some minimum percentage of annual locally generated revenues. Ten percent is the planned minimum level.

(4) Maximum levels of net general obligation debt should be specified as a percentage of financial resources. One rule of thumb is that net general obligation debt should not exceed 8 or 10 percent of property value. Another is that total net general obligation debt should not exceed a certain percentage of the total annual locally generated, non-enterprise operating revenue. A third possibility is that annual general obligation debt service should not exceed a

TABLE 13-8

CITY OF HOMER COMBINED FUND EQUITIES
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1982 AND JUNE 30, 1982

Fund Equities	June 30, 1982	June 30, 1981
Contributed Capital	$20,069,665	$12,799,572
Investment in General Fixed Assets	3,090,648	2,295,188
Retained Earnings		
Reserved for Bond Redemption	109,160	89,752
Reserved for Construction	704,056	178,975
Unreserved	544,322	639,153
Fund Balances		
Reserved for Debt Service	518,309	328,948
Reserved for Long Term Receivable	1,800	3,600
Unreserved		
Designated for subsequent year's expenditure	605,684	683,563
Undesignated	1,688,801	1,045,157
TOTAL FUND EQUITIES	$27,332,445	$18,063,300

Source: Arthur Young & Company, 1983.

certain percentage of total locally generated, non-enterprise operating revenue. All of these measures are used.

(5) Other financial policies address capital improvements. Policies include adoption of a capital improvements program and annual capital budget as part of the annual budgeting process, and a requirement that associated annual operating expenditures be estimated and provided for prior to funding any capital improvement. In addition, policies also address selection of financing method; i.e., pay-as-you-go versus accumulated capital funds (a type of savings account) versus long-term debt financing.

(6) A final area of financial policy is financing of services provided to non-residents. Policies specify that service costs be financed by users, or that only a certain fraction of costs be financed by users.

Goals, objectives, policies and planned actions for Homer's public finance are shown below.

OBJECTIVE - SELF SUFFICIENCY

Maintain the ability of local government agencies to continue providing essential services in the event of an interruption in financial assistance from other levels of government.

Policy 2 - Essential services, those being defined as services safeguarding the health and safety of local residents, will be given highest priority in policy making decisions affecting cuts in services.

Policy 3 (Debt) - a. Long term debt should not be used for current expenses.

b. Net general obligation debt should not exceed eight percent of total assessed property value.

c. Annual general obligation debt service should not exceed 25 percent of total locally generated, non-enterprise operating revenue.

Action 3.1 - City Financial Director and City Council review proposed capital improvements plan, bond issues and other borrowings to assure consistency with debt policy.

Policy 4 (Intergovernmental Operating Assistance) - The City shall reduce its reliance on intergovernmental assistance to finance its operations, such that no more than 35 percent of aggregate non-enterprise operating budgets are financed by intergovernmental grant revenues.

Action 4.1 - City Finance Director monitor and report to City Manager and City Council on status annually during budget preparation.

Policy 5 (Enterprise Funds) - Enterprises should be managed so that their operations are self-supporting; i.e., require no grants or General Fund contributions to balance revenues and operating expenditures.

Action 5.1 - City Finance Director monitor and report to City Manager and City Council on status annually during budget preparation.

Policy 6 (Fund Balances) - To maintain an ability to finance essential services in the event of an emergency, each City fund should maintain year-end fund balances equaling at least 10 percent of annual operating expenditures.

Action 6.1 - City Finance Director monitor and report to City Manager and City Council on status annually during budget preparation.

OBJECTIVE - RESOURCE MANAGEMENT

Provide responsible management of physical and financial resources.

Policy 7 - a. A short and long range capital improvements plan will be established and maintained which is consistent with City financial policies and comprehensive plan to act as a guide for all capital expenditures.

b. The plan should identify operating budget effects of each proposed improvement.

Action 7.1 - Finance Director and City Manager prepare update annually, in consultation with City Council Capital Improvements Committee, and adopt by City Council.

Action 7.2 - Finance Director and City Manager prepare, and City Council adopt, a Capital Budget as part of annual budget specifying planned financing of each item.

Policy 8 - Cooperation of local governments and other agencies having an interest in Homer will be sought by the City.

Action 8.1 - Adopt, with or without revision, all City plans by City Council and Borough Assembly.

Policy 9 - City-owned lands will be managed to be consistent with the comprehensive plan.

Action 9.1 - City Manager report annually to City Council on City land status and recommended actions -- acquisition, leasing, retention or disposal.

OBJECTIVE - ALLOCATING COSTS OF PUBLIC SERVICES

Establish equitable methods of allocating costs among those who benefit from local public services.

Policy 10 - a. The City, Borough and other local agencies shall seek a means of equitable sharing of costs, resources and decision making of regional services (such as fire protection, emergency medical, law enforcement, libraries, and road maintenance).

b. Utility services shall be extended only to incorporated areas.

Action 10.1 - City examine the feasibility (benefits versus costs) of annexing unincorporated areas bordering city limits which are likely to request city services. If feasible, initiate annexation, and extend services following annexation, or assess charges to provide services.

CHAPTER 14
CAPITAL IMPROVEMENTS PROGRAM

Continuation of Homer's rapid growth implies that the City will continue to face increased demands for services, even as it struggles to maintain and improve its existing facilities. At the same time, means must be found to build and operate several of the large new facilities (principally the port) which are needed to attract and retain key industries.

This chapter presents the City's plan for capital improvements over the next six years and beyond; proposed projects are identified and costs presented. Funding priorities are established by department, and capital improvements are scheduled in the years that funds are expected to be available.

The following sections describe first capital improvement needs by category, followed by an analysis of the City's financing capabilities, and finally a tentative schedule of planned projects. It should be emphasized that the schedule is heavily dependent upon State and Federal funding decisions which are beyond the direct control of the City. Hence, the projections are conservative, assuming that these sources grow at rates which are considerably less than in recent years. In addition, the schedules of projected construction or purchase of capital improvements could probably be accelerated if revenue sources keep up their rapid growth of recent years; however, the projections are intended to provide a baseline, so to speak, of a schedule which has a good chance of being met.

It should also be emphasized that these projections are tentative only, and could be altered as funding levels, needs and grant requirements become better defined. The plan does represent the best currently available indication of the City's capital improvement plans for the next six years.

FINANCIAL RESOURCES

Homer has benefited from rapid growth in operating revenues over the past decade. Much of the growth is due to the development of businesses and residences, increasing assessed valuation and retail sales tax collections. The other major component has come from State aid, in the form of grants, contracts and revenue sharing. State aid has become by far the most sizable component of Homer's revenues.

Much of the State revenues originated from oil revenues, which have leveled off and declined in the past year or so. As oil revenues have declined, further large increases in State aid to Homer seem unlikely; hence, Homer's likely financial resources must be projected conservatively.

Tables 14-1 and 14-2 summarize Homer's projected financial resources and capital spending potential through the fiscal year 1987-1988. Own source revenues (principally property taxes, sales taxes and service charges) are projected to continue to increase, but at a rate of 10 percent rather than the 20 percent increases of recent years. This lower rate is used to provide a conservative outlook on the City's finances, and in expectation of a lower rate of economic growth for the next few years.

Intergovernmental revenues are projected to grow at somewhat different rates. Federal revenues are projected to fall to a fraction of their previous levels, reflecting a cutback in the types of revenue sharing and grant assistance the City received in prior years. State grants and revenue sharing, aside from port and harbor grants, are projected to rise at the rate of 12 percent per year, about half the rate of recent years. Port and harbor grants are projected as presently programmed by the State Department of Transportation and Public Facilities. Borough grants are projected to continue, but at a low level only slightly higher than in 1981-1982.

Other financing sources are proceeds from General Obligation, Revenue and Special Assessment bonds issued by the City. Since Homer's current debt is low compared with generally accepted debt standards, the City has a great deal of latitude in issuing new debt. The projections assume that new bonds are issued in proportion to planned capital projects.

Operating expenditures are projected to grow no faster than own source revenues. In other words, costs of operating and maintaining public services are limited to growing at the rate that the City's revenues from property taxes, sales taxes and service charges grow, or about 10 percent per year for the forecast period. This is much lower than the recent rate of growth in operating expenditures, and would represent a policy of relating changes in operating expenditures to the City's ability to pay for them out of locally generated revenues rather than "soft" State or Federal grants. The projections anticipate that both "own source" revenues and operating expenditures increase at about half a million dollars per year for the period.

Debt service projections include scheduled payments on existing debts as well as anticipated additions to the City's debts. Even with substantial increases in bonded debt, the ratio of debt service to total own source revenue (a key measure of financial health) is projected to rise from the present 13 percent to 23 percent by FY 1987-1988, still well within generally accepted bounds.

Capital project expenditures are based upon several considerations. First, they are based upon projected needs for capital projects in different areas of Homer. These were balanced against, and adjusted for, funds projected to be available from grants, bond proceeds, existing fund balances and operating surpluses. Based upon these considerations, total expenditure levels for capital improvements were established. These were allotted among projected capital improvement needs, as described in the following section.

TABLE 14-1

CITY OF HOMER - HISTORICAL AND PROJECTED
REVENUES, EXPENDITURES AND CAPITAL IMPROVEMENT
FINANCING POTENTIAL

FISCAL YEARS ENDING JUNE 30, 1981 THROUGH JUNE 30, 1988

	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88
REVENUES								
OWN SOURCE-GENERAL								
TAXES								
PROPERTY TAXES	1173977	979988	1077987	1185785	1304364	1434800	1578280	1736109
PENALTIES & INTEREST	4979	10577	11635	12798	14078	15486	17034	18738
HOTEL/MOTEL TAX	29925	-35925	0	0	0	0	0	0
SALES TAX	305580	335445	368990	405888	446477	491125	540238	594261
SERVICE CHARGES	115500	106794	117473	129221	142143	156357	171993	189192
INTEREST ON DEPOSITS	296334	269658	296624	326286	358915	394806	434287	477716
FEES, PERMITS & MISC	47377	35369	38906	42796	47076	51784	56962	62658
SUBTOTAL	1973672	1701906	1911614	2102776	2313053	2544358	2798794	3078674
WATER ENTERPRISE	239000	291000	320100	352110	387321	426053	468658	515524
SEWER ENTERPRISE	72000	74000	81400	89540	98494	108343	119178	131096
PORT & HARBOR ENTERPRISE	1391000	829000	911900	1003090	1103399	1213739	1335113	1468624
SUBTOTAL	1702000	1194000	1313400	1444740	1589214	1748135	1922949	2115244
SUBTOTAL OWN SOURCE	3675672	2895906	3225014	3547516	3902267	4292494	4721743	5193917
INTERGOVERNMENTAL								
FEDERAL	109047	155537	50000	50000	50000	50000	50000	50000
STATE-PORT & HARBOR	0	500000	9000000	10000000	6000000	6000000	10000000	6000000
STATE-OTHER	925290	1818803	2037059	2281506	2555287	2861922	3205352	3589995
BOROUGH	0	2201	10000	12000	12000	12000	12000	12000
SUBTOTAL	1034337	2476541	11097059	12343506	8617287	8923922	13267352	9651995
TOTAL ALL REVENUES	4710009	5372447	14322073	15891022	12519554	13216415	17989095	14845912
OTHER FINANCING SOURCES								
BOND PROCEEDS								
GENERAL OBLIGATION	1650000	400000	0	3000000	3500000	4300000	7000000	6000000
REVENUE & SPECIAL ASSESS	0	0	0	1200000	5000000	1500000	1500000	1500000
OTHER SOURCES	0	0	0	0	0	0	0	0
SUBTOTAL	1650000	400000	0	4200000	8500000	5800000	8500000	7500000
TOTAL FINANCIAL RESOURCES	6360009	5772447	14322073	20091022	21019554	19016415	26489095	22345912

TABLE 14-1 (CONTINUED)

	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88
EXPENDITURES								
OPERATING								
GENERAL GOVERNMENT	387857	469945	516940	568633	625497	688046	756851	832536
POLICE PROTECTION	491640	573889	631278	694406	763846	840231	924254	1016679
ANIMAL CONTROL	35329	46883	51571	56728	62401	68641	75506	83056
FIRE PROTECTION	104842	117034	128737	141611	155772	171349	188484	207333
PUBLIC WORKS	306488	488807	537688	591456	650602	715662	787229	865951
STREET LIGHTING	0	7942	8736	9610	10571	11628	12791	14070
PLANNING	32707	30933	34026	37429	41172	45289	49818	54800
PARKS & RECREATION	81291	107508	118259	130085	143093	157402	173143	190457
LIBRARY	77037	353375	388713	427584	470342	517376	569114	626025
COMMISSIONS	7652	0	0	0	0	0	0	0
CETA PROGRAM	15467	7053	7758	8534	9388	10326	11359	12495
CEMETERY	1125	16521	18173	19990	21989	24188	26607	29268
CONTRIB TO LOCAL AGENCIES	44392	115552	127107	139818	153800	169180	186098	204707
CONTRACTUAL SERVICES	34103	214233	235656	259222	285144	313659	345024	379527
OTHER GEN GOVT EXPEND	16957	4278	4706	5176	5694	6263	6890	7579
WATER UTILITY	234092	285368	313905	345295	379825	417807	459588	505547
SEWER UTILITY	95801	122517	134769	148246	163070	179377	197315	217046
PORT & HARBOR ENTERPRISE	1143930	844419	928861	1021747	1123922	1236314	1359945	1495940
TOTAL OPERATING EXPENDTRS	3110710	3806257	4186883	4605571	5066128	5572741	6130015	6743016
DEBT SERVICE								
GENERAL OBLIGATION								
ANNUAL-EXISTING DEBT								
PRINCIPAL RETIREMENT	61000	16000	77000	83000	94000	99000	110000	120000
INTEREST & FISCAL CHGS	84367	206257	192961	186410	178998	170541	161465	151323
ANNUAL-NEW DEBT SERVICE	0	0	0	0	345000	747500	1242000	2047000
DEFEASANCE	852584	0	0	0	0	0	0	0
SUBTOTAL	997951	222257	269961	269410	617998	1017041	1513465	2318323
REVENUE & SPEC ASSESSMENT								
ANNUAL-EXISTING DEBT								
PRINCIPAL RETIREMENT	27000	52000	37000	37000	39000	39000	39000	39000
INTEREST & FISCAL CHGS	91929	90042	88194	86384	84526	82622	80716	78812
ANNUAL-NEW DEBT SERVICE	0	0	0	0	138000	713000	885500	1058000
DEFEASANCE	0	0	0	0	0	0	0	0
SUBTOTAL	118929	142042	125194	123384	261526	834622	1005216	1175812
TOTAL DEBT SERVICE	1116880	364299	395155	392794	879524	1851663	2518681	3494135
TOTAL ALL EXPENDITURES	4227590	4170556	4582038	4998365	5945652	7424404	8648696	10237151
CURRENT SURPLUS (DEFICIT) BEFORE CAPITAL EXPENDITURES	2132419	1601891	9740036	15092657	15073902	11592012	17840400	12108761

TABLE 14-1 (CONTINUED)

CAPITAL PROJECT FINANCING POTENTIAL:	80/81	81/82	82/83	83/84	84/85	85/86	86/87	87/88
INITIAL COMB FUND BALANCES	4083672	5612050	6160265	5686021	5719180	5574710	4671878	5513991
CURRENT SURPLUS (DEFICIT)	2132419	1601891	9740036	15092657	15073902	11592012	17840400	12108761
NET AVAILABLE	6216091	7213941	15900301	20778678	20793082	17166722	22512277	17622752
LESS CAPITAL PROJECTS	604041	1053677	10214280	15059498	15218372	12494844	16998286	12998117
ENDING COMB FUND BALANCES	5612050	6160264	5686021	5719180	5574710	4671878	5513991	4624635

ASSUMPTIONS:

OWN SOURCE REVENUE RATE OF GROWTH (PERCENT)	10.00
FEDERAL GRANTS REVENUE RATE OF GROWTH (PERCENT)	(FALLING TO $50,000/YR, CONSTANT THEREAFTER)
STATE GRANTS RATE OF GROWTH (PERCENT)	12.00
BOROUGH GRANTS RATE OF GROWTH (PERCENT)	20.00
BOND PROCEEDS PER YEAR	
GENERAL OBLIGATION	500000
REVENUE & SPECIAL ASSESS	200000
OPERATING EXPENDITURE RATE OF GROWTH (PERCENT)	10.00
NEW DEBT SERVICE TERMS	
TERM OF FINANCING (YRS)	30.00
NET INTEREST RATE (%)	11.00
CAPITAL PROJECTS EXPEND PERCENT OF AVAILABLE FUND BALANCES PLUS BOND PROCEEDS & GRANTS	25.00

†NOTE: ALL OPERATIONS AND ENTERPRISES COMBINED.

Table 14-2

EFFECT OF DIFFERING ASSUMED GROWTH RATES IN STATE SHARED REVENUES AND OTHER CAPITAL GRANTS ON CITY OF HOMER CAPITAL IMPROVEMENT FINANCING POTENTIAL, FISCAL YEARS 1981/1982 THROUGH 1987/1988

Annual Growth Rate in State Shared Revenues and Other Capital Grants	Estimated Total Amount Available to Finance Capital Projects and Equipment (in millions)
-12%	$53.5
0%	56.4
12%	60.8
22%	66.0
29%	78.0

Source: Pacific Rim Planners and Engineers, Olympic Associates Co.

CAPITAL PROJECTS

During the later stages of preparing this comprehensive plan, capital improvement suggestions were collected from interested residents, business owners, City staff and elected officials. Each City department submitted lists of suggested projects, along with cost, project description and project need information where available. For all projects, cost estimates were prepared or updated from previous estimates where possible.

As the capital project lists were compiled, a list of evaluation criteria was prepared for use by each department in prioritizing from among the possible projects. The criteria recognized the immediacy of need, numbers of users to be served, cost effectiveness, and the degree to which the project was compatible with adopted plans and policies, including this comprehensive plan. Department heads used the criteria to assign high, medium or low priorities to the projects, and the priorities became the key consideration in preparing the tentative schedule of capital improvement projects shown in Table 14-3. Besides the priorities, the other factor used to develop the tentative schedule was the overall cost of the project in relation to the City's capacity to finance design and construction, considering other large projects. Thus, for example, some large projects were timed to avoid overly large bond financing requirements in a single year.

Overall, a total of about $175 million of capital improvement projects (stated in December 1982 prices) are included in the list. Due to inflation in construction and purchase prices expected over the next half decade (assumed to be eight percent per year) and the limits in the City's financing ability, less than half of the projects can be expected to be completed within the next six fiscal years.

The first section of Table 14-3 includes parks and recreation projects. A total of $10.4 million for projects is listed; however, the largest project, the proposed base of Homer Spit campground, is expected to be fully funded and constructed by the State Division of Parks, and is not scheduled in the table. Similarly, the second largest expenditure, purchase of land on the west side of Homer Spit for $3.0 million, is also projected to be undertaken by the State. Most of the remaining $1.4 million of projects are projected to be completed within the first five years of the program, and many are now close to being constructed. One medium priority project (construction of an equestrian park) and the five low priority projects were not scheduled for the six year period.

The second category on Table 14-3 is the port and harbor department. This is the largest single category of construction projects, with December 1982 estimated costs amounting to $92.3 million. The majority of this amount is involved with expansion of the small boat basin and construction of two deep water ocean berths. Nearly all of the amounts to construct port and harbor projects are expected to come

TABLE 14-3

CITY OF HOMER - SIX YEAR CAPITAL IMPROVEMENTS SCHEDULE
FISCAL YEARS ENDING JUNE 30, 1983 THROUGH JUNE 30, 1988

PROJECT DESCRIPTION	PRIORITY	ESTIMATED DEC '82 COSTS	PROJECTED CONSTRUCTION COST BY YEAR SCHEDULED 82/83	83/84	84/85	85/86	86/87	87/88	SIX YEAR TOTAL	COST BEYOND PROGRAM PERIOD (88/89 $)
PARKS AND RECREATION:										
BAYVIEW AVENUE PARK	HIGH	18000	18000						18000	
SENIOR LEAGUE FIELD	HIGH	30000	30000						30000	
HIGH SCHOOL SOFTBALL FIELD	HIGH	10000	10000						10000	
KACHEMAK DR REC AREA DESIGN	HIGH	3000	3000						3000	
BEAUTIFICATION PROGRAM	HIGH	10000	10000						10000	
SIDEWALK/BIKE PATH PLAN	HIGH	15000	15000						15000	
BELUGA LAKE PARK	HIGH	140000		151200					151200	
SIGNAGE PROGRAM	HIGH	5000		5400					5400	
DAY USE PARK END OF SPIT	HIGH	10000		10800					10800	
SITE DEV, HILLSIDE	HIGH	540076			629945				629945	
SEWER & WTER HLLS.	MEDIUM	105000			122472				122472	
SR LEAGUE BLFLD HILLSIDE PARK	MEDIUM	115000				144867			144867	
CONST. CORE AREA HLLS.	MEDIUM	78000				98258			98258	
CONST. CAMPSTE. HLLS.	MEDIUM	47000					63943		63943	
CONST. EXTRA PRKING	MEDIUM	15000					20407		20407	
WEST SIDE SPIT LAND PURCHASE	MEDIUM	3000000			↕				0	
BASE SPIT CAMPGROUND	MEDIUM	6000000				↕			0	
CONST. EQUEST. PARK	MEDIUM	200000							0	317375
BISHOP'S BEACH ACCESS	LOW	32000							0	50780
LIBRARY PARK	LOW	?							?	
BAYCREST CLIFF AREA	LOW	?							?	
EASTSIDE PARK	LOW	?							?	
WEST HILL PARK	LOW	?							?	
TOTALS PARKS & REC		10373076	86000	167400	752417	243124	84350	0	1333291	368155
PORT AND HARBOR:										
FISH DOCK		9000000	9000000							
HARBOR SLOPE DEV.	HIGH	3500000			4082400				4082400	
STEEL GRID MODIFICATION	HIGH	500000			583200				583200	
PUBLIC FISH PIER	HIGH	2000000					2332800		2332800	
SMALL BOAT HARBOR EXPANSION	HIGH	23302000	932080	9814802	5979480	6017531	4279785		27023678	
DECKING SMALL BOAT HARBOR	HIGH	2684000					3651552		3651552	
OCEAN BERTH NO. 1	MEDIUM	23790000							0	37751740
OCEAN BERTH NO. 2	LOW	28304000							0	44914891
PORT DEV. PORT OFFICE	LOW	300000					408147		408147	
PROCESSOR WASTE LINE	LOW	?							0	
TOTALS PORT & HARBOR		92380000	8932080	9814802	10645080	6017531	10672284	0	38081777	82666631

TABLE 14-3 (CONTINUED)

PROJECT DESCRIPTION	PRIORITY	ESTIMATED DEC '82 COSTS	PROJECTED CONSTRUCTION COST BY YEAR SCHEDULED 82/83	83/84	84/85	85/86	86/87	87/88	SIX YEAR TOTAL	COST BEYOND PROGRAM PERIOD (88/89 $)
PUBLIC SAFETY:										
POLICE DEPT-										
ANIMAL SHELTER	HIGH	80000	80000						80000	
LAND ACQUISITION	HIGH	423000		456840					456840	
POLICE STATION ADDITION	HIGH	240000				302331			302331	
JAIL ADDITION	MEDIUM	125000					170061		170061	
BLACK TOP PARKING LOT	LOW	35000							0	55541
SUBTOTALS		903000	80000	456840	0	302331	170061	0	1009232	55541
FIRE DEPT-										
HOMER SPIT FIRE STATION	MEDIUM	1000000							0	1586874
SUBTOTALS		1000000	0	0	0	0	0	0	0	1586874
TOTALS PUBLIC SAFETY		1903000	80000	456840	0	302331	170061	0	1009232	1642415
PUBLIC WORKS:										
WATER & SEWER-										
DANVIEW WATER LINE	HIGH	42300	42300						42300	
MAJOR DITCHING PROGRAM	HIGH	152100	152100						152100	
COOPER SUBDIV. SEWER LINE	HIGH	275600	275600						275600	
KACHEMAK BAY DR WTR & SWR LINE	HIGH	2889100		3120228					3120228	
W HILL ROAD WATER & SEWER LINE	HIGH	2552050			2976711				2976711	
RANGEVIEW WATER LINE	MEDIUM	45000				56687			56687	
PENNOCK WATER LINE	MEDIUM	40000					54420		54420	
FRITZ CR WTR LN, DAM & TR PLNT	MEDIUM	25400000							0	40306608
STORM SEWER ON L. MAIN	MEDIUM	198400				249927			249927	
SPIT SEWER LINE	MEDIUM	1981400				2495993			2495993	
NEW SPIT WATER LINE	MEDIUM	5400000					3673320	3967186	7640506	
STERLING HWY WATER LINE	MEDIUM	1188100					1616397		1616397	
HOMER SPIT SEWAGE FACILITIES	MEDIUM	760000						1116689	1116689	
BINOCULAR BLUFF WTR & SWR LINE	MEDIUM	1700000						999143	999143	1618612
SEWAGE TRTMNT PLANT EXPANSION	LOW	5000000							0	7934372
MUNSON SUBDIV WTR & SEWER LINE	LOW	587600							0	932447
BENSON SUBDIV WTR & SEWER LINE	LOW	861100							0	1366457
MATTOX WATER AND SEWER LINE	LOW	125000							0	198359
CITY VIEW WATER LINE	LOW	31200							0	49510
FAIRVIEW WTR LINE EXTENSION	LOW	409200							0	649349
WATER TREATMENT PLNT EXPANSION	LOW	3840000							0	6093597
SUBTOTALS		53008150	0	3120228	2976711	2802607	5344137	6083018	20326701	59149312

TABLE 14-3 (CONTINUED)

PROJECT DESCRIPTION	PRIORITY	ESTIMATED DEC '82 COSTS	PROJECTED CONSTRUCTION COST BY YEAR SCHEDULED 82/83	83/84	84/85	85/86	86/87	87/88	SIX YEAR TOTAL	COST BEYOND PROGRAM PERIOD (88/89 $)
ROADS & STREETS-										
PAVE MAIN STREET	HIGH	191500	191500						191500	
UPGRADE LOWER MAIN ST.	HIGH	754600	377300	407484					784784	
UPGRADE GLACIER VIEW SUB ROADS	MEDIUM	646800		698544					698544	
UPGRADE DANVIEW AVE.	MEDIUM	377200			439966				439966	
UPGRADE SOUNDVIEW AVE.	MEDIUM	246400			287401				287401	
UPGRADE FAIRVIEW AVE.	MEDIUM	2318600				2920768			2920768	
UPGRADE BAYVIEW AVE.	MEDIUM	392700					534264		534264	
EXTEND FAIRVIEW TO HEATH ST.	LOW	766000						528987	528987	644239
CBD PARKING LOTS AND SIDEWALKS	LOW	498600						586086	586086	158243
UPGRADE CITYVIEW AVE.	LOW	69300							0	109970
UPGRADE ROADS IN COOPER SUB.	LOW	577500							0	916420
PUT IN STREET SIGNS	LOW	15000							0	23803
SUBTOTALS		6192400	568800	1106028	727367	2920768	534264	1115073	6972300	802482
OTHER PUBLIC WORKS-										
CONST. BARTLETT ST. SIDEWALKS	HIGH	23900	23900						23900	
LAND FOR DISPOSAL OF SLUDGE	HIGH	100000		108000					108000	
SAND STORAGE FACILITY	MEDIUM	15000			17496				17496	
EXPANSION SHOP PHASE I	MEDIUM	60000				75583			75583	
LAND ACQUIS (EQUIP & STORAGE)	LOW	60000					81629		81629	
COLD AND HOT PATCH STORAGE	LOW	2000					2721		2721	
RECORDS STORAGE CENTER	LOW	3000						4408	4408	
EXPANSION SHOP PHASE II	LOW	50000							0	79344
FENCING PUBLIC WKS. FAC.	LOW	5000							0	7934
SUBTOTALS		263900	23900	108000	17496	75583	84350	4408	313737	0
TOTALS PUBLIC WORKS		59464450	592700	4334256	3721574	5798958	5962751	7202499	27612739	
SOCIAL AND HEALTH SERVICES:										
CONSTRUCTION NEW HIGH SCHOOL	HIGH	t							0	
TOTALS SOCIAL & HEALTH SRVCS		0	0	0	0	0	0	0	0	0
GENERAL GOVERNMENT:										
FINANCE-										
FINANCIAL MGMT REPORTNG SYSTEM	HIGH	30000		32400					32400	
TOTALS FINANCE		30000	0	32400	0	0	0	0	32400	0

TABLE 14-3 (CONTINUED)

PROJECT DESCRIPTION	PRIORITY	ESTIMATED DEC '82 COSTS	PROJECTED CONSTRUCTION COST BY YEAR SCHEDULED 82/83	83/84	84/85	85/86	86/87	87/88	SIX YEAR TOTAL	COST BEYOND PROGRAM PERIOD (88/99 $)
ARTS & CULTURE-										
LIBRARY PARKING LOT	HIGH	40000		43200					43200	
LIBRARY EXPANSION	HIGH	715000						1050570	1050570	
CULTURAL COMMUNITY CENTER	LOW	6000000							0	9521246
SUBTOTALS		6755000	0	43200	0	0	0	1050570	1093770	9521246
OTHER GENERAL GOVERNMENT-										
CITY HALL	MEDIUM	3893000						4576075	4576075	1235540
SUBTOTALS		3893000	0	0	0	0	0	4576075	4576075	1235540
TOTALS GENERAL GOVERNMENT		10678000	0	75600	0	0	0	5626645	5702245	10756786
EQUIPMENT:										
FOUR WHEEL DRIVE VEHICLE (PS)	HIGH	6000	6000						6000	
CASH REGISTERS (F)	HIGH	16000	16000						16000	
1500 GPM 4WD PUMPER (FD)	HIGH	160000		172800					172800	
AMBULANCE (FD)	HIGH	60000			69984				69984	
TANKER 3 CHASSIS (FD)	HIGH	70000					95234		95234	
STEAMER TRUCK (PW)	MEDIUM	35000		37800					37800	
COMPRESSOR/JACKHAMMER (PW)	MEDIUM	1500	1500						1500	
NEW OFFICE FURNITURE (PW)	MEDIUM	20000	20000						20000	
UPGRADE SYSTEM 34 (F)	MEDIUM	10000	10000						10000	
UTILITY INQUIRY TERMINAL (F)	MEDIUM	2135			2490				2490	
OFFICE EQUIPMENT (PW)	MEDIUM	3000			3499				3499	
VHF RADIOS (PW)	MEDIUM	10000			11664				11664	
REFURNISH FINANCE DEPT. (F)	MEDIUM	10000			11664				11664	
PRINTER-HARBOR (F)	MEDIUM	2500				3149			3149	
BULLDOZER W/EXCAVATOR (PW)	MEDIUM	75000				94478			94478	
TWO ECON. PICK-UPS (PW)	MEDIUM	28000				35272			35272	
RECORDS COMPUTER (PS)	MEDIUM	12000						17632	17632	
SERVICE TRUCK FOR FIELD (PW)	MEDIUM	80000						117546	117546	
HEAVY RESCUE TRUCK (FD)	MEDIUM	60000							0	95212
UTILITY TRUCK (FD)	MEDIUM	18000							0	28564
TELEPHONE INTERCOM SYSTEM (PW)	LOW	5000						7347	7347	
VEHICLE (PW)	LOW	10000					13605		13605	
DITCHING MACHINE (PW)	LOW	8000						11755	11755	
COMPUTER SYSTEM (PW)	LOW	10000						14693	14693	
MICROGRAPHICS EQUIPMENT (PW)	?	15000							0	23803
SUBTOTALS		727135	53500	210600	99301	132900	108839	168973	774113	147579
GRAND TOTALS ALL PROJECTS		174798526	9744280	15059498	15218372	12494844	16998286	12998117	74513397	95581566

*NOTE: PROVIDED BY OTHER AGENCIES.
ALL INITIAL CAPITAL COSTS INFLATED AT 8 PERCENT PER YEAR.

from annual appropriations by the State Legislature, and the project schedule reflects current budget recommendations by the State Department of Transportation and Public Facilities. Actual construction will follow annual appropriations, with completion of the fish pier project first, followed by expansion of the small boat basin. Other projects will follow in the later years of the program.

The third major category of capital improvements in Table 14-3 is public safety projects, including those of the Homer Police Department and the Homer Volunteer Fire Department. Current costs for these projects total $1.9 million, exclusive of equipment needs discussed below. Most projects are scheduled for the six year period, the sole exception being the Homer Spit fire station.

The fourth category, public works, has the largest number of projects, subdivided into water and sewer, roads and streets, and other projects. Current costs for all public works projects total nearly $60 million, although the bulk of the costs are concentrated in the water and sewer projects. About two thirds of the projects, including virtually all of the high and medium priority projects, are scheduled for the six year period. The sole exception is the Fritz Creek water project, whose estimated current cost of $25.4 million is beyond the City's projected financing ability (or more accurately, would preclude many other projects under projected financing conditions). Scheduled projects include approximately $20.3 million for water and sewer projects, $7.0 million of road projects and $2.8 million of other projects.

The social and health services category, fifth on the list in Table 14-3, includes only construction of a new high school in Homer. Although this is considered a high priority, education is the responsibility of the Kenai Peninsula Borough, and is currently fully financed and scheduled to be completed in the next several years.

General government projects include administrative, finance and arts and culture projects. Current costs for all of these projects total about $10.7 million, the majority of which is encompassed in the cultural community center ($6.0 million) and a new city hall ($3.9 million). Other, smaller projects which are rated equally or higher are scheduled for the six year period, while the community center and city hall building are not scheduled due to their lower priorities and high costs.

The final category is that of equipment for all City departments. These are listed separately from the larger construction projects, since they usually serve internal needs and have a much shorter service life. As such, they are listed and evaluated on their own, separate from the much larger, user oriented, construction projects reviewed above. Current costs for equipment needs total about $727,000; about half of this amount is for fire department equipment. Nearly all of the equipment is scheduled for purchase during the next six years.

In total, about $75 million is scheduled to be spent during the next six years, with about $96 million (in 1987-1988 prices) remaining to be spent at the end of the period. While this is a tentative schedule, it should be updated periodically and used for preparing a separate capital improvements budget in conjunction with an operating budget each year. In this way, progress on the program can be tracked and the schedule can be adjusted if needed.

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Appendix A

PUBLIC OPINION SURVEY RESULTS

During the month of May 1982, an intensive public opinion survey was conducted of Homer residents, including persons living outside of the Homer city limits. The survey addressed many of the issues identified by the Steering Committee, the City Council and Planning and Zoning Commission, and by residents contacted informally and at public workshops. A total of 439 surveys were completed during the three-week survey period. For comparison purposes, the surveys were completed in two separate groups. The first group consisted only of city resident households, selected at random, and contacted personally by city representatives. A total of 263 households were selected using the Homer Electric Association's customer files, and a total of 179 completed surveys were obtained from this group. This represents approximately 16.5 percent of the households in the city. The remaining 84 households either were not home during the several times representatives attempted to contact them, or did not complete the survey after being recontacted several times. Most of the surveying was conducted during the five-day period from Thursday, May 13 to Monday, May 17, 1982.

On Thursday, May 20, 1982, the same survey document was included as an insert to a regular edition of the Homer News. The newspaper has a circulation of approximately 2,600 per issue and is widely read throughout the south Kenai Peninsula. Residents and non-residents alike were encouraged to respond. Since the sample was not statistically controlled, there was no way of assuring that individuals did not complete more than one survey, or that special interest groups respond more than other members of the general public. However, the survey was intended to provide a means to involve members of the public who may not otherwise have taken the opportunity to participate in the plan, so considerations of maximizing involvement were considered more important than attempting to duplicate a statistically unbiased sample. A total of 254 surveys were returned, 134 of which were from city residents and 120 from non-residents.

The random sample provided an unbiased benchmark against which to judge the results of the volunteer, newspaper survey. In this way the survey results provide decision-makers with a fair, unbiased indiction of how city residents feel. The volunteer survey provided a conduit for all residents and non-residents to express their opinions and ideas.

The attached tables summarize the results of the survey for the random sample of city residents, the volunteer sample of city residents, all city residents combined and the volunteer sample of non-residents. These results are discussed in the following sections, with emphasis placed on the random sample results.

RANDOM SAMPLING THEORY

A brief note is in order at this point to explain what statistical theories have to say about the accuracy and validity of the survey results. The first point concerns the fairness of the survey questions. To accurately sample opinion, the questions must be as neutral as possible with respect to the views expressed. A question which begins with "would you agree that . . ." tends to lead the respondent towards one position, leads to biased results. A better way to begin the question is to say, "which of the following satements do you agree with . . . ." While it is virtually impossible to eliminate all potential bias in the survey, it was thoroughly reviewed, tested, critiqued and revised prior to being used, and at least the most obvious problems with biased and confusing questions were corrected.

The other point concerns sampling. If all residents were to fill out one and only one survey compeltely, and the survey questions are clearly and fairly stated, then of course the results are a fair indication of what Homer's residents feel. The problem, however, is that travel, limited time, apathy and a host of other reasons typically limit the number of persons who would respond to the survey to a small fraction of Homer's residents. For example, typically a mail-out or newspaper survey will be returned by 5 to 15 percent of all households, depending on the quality and general interest in the content of the survey. However, it is difficult to say whether a mail-out or newspaper survey fairly reflects all of the community, since special interest groups tend to be more likely to respond than persons without any special stake in the survey results.

If a survey is to treat all groups equally, then each resident must have an equal chance of being included. Door-to-door or telephone surveys of randomly selected households are among the best means of accomplishing this. In a community the size of Homer, sampling all or nearly all households is prohibitively expensive, so a small fraction is usually chosen for intensive, careful sampling. Statistical theory is utilized to determine how accurate the results are (again assuming that there was no significant bias in the survey).

For the random surveys the sample size of 179 implies that we can be 95 percent confident that any given figure is within 7 percent of the "true" figure (i.e., the number that would be obtained if all residents had been surveyed). For example, if 56 percent of the random sample respondents checked "attracting year-round jobs" as one of the three most important ways of improving the quality of life in Homer (Question #1), statistical theory says that we can be 95 percent confident that the true figure is between 52 and 60 percent. Unless all adult residents are surveyed, we can never be completely sure of any of the figures obtained in the random sample. However, statistical theory does provide a basis on which to gauge how accurate each of the figures are without the much greater cost of surveying all residents.

The random sample was limited to adults within the household, and limited to one survey per household. There was no such restriction for the newspaper survey. Thus, the two different methods of sampling could provide very different groups of respondents, and statistical theories cannot be applied due to the possibility of bias; special interest groups may be over- or under-represented in the totals, so the figures must be carefully interpreted. As will be seen, however, the results do not really differ greatly between the groups.

SURVEY RESULTS

The attached tables summarize the survey results for four separate combinations of respondents. The left hand column repeats the question as it actually appeared in the survey. Moving to the right, the second column reports figures for the random survey of city residents, followed by the volunteer survey of city residents, all city residents (random and volunteer samples combined), and finally the volunteer survey of non-residents.

For each question, the results show the percentage of the total group with a particular answer, excluding those who did not answer the question or who skipped the question because of a previous response. The total sample size ("n") is shown at the top of the column, and can be used to estimate the actual number of responses for any category. The actual numbers of respondents not answering or skipping the question are also shown, in parentheses.

In the discussion which follows, percentages are shown only for the random survey of city residents, since these are the most reliable indicators of Homer public opinion. Results are also discussed for the volunteer groups, but no figures are shown in the text.

Ways of Improving Homer

The first question dealt with general areas of improvements which would most greatly increase the quality of life within the City. Among all groups, attracting year-round jobs (56%) and orderly development of growth in commercial and residential areas (54%) rated among the two or three highest. City beautification (36%), utility services (29%) and recreation development (28%) were the next three. On the other side, keeping the population small to retain the small-town atmosphere was among the least frequently chosen (21%).

The volunteer respondents showed a distinctly different orientation. Attraction of year-round jobs fell to third place for the city resident volunteer sample, and to fourth place for the non-resident volunteers. Orderly development, city beautification, parks and recreation development and protection of the environment were chosen more frequently.

It is interesting to contract this result with the 1977 Anchorage Urban Observatory survey which found that half of Homer's residents wanted

Homer to stay the same size or be smaller than the 1977 estimated population of 1,500. Apparently Homer's rapid growth of the past decade has persuaded many residents that growth does not necessarily harm Homer's small-town atmosphere, while new residents who have moved in since the last survey was taken may not have missed the smaller town features, and their opinions may have served to dilute those of older residents. In any event, this question is significant in that keeping Homer's population small no longer seems to be as high a priority, while secure economic development with orderly control are much higher priorities.

Central Business District

The second through fifth questions deal with the subject of the Central Business District, attempting to find out how important it is and what should be done with it. Question #2 dealt with the importance of establishing a strong Central Business District. Opinion was about evenly divided between very important (32%), somewhat important (40%), and not important (32%). From another point of view, a majority of respondents (72%) indicated it was either somewhat or very important to them, demonstrating a fairly high level of support for a strong central business district. Overall results were similar for the volunteer groups, but with somewhat less importance attached to the CBD by non-resident volunteers.

Question #3 asked persons who indicated establishment of a strong CBD was either somewhat or very important to them to say whether they favored or opposed certain types of actions that could be taken to strengthen Homer's CBD. Of the four categories, providing improvements such as public parking, sidewalks and lighting, partly at public expense, was overwhelmingly favored (92%). Concentrating future commercial development in the CBD was also heavily favored (84%). More restrictive zoning standards outside of the CBD were favored by a small majority (54%) over those opposed (20%) and undecided (26%). Limiting vehicle access to the Homer Bypass was opposed (52%), but a large fraction were uncertain (28%). Other suggestions included keeping a greenbelt in the CBD, relocating industrial activities to other areas, and making use of Homer's unique features (history, seafood, scenery, artisans, etc.). Results fom the two volunteer groups were approximately the same.

Question #4 asked about other actions to improve the appearance and traffic flow in the Central Business District. Strong support was indicated for constructing sidewalks and pathways (89%), increasing off-street parking (79%), and instituting a beautification program (68%). Opinion was more evenly divided on, but still favored (52%) widening the roadway to provide a turn lane. Residents opposed providing central parking areas (41% favoring) and unifying appearance of commercial buildings through common design programs (37% favoring). Opinion was similar among the volunteer groups, although generally less favorable towards the possible actions among the non-residents. Other suggestions included shuttle buses, parking regulation enforcement, upgrading secondary street approaches to Pioneer Avenue, and greater provisions for pedestrian access, comfort and safety.

Question #5 asked for preferences as to where commercial growth should occur in the future. Strongest support was voiced for having future commercial growth occur in the existing Central Business District (50% listed it as first or second choice), and eventually expanding towards the Homer Bypass area (47% listed the area between Pioneer and the Bypass a first or second choice). After development of Pioneer Avenue and the area between Pioneer and the Bypass, Ocean Drive was the third choice (37% listing it either first or second), followed by the Bypass (29% choosing it first or second). The Homer Spit and the airport area were chosen much less frequently (6% and 9% choosing first or second, respectively). The volunteer surveys had similar results, but with an even stronger emphasis on development of Pioneer Avenue and the area between Pioneer and the Bypass.

Land Development

The next several questions addressed the question of how far the City should go in regulating land development and related activities. The sixth question attempted to find out whether respondents wished to see the city use its regulatory powers to restrict or ban land development in hazardous areas. For the random survey, the answers were almost evenly divided between yes (42%) and no (38%), with nearly one out of five respondents (19%) uncertain. There was stronger support for city regulation among the volunteer groups, particularly among the non-residents.

The seventh question dealt with whether property owners should be compensated for regulatory actions which reduce a property owner's ability to develop his property. A larger percentage (38%) favored compensation over no compensation (27%), but over a quarter of the respondents (27%) were undecided, so none of the choices received a plurality. No monetary compensation was favored by a larger percentage among the volunteer respondents, with a smaller fraction undecided. Again, none of the choices was clearly favored (by more than half of all respondents). Opinion will probably vary by the situation, tending to favor the owner more as the owner's ability to develop is restricted.

This pattern is also continued in the eighth question relating to whether or not the city should enforce building, fire, plumbing and electrical codes in buildings, although fewer persons were uncertain (10%) and the "yes" answer received a slim majority (51% in favor versus 39% opposed). The results were the same, with a smaller difference between those favoring and those opposed.

It appears, then, that in all three of these questions, opinion was closely divided between those who favor expanded use of regulatory powers to promote the public health and welfare, and those who favor leaving individuals alone, with a large number of persons uncertain.

Overall Levels of Taxation and Public Services

The ninth question related to the level of taxation of property. For all three groups, a large percentage (41%) checked one of the two answers involving increased levels of taxation to either maintain, or improve and expand services now offered by the city. Another large fraction (44%) wished to hold the line on taxes by cutting back on less important services if necessary, while only a small percentage (5%) chose the option of decreasing taxes by major cuts in services if necessary. Another 10 percent checked the "other" category, with suggestions ranging from ways to cut costs or increase revenues, and a number of suggestions relating to a need to carefully scrutinize Homer's local government revenues and spending patterns. The figures were quite similar for the two volunteer groups. The most surprising aspect of the answers to this question was that such a large percentage of the respondents chose one of the two options involving increasing taxes to either maintain or expand services. Apparently, large numbers of residents moved to Homer because of a desire for a high quality of life, and are willing to increase their tax burden if necessary to obtain high quality public services.

Homer Spit

The next three questions related to land uses on the Homer Spit, and attempted to find out what priorities should be attached to each of these uses. Question #10 related to the end of the Spit, and in almost all cases respondents had fairly strong opinions. Highest priority for the end of the Spit was assigned to, in decreasing order, marine industrial (80%), parking for commercial fishermen (77%), open space recreation and public access (76%), staging areas for commercial traffic (66%), day park (55%), parking for tourists (51%), overnight camping (48%) and parking for retail businesses (47%). Uses which were primarily rated low priority included motels and hotels (48%), retail commercial (45%), charter and government offices (46%), staging areas for natural resource development (25%), fishing gear storage (28%), and Kachemak Bay State Park headquarters (22%). Uses which should be excluded altogether are non-marine industrial (75%) and motorcycle raceways (82%). Patterns were the same for the volunteer respondents, with slightly greater priority assigned to recreational uses of the Spit and less priority to commercial uses. Overall, it appeared that residents and non-residents alike appears to prefer that land uses on the end of the Spit be restricted to those which depend on that location. Uses which could be located elsewhere generally received lower priority.

Question #11 related to land use priorities for the east side of the Spit. In general, the results reflect approximately the same rankings as for the end of the Spit, but the differences were much less pronounced. Highest priorities were assinged to marine industrial (68%), open space recreation (55%), day park (52%), parking for commercial fishing (51%), parking for tourists (49%) and staging areas for commercial traffic (48%). Lower priority was assigned to most other activities, including retail commercial (30%), offices (34%), overnight

camping (29%), fishing gear storage (31%), parking for retail businesses (38%), and Kachemak Bay State Park headquarters (27%). Uses which would be excluded are motels and hotels (46%), non-marine industrial (68%), staging areas for natural resource development (40%), and motorcycle raceways (65%).

On the west side of the Spit, respondents gave much higher priority to recreational and open space uses, and less priority to commercial and industrial uses. Uses rated as high priority included overnight camping (70%), day park (64%), open space recreation (64%) and parking for tourists (53%). Uses for which opinion generally held should be excluded were: motorcycle raceways (86%), non-marine industrial (77%), staging areas for natural resource development (74%), fishing gear storage (69%), motels and hotels (59%) and marine industrial (54%). As with the other Spit land use questions, the volunteer groups followed the same pattern, with even more pronounced support for open space and recreation, and less support for commercial and industrial uses. Generally, the answers to this question appear to support the City's stand of restricting development on the west side of the Spit and attempting to place the west side into some sort of open-space recreational status.

Questions #13 and #14 related to traffic congestion on the Spit. Most respondents (79%) felt that traffic congestion on the Spit is a problem in the summertime. The volunteer groups felt similarly, although by not as large a fraction.

For those who felt congestion to be a problem, the most favored solutions were to provide more campground facilities off of the Spit (88%), expansion of existing parking areas (81%), enforcement of existing traffic and parking regulations (75%), seasonal traffic and parking controls (64%) and providing more informational signs (56%). Respondents opposed expanding the road to four lanes (55%), restriction of vehicle access (76%) and restriction of vehicle access while providing shuttle bus service (61%). Results from the two volunteer groups followed the same trends. Comments received indicated some respondents favored providing shuttle bus service alone.

Question #15 asked whether the City should provide all or partial funding for fifteen of the most controversial existing or proposed services. A majority of the respondents opposed the City providing funding for low-cost housing (62%) and seasonal housing for cannery workers (59%). Sizable opposition was also shown to the City providing all funding for the cultural center (28%), civic center (28%), and women's resource center (40%). Strong support was indicated for providing all funds necessary for fire protection (45%), a visitor information center (46%), public restrooms and showers on the Spit (39%), and drainage utilities (37%). For other services, respondents chose options involving the City providing some funds with the remaining costs paid for by different types of funding sources. For example, over 40% chose a combination of City funds and user fees for public campgrounds, and nearly a third (32%) supported the City providing funds plus some user fees to support public restrooms and showers on

the Spit. State and Borough contributions were heavily favored (48%) for funding the senior citizen's center, and service districts were frequently proposed to provide funds for fire proection (14%) and emergency medical (12%). Little support was indicated for increased sales tax to fund any of the services, while a combination of sources was often suggested for park and recreation facilities and programs (17%) and the museum (14%).

Questions #16 and #17 addressed Homer's residentail or secondary streets and roads. Since many of the secondary streets do not meet the City's standards for grade, width, paving, and drainage, Question #16 asked whether the substandard streets should be brought up to City standards in the near future. Most respondents (90%) indicated that the streets should be brought up to standards. The preferences were the same, but not quite as strong, for the volunteer respondents, particularly the non-residents.

Question #17 asked how road improvements should be financed if State and federal funds are not available. Most respondents (73%) thought that the improvements should proceed, with opinion about evenly divided between City taxpayers paying alone (30%) and City taxpayers and benefiting property owners sharing in the cost (33%). A much smaller percentage (10%) thought that the benefiting property owners should pay for the improvements alone. The same patterns held for the volunteer groups. The answers to these two questions seem to indicate that most City residents want their streets improved, would like to see the City pick up all or part of the cost, and would encourage some effort to spread some of the cost between benefiting property owners.

Questions #18 through #24 dealt with the adequacy of water and wastewater disposal service to households. The majority of City households (83%) have City water service, while most non-residents (55%) are on private wells. Most respondents (81%) rated water quality as satisfactory, with 15% of City residents rating their service unsatisfactory. These patterns were also true for the volunteer groups. Service was rated satisfactory most frequently in the central inside neighborhood, with the least frequent satisfactory ratings given for the area in the Central Business District, as can be seen on the summary table attached, labeled Page 31.

In terms of quantity, an even larger percentage (89%) rated their service as satisfactory. Only a small number (8%) rated their water quantity as unsatisfactory, with the west and east neighborhoods averaging the highest percentage rating services unsatisfactory, about 10%. Page 33 (attached) summarizes ratings by neighborhod for this question.

Question #21 asked about sewage disposal, with about two-thirds of the residents (67%) indicating that they have City sewer service. About 24% have septic tanks, and 5% use outhouses. The percentages using septic tanks and outhouses rises quite a bit, 54% and 41%, for non-residents.

Question #22 asked if the resident had a septic tank, if the resident was experiencing recurring problems with it. Most (66%) said that they were not having problems, the remainder having some problems or severe problems. About one in ten (9%) indicated that the problems were severe. The percentage indicating problems was less (13%) for non-residents. All of the persons indicating that they had severe problems with septic tanks were in the east inside city neighborhoods. High water table was the major source of the problem for the west and east sides, constituting nearly one-half of the problems reported. Lack of capacity and poor installation were the major problems in the Homer Spit and Central Business District neighborhoods. However, very few respondents answered this question, so it is difficult to assign much weight to these answers.

Question #24 asked how water and sewer extensions should be paid for if State and federal funds are not available. A large percentage of the respondents (65%) indicated that benefiting property owners should pay part or all of the cost, while a small percentage (16%) indicated that the City should pay for it alone. A minority (12%) indicated that no action should be taken until State or federal funds are available. Hence, there is a strong interest in having the cost spread between benefiting property owners, with only some of the cost paid for by the City. The patterns for all these water and sewer questions were the same for the volunteer groups.

Question #25 simply asked respondents to indicate where they lived. About a third (28%) of the random survey respondents lived on the east side of town, another third (29%) lived in the central area, about one-fifth (18%) lived on the west side of town and another fifth (20%) lived in the Central Business District. A very small percentage (4%) lived on the Homer Spit. The City resident volunteers followed the same pattern.

Question #26 asked whether there were certain problems with residents' neighborhoods. Most (82%) indicated there were either limited or severe problems with streets needing repair. Unsafe conditions for pedestrians were also considered a problem (57%) with about half of those (28%) considering the problems severe. Limited problems were also indicated for drainage (39%), trash and litter (38%) and noise (26%).

Question #27 asked the respondents how long they had lived in Homer or the Homer area. Half of the respondents (50%) had lived in Homer for five years or less. The percentage was similar for the volunteer group. This is almost an identical percentage to those who answered the 1977 Anchorage Urban Observatory survey. This is not surprising, since Homer's current population growth rate of about ten percent results in the population doubling approximately every seven years. With the tremendous influx of new residents, half of the residents at any given time have lived in the City for less than five years.

Question #28 asked what kind of housing unit the respondent lived in. Most (56%) lived in single family units, while 16% lived in apartments,

20% in mobile homes, 4% in duplexes, and 3% in other types of units. The percentages of single family housing increased quite a bit for the volunteer groups, especially outside of the City limits. These figures are fairly consistent with census results.

Question #29 asked about household size. Nearly half of the respondents (49%) lived in one- or two-person households; median household size was 2.58 persons. The City resident volunteer group closely followed this pattern, while the non-resident volunteers lived in much smaller households, on the average.

Question #30 asked whether the respondent owned or rented his house. About three-quarters (73%) owned their house, with the remaining quarter renting or having some other arrangement. This is consistent also with census figures, and the volunteer groups followed the same pattern.

Question #31 asked about the occupation of the primary wage earner of the household, and if there are other wage earners in the household, what their occupations are also. One out of three respondents (30%) had a primary occupation which involved either professional or managerial ownership positions. Only 10% of the random survey respondents had a primary wage earner who either worked on a fishing boat or in a cannery. When the 10% of the respondents whose primary occupation was technical was added into the professional and managerial, nearly four out of ten respondents had a primary wage earner with a professional, managerial or technical occupation, or about two and a half times the frequency of fishing industry employment. The percentage of fishing occupations rose when secondary wage-earners' occupations were considered. The percentage who were retired was also high, at about twelve percent for the random suvery of City residents. This increased slightly from the 11% in the 1977 survey, and is two percentage points higher than the 1977 Borough City average of 10% (Hitchins, 1977). Hence, this question seems to indicate that retirement and professional, managerial and technical occupations are growing in relative importance in Homer's economy, while fishing remains at about the same level. The non-resident volunteers had more emphasis on professional and crafts occupations, with fewer retired persons.

Question #32 asked the percent of the household's income earned by the primary wage earner. The average was 87 percent for the randomly selected residents, and slightly lower for the volunteer groups.

Question #33 asked what percent of the household's income was earned outside of the Homer area. Excluding those who didn't answer the question, 21% earned between three-fourths and all of their income outside of Homer. The percentages were nearly the same for the volunteer groups.

Question #34 asked the respondent to list locations and activities if more than 5 percent of the household's income was earned outside of the Homer area. The North Slope and southwest Alaska accounted for almost half (43%) of the locations. Kenai-Cook Inlet and Anchorage accounted

for another third. Among activities, fishing was most important (36%), followed by investments (17%), equipment and construction (14%) and oil-related (10%). The volunteer groups followed similar patterns.

Question #35 asked how much of the respondent's household purchases of different goods and services were made in Homer. Highest average proportions were in groceries (89%) and gasoline and car maintenance (89%), followed by medical services (79%), personal services (74%), entertainment (74%), and insurance and financial services (70%). Relatively low average proportions were recorded in small appliances (46%), furniture (44%), clothing (43%), and large appliances (41%). Similar patterns were reported by the volunteer groups.

Question #36 asked about approximate total annual household income. Interpolating the median total annual household income for City resident households in the random survey was approximately $27,600 per year. Median was only slightly larger for newspaper survey respondents, at $27,900. This is somewhat less than medians for the Anchorage area.

Question #37 asked for the respondent's age. Nearly half (45%) were 34 years old or less, underscoring the relative youth of Homer's adult population. The median age of respondents was 36.2 years. Similar patterns held for the volunteer respondents, except that the average was lower (33.4 years) for non-residents.

The final question, #38, asked the sex of the respondent. More males (54%) responded than females (46%). The percentages were quite similar for all three respondent groups, with between 53 and 55 percent males responding for all three groups. This is slightly more than recent census and survey data, averaging 51% males, but the difference is not great enough to be significant.

	RANDOM SURVEY OF CITY RESIDENTS (n=179)	VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)	ALL CITY RESIDENTS COMBINED (n=313)	VOLUNTEER SURVEY OF NON RESIDENTS (n=111)
1. Everyone has their own opinion on how Homer could be improved as a place in which to live. The following items have been suggested as ways of improving Homer. Please look at the list and select three that you feel would most improve the quality of life in the City.				
___ Attracting year round jobs	56% ←	41%	49% ←	37%
___ Better retail shopping	24	14	20	13
___ City beautification	36	44 ←	33	34
___ Parks and recreation development	28	37	38	45 ←
___ Protection of the environment	19	28	23	43 ←
___ Keep population small to retain small town atmosphere	21	20	21	40
___ Alcohol and drug control	26	24	26	20
___ Orderly development of growth in commercial and residential areas	59 ←	55 ←	54 ←	52 ←
___ Improve utility services	29	26	27	15
2. Is the establishment of a strong central business district (defined as the area of Pioneer Avenue, Lake Street, and Main Street) important to you?				
___ Yes, very important to me.	32%	34%	33%	10%
___ Yes, somewhat important to me	40 ←	39 ←	39 ←	31
___ No, not important to me	22	27	25	37 ←
___ Undecided.	4	2	3	2
(No Answer) (#)	(2)	(4)	(6)	(1)

3. If you answered "yes, it is important to me", how should this be achieved?

	Favor	Oppose	Undec.	(# No Answer)	Favor	Oppose	Undec.	(# No Answer)	Favor	Oppose	Undec.	(# No Ans.)	Favor	Oppose	Undec.	(# No Ans.)
Concentrating future commercial development in this area	→ 84%	6%	10%	(25) (47)	→ 81%	8%	11%	(12) (39)	→ 82%	6%	11%	(38) (77)	→ 82%	10%	9%	(8) (21)
More restrictive zoning standards in commercial areas outside of the central business district	→ 54	20	26	(28) (46)	→ 64	23	13	(11) (21)	→ 59	21	19	(39) (75)	→ 49	29	22	(14) (41)
Limiting vehicle access to the Homer by-pass through use of a frontage road.	20	→ 52	28	(28) (47)	23	→ 56	21	(19) (24)	21	→ 54	25	(47) (76)	18	→ 45	37	(12) (41)
Providing improvements such as public parking, sidewalks and lighting, recognizing that the city would pay part of the cost.	→ 92	5	3	(16) (45)	→ 82	7	11	(7) (24)	→ 87	6	7	(23) (74)	→ 78	16	7	(7) (41)
Other (please state) _____	89	11	0	(122) (48)	82	12	6	(89) (53)	85	8	8	(206) (81)	92	8	--	(46) (81)

	RANDOM SURVEY OF CITY RESIDENTS (n=179)				VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)				ALL CITY RESIDENTS COMBINED (n=313)				VOLUNTEER SURVEY OF NON RESIDENTS (n=120)			
4. What should be done to the retail/commercial area along Pioneer Avenue and Lake Street to improve its appearance traffic flow?	Favor	Oppose	Undec.	(#) No Ans.	Favor	Oppose	Undec.	(#) No Ans.	Favor	Oppose	Undec.	(#) No Ans.	Favor	Oppose	Undec.	(#) No Ans.
Widen roadway to provide a turn lane.	52%	30%	18%	(30)	48%	29%	24%	(16)	50%	29%	21%	(46)	31%	45%	24%	(14)
Increase amount of off street parking	79	13	8	(21)	77	6	17	(20)	78	10	12	(41)	55	21	24	(11)
Provide central parking areas	41	52	27	(36)	43	29	29	(22)	42	30	27	(58)	39	31	30	(18)
Institute a beautification program to provide street trees, benches and other pedestrian amenities	68	14	18	(26)	74	11	15	(18)	71	13	16	(44)	75	15	10	(11)
Construct sidewalks and pathways	89	5	6	(21)	89	6	6	(9)	89	6	6	(30)	77	17	6	(9)
Unify the appearance of commercial buildings through such programs as a building design review board, sign control ordinance, etc.	37	45	18	(29)	42	46	12	(16)	40	45	15	(45)	43	42	15	(11)
Other (please state)	88	12	0	(163)	95	--	5	(114)	92	0	8	(277)	100	--	--	(104)

	RANDOM SURVEY OF CITY RESIDENTS (n=179)			VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)			ALL CITY RESIDENTS COMBINED (n=313)			VOLUNTEER SURVEY OF NON RESIDENTS (n=120)		
5. Generally, where would you like to see future commercial growth occur? Place a '1' in front of your first choice and '2' in front of your second choice.	1st	2nd	Not Chosen	1st	2nd	Not Chosen	1st	2nd	Not Chosen	1st	2nd	Not Chosen
___ Pioneer Avenue	36%	14%	50%	43%	14%	41%	39%	14%	45%	50%	13%	36%
___ Homer Spit	3	3	93	2	6	92	2	4	92	4	3	94
___ By-Pass	19	10	69	9	8	83	14	10	75	11	5	83
___ Around the airport (Kachemak Drive)	2	7	89	7	11	83	4	9	86	10	10	80
___ Between Pioneer Avenue and the By-Pass	25	22	53	17	22	59	21	22	55	15	25	57
___ Along Ocean Drive (Beluga Lake to Spit)	10	27	61	12	23	65	11	25	63	7	24	68
___ Other (please state) ___	1	3	95	7	2	90	4	3	93	3	2	96

	RANDOM SURVEY OF CITY RESIDENTS (n=179)				VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)				ALL CITY RESIDENTS COMBINED (n=313)				VOLUNTEER SURVEY OF NON RESIDENTS (n=120)			
6. Should the City use its regulatory powers to severely restrict or ban altogether land development in hazardous a which would pose a direct, unacceptable threat to human l or health? (For example, banning residential development the Spit due to tidal wave potential)	Yes	No	Uncert.	No Ans (#)	Yes	No	Uncert.	No Ans (#)	Yes	No	Uncert.	No Ans (#)	Yes	No	Uncert.	No Ans (#)
	42%	38%	19%	(4)	51%	41%	8%	(2)	47%	39%	14%	(6)	56%	33%	11%	(3)

	RANDOM SURVEY OF CITY RESIDENTS (n=179)	VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)	ALL CITY RESIDENTS COMBINED (n=313)	VOLUNTEER SURVEY OF NON RESIDENTS (n=120)
7. If action needs to be taken which results in severe restrictions on the property owner's ability to develop his her property, what do you think the appropriate course of action should be?				
___ Monetary compensation for the reduction in value	38%	35%	36%	32%
___ No monetary compensation is needed as long as the owner has some economic uses of the property	27 (No Answer - 4)	45 (No Answer - 5)	35 (No Answer - 9)	38 (No Answer - 1)
___ Other	7	6	7	9
___ Don't Know	27	14	22	21

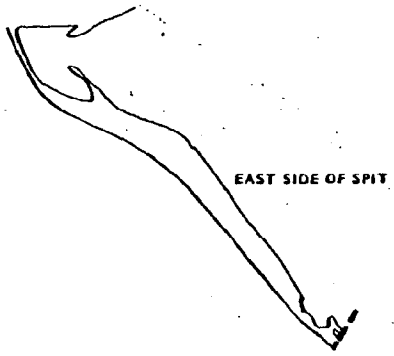
	RANDOM SURVEY OF CITY RESIDENTS (n=179)				VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)				ALL CITY RESIDENTS COMBINED (n=313)				VOLUNTEER SURVEY OF NON RESIDENTS (n=120)			
8. The City has adopted uniform state codes regulating building, fire, plumbing and electrical systems in all build but has relied on the state to enforce the codes. If the st is unable to provide this function, do you think the City should spend additional money to enforce the codes?	Yes	No	Uncert.	No Ans (#)	Yes	No	Uncert.	No Ans (#)	Yes	No	Uncert.	No Ans (#)	Yes	No	Uncert.	No Ans (#)
	51%	39%	10%	(1)	42%	47%	10%	(2)	47%	42%	10%	(3)	43%	47%	10%	(0)

9. High inflation makes it very hard for local government maintain or improve services to the people without raising property taxes whether raising the mill rate or through reassessment. This problem leaves local government with some tough decisions. Does it increase taxes or cut back on services? would like your opinion. Which of the following statements best describes what you think Homer city government should do?

	RANDOM SURVEY OF CITY RESIDENTS (n=179)	VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)	ALL CITY RESIDENTS COMBINED (n=313)	VOLUNTEER SURVEY OF NON RESIDENTS (n=120)
____ Increase taxes large enough to improve and expand programs or offer new services not provided by local government in the past.	18%	19%	18%	17%
____ Increase taxes only enough to maintain the services we are now getting from Homer city government.	23	25	24	20
____ Hold the line on taxes by cutting back on less important services, while keeping important services as they are	44	35	40	41
____ Decrease taxes by making large cuts in many of the services offered by Homer city government.	5	7	6	10
____ Other (specify) _____	10	12	11	11
____ No Answer (#)	(4)	(5)	(9)	

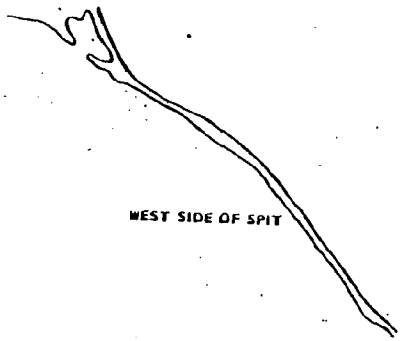
10. What priority should the following activities be given for use on the end of the Spit? For each activity check one priority level. (Refer to the map above.)

	RANDOM SURVEY OF CITY RESIDENTS (n=179)					VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)					ALL CITY RESIDENTS COMBINED (n=313)					VOLUNTEER SURVEY OF NON RESIDENTS (n=120)				
	High Priority	Low Priority	Exclude	Uncertain	No Answer (#)	High Priority	Low Priority	Exclude	Uncertain	No Answer (#)	High Priority	Low Priority	Exclude	Uncertain	No Answer (#)	High Priority	Low Priority	Exclude	Uncertain	No Answer (#)
Retail commercial (small businesses)	42%	45%	9%	4%	(12)	44%	41%	10%	6%	(1)	43%	43%	10%	5%	(13)	34%	53%	9%	4%	(1)
Motel/hotels	19	48	28	5	(6)	23	44	28	5	(3)	20	47	28	5	(9)	14	50	35	1	(0)
Offices (charter, govt	33	46	17	4	(17)	38	45	12	6	(7)	35	46	14	4	(24)	21	55	21	5	(2)
Marine industrial (fish processing, boat repair	80	13	4	3	(7)	85	11	2	2	(5)	82	12	3	3	(12)	87	12	2	–	(1)
Day park	55	24	13	8	(7)	59	23	10	9	(8)	57	24	11	8	(15)	62	27	8	3	(2)
Overnight camping	48	26	23	4	(7)	43	32	22	3	(2)	46	29	22	3	(9)	43	33	22	3	(3)
Non-marine industrial (heavy equip. repair)	6	12	75	8	(7)	3	20	70	7	(3)	4	16	73	7	(10)	2	17	81	1	(0)
Open space recreation and public access (public wharf)	76	17	2	5	(4)	84	12	2	2	(0)	79	15	2	4	(4)	82	12	6	1	(0)
Staging areas for commercial traffic (cargo vans, ferry traffic)	66	21	8	4	(6)	68	18	8	6	(2)	67	20	8	5	(8)	56	33	9	3	(1)
Staging areas for natural resource development (mining, timber or oil drilling equip.)	24	25	23	9	(8)	22	33	37	8	(1)	23	28	40	9	(9)	13	24	59	3	(0)
Fishing gear storage	30	28	38	4	(8)	21	36	39	5	(2)	26	31	38	5	(10)	26	42	31	2	(0)
Parking for tourists	51	34	11	4	(9)	55	35	6	4	(5)	52	35	9	4	(14)	48	36	12	4	(1)
Parking for retail businesses	47	37	13	3	(7)	47	43	6	5	(5)	47	39	10	4	(12)	35	53	8	3	(0)
Parking for commercial fishermen	77	15	6	1	(9)	70	21	6	3	(2)	74	18	6	2	(11)	73	23	3	1	(0)
Kachemak Bay St. Park headquarters	31	22	36	12	(10)	39	27	27	8	(2)	35	24	32	10	(12)	47	15	33	5	(1)
Motorcycle raceway	3	11	82	5	(6)	2	8	89	2	(0)	2	10	84	3	(6)	2	3	94	–	(0)



11. What priority should the following activities be given for use on the east side of the Spit? For each activity check one priority level. (Refer to the map above.)

	RANDOM SURVEY OF CITY RESIDENTS (n=179)					VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)					ALL CITY RESIDENTS COMBINED (n=313)					VOLUNTEER SURVEY OF NON RESIDENTS (n=1				
	High Priority	Low Priority	Exclude	Uncer-tain	No Answer (#)	High Priority	Low Priority	Exclude	Uncer-tain	No (#) Answer	High Priority	Low Priority	Exclude	Uncer-tain	No Answer (#)	High Priority	Low Priority	Exclude	Uncer-tain	No Answer
Retail commercial (small businesses)	38%	30%	22%	9%	(14)	42%	31%	22%	4%	(6)	40%	31%	23%	7%	(22)	31%	38%	29	3	(8)
Motel/hotels	21	30	46	4	(14)	26	27	43	5	(6)	22	29	44	4	(20)	17	27	54	2	(7)
Offices (charter, gov't.)	29	24	29	8	(19)	26	20	27	7	(12)	32	32	28	8	(41)	22	29	37	3	(9)
Marine industrial (fish processing, boat repr.)	68	17	11	5	(12)	67	18	14	1	(9)	67	18	12	3	(21)	71	17	12	1	(11)
Day park	50	26	15	7	(17)	48	31	16	5	(14)	50	28	16	6	(31)	51	31	15	4	(10)
Overnight camping	43	29	24	4	(13)	51	27	20	2	(11)	47	28	22	3	(24)	47	32	18	3	(7)
Non-marine industrial (heavy equip. repair	13	15	68	4	(14)	10	16	70	4	(8)	12	16	68	4	(24)	6	20	73	1	(6)
Open space recreation and public access (public wharf)	55	24	13	8	(13)	59	25	14	2	(6)	57	24	14	5	(19)	55	20	21	5	(9)
Staging areas for commercial traffic (cargo vans, ferry traffic)	48	24	20	9	(13)	48	27	21	5	(7)	47	25	20	7	(20)	33	27	34	6	(10)
Staging areas for natural resource development (mining, timber or oil drilling equip.	28	25	40	6	(16)	26	30	38	6	(8)	27	28	40	6	(24)	20	13	63	5	(4)
Fishing gear storage	36	31	28	4	(10)	38	29	31	2	(8)	36	31	30	3	(18)	48	25	27	-	(8)
Parking for tourists	49	29	18	4	(19)	61	24	10	3	(9)	53	28	15	19	(28)	44	32	18	6	(7)
Parking for retail businesses	35	38	20	7	(18)	42	36	19	3	(10)	38	37	20	5	(28)	31	36	27	6	(13)
Parking for commercial fishermen	51	31	13	6	(14)	58	28	13	2	(8)	54	30	12	4	(22)	52	28	10	6	(8)
Kachemak Bay St. Park headquarters	24	27	36	13	(18)	20	34	36	10	(7)	22	30	36	12	(25)	29	20	40	12	(9)
Motorcycle raceway	17	11	65	6	(16)	11	9	80	1	(5)	14	10	72	4	(15)	7	6	85	2	(8)



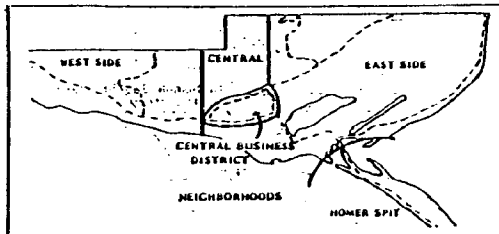
12. What priority should the following activities be given for use on the west side of the Spit? For each activity check one priority level. (Refer to the map above.)

	RANDOM SURVEY OF CITY RESIDENTS (n=178)					VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)					ALL CITY RESIDENTS COMBINED (n=313)					VOLUNTEER SURVEY OF NON RESIDENTS (n=120)				
	High Priority	Low Priority	Exclude	Uncertain	No Answer (#)	High Priority	Low Priority	Exclude	Uncertain	No Answer (#)	High Priority	Low Priority	Exclude	Uncertain	No Answer (#)	High Priority	Low Priority	Exclude	Uncertain	No Answer (#)
Retail commercial (small businesses)	28%	26%	40%	6%	(16)	27%	22%	50%	1%	(8)	27%	25%	45%	3%	(24)	– %				
Motel/hotels	14	21	59	6	(14)	17	21	61	1	(8)	15	21	60	4	(22)	7%	18	75	–	(4)
Offices (charter, govt)	20	28	46	6	(20)	15	29	55	1	(11)	18	28	51	4	(31)	10	28	62	1	(11)
Marine industrial (fish processing, boat repair	22	20	54	5	(21)	15	19	65	2	(10)	18	20	58	4	(31)	15	16	69	–	(10)
Day park	64	18	14	4	(14)	67	16	12	5	(12)	65	17	14	4	(26)	74	17	9	-	(10)
Overnight camping	70	16	13	2	(14)	67	16	14	3	(10)	68	16	14	2	(24)	61	21	17	1	(10)
Non-marine industrial (heavy equip. repair)	3	13	77	6	(22)	2	11	86	2	(10)	2	12	81	4	(32)	1	8	90	1	(10)
Open space recreation and public access (public wharf)	64	16	17	4	(12)	71	11	13	5	(8)	67	14	15	4	(20)	76	9	16	–	(10)
Staging areas for commercial traffic (cargo vans, ferry traffic)	16	14	66	4	(19)	12	14	70	4	(8)	14	14	68	4	(27)	10	16	73	2	(10)
Staging areas for natural resource development (mining, timber or oil drilling equip.)	9	13	74	4	(18)	6	17	74	3	(8)	8	15	74	4	(26)	5	7	87	2	(9)
Fishing gear storage	11	17	69	2	(16)	6	18	72	3	(7)	9	18	70	3	(23)	8	14	78	-	(9)
Parking for tourists	53	26	18	4	(12)	58	20	19	3	(4)	55	23	19	3	(18)	45	30	25	-	(9)
Parking for retail businesses	27	31	38	4	(16)	25	29	42	3	(8)	26	30	40	4	(24)	23	31	46	-	(10)
Parking for commercial fishermen	33	25	37	6	(14)	26	35	38	1	(8)	30	29	38	3	(22)	22	31	45	3	(9)
Kachemak Bay St. Park headquarters	25	16	45	14	(18)	33	16	44	8	(8)	29	16	44	11	(26)	35	16	45	5	(10)
Motorcycle raceway	2	6	86	6	(13)	5	4	90	2	(4)	3	5	88	4	(19)	2	4	95	-	(9)

	RANDOM SURVEY OF CITY RESIDENTS (n=174)				VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)				ALL CITY RESIDENTS COMBINED (n=313)				VOLUNTEER SURVEY OF NON RESIDENTS (n=12			
	YES	NO	UNDECIDED	NO ANSWER(#)	YES	NO	UNDECIDED	NO ANSWER(#)	YES	NO	UNDECIDED	NO ANSWER(#)	YES	NO	UNDECIDED	NO ANSWER(#)
13. Do you think traffic congestion on the Spit is a problem in the summertime?	79%	16%	5%	(6)	65%	30%	5%	(5)	73%	22%	5%	(11)	77%	18%	5%	(1)
14. If you answered "yes" [redacted] which of the following possible solutions to traffic congestion on the Spit do you favor? If you have other suggestions, please list them.	FAVOR	OPPOSE	UNDECIDED	NO ANSWER(#)	FAVOR	OPPOSE	UNDECIDED	NO ANSWER(#)	FAVOR	OPPOSE	UNDECIDED	NO ANSWER(#)	FAVOR	OPPOSE	UNDECIDED	NO ANSWER(#)
Expand existing parking areas	81%	12%	8%	(16) (29) (SHIP)	76%	17%	7%	(7) (24) (SHIP)	78%	14%	7%	(23) (53) (SHIP)	66%	25%	11%	(6) (19) (SHIP)
Enforce existing traffic and parking regulations	75	11	14	(18) (29)	81	11	9	(11) (27)	78	11	12	(29) (56)	64	23	13	(9) (14)
Expand the road to four lanes (Dept. of Trans. recommendation:	29	55	16	(13) (27)	17	67	15	(7) (24)	24	60	16	(20) (51)	17	71	12	(7) (14)
Restrict vehicle access	13	76	12	(19) (29)	17	73	11	(10) (29)	15	74	11	(29) (58)	21	67	12	(7) (14)
Restrict vehicle access while providing public shuttle bus service	25	61	13	(17) (28)	27	64	9	(9) (29)	26	62	12	(26) (57)	39	46	16	(5) (14)
Seasonal traffic and parking control	64	25	11	(17) (25)	76	17	7	(9) (30)	69	21	10	(26) (59)	66	22	13	(11) (14)
Provide more information signs	56	24	20	(25) (28)	73	13	13	(14) (30)	64	19	17	(39) (58)	66	22	13	(10) (14)
Provide more campground facilities for tourists off of the Spit	88	7	10	(8) (27)	80	14	6	(7) (29) (44)	81	10	9	(15) (56)	93	5	2	(9) (14)
Other (please list) _____	100	-	-	(137) (28)	100	-	-	(35)				(231) (58)	100	-	-	(93) (13)
16. Many of Homer's residential (secondary) streets do not meet the city's standards for grade, width, paving and drainage. According to the city code, secondary streets should have a right-of-way at least 60 feet wide, a paved or graveled width of at least 24 feet, and a grade not exceeding 10 percent. Do you feel that substandard streets should be brought up to City standards in the near future?																
____ Yes, within the next five years			69%				56%				63%				36%	
____ Yes, within the next ten years			21%				31%				25%				31%	
____ No			6%				9%				8%				28%	
____ Undecided			4%				4%				4%				5%	
____ No Answer (#)			(4)				(7)				(11)				(0)	
17. In past years, state and federal funds have been available for local road improvements. In the future, these funds may or may not be available. Assuming state and federal funds may not be available for road improvements for residential streets, who then should pay for the cost?																
____ All City taxpayers			30%				24%				27%				24%	
____ Benefitting property owners			10%				12%				11%				18%	
____ City tax payers and benefiting property owners			33%				40%				36%				39%	
____ None of the above. Wait for state and/or federal funds to become available, even if it means a delay.			19%				23%				20%				16%	
____ No opinion			9%				2%				6%				3%	
____ No Answer			(4)				(5)				(9)				(1)	

	RANDOM SURVEY OF CITY RESIDENTS (n=179)	VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)	ALL CITY RESIDENTS COMBINED (n=313)	VOLUNTEER SURVEY OF NON RESIDENTS (n=120)
18. What is your primary source of water?				
____ City waterline to my house	83%	65%	75%	3%
____ Well	6%	21%	13%	55%
____ Rainwater collection	2%	2%	2%	11%
____ Haul water	6%	7%	7%	15%
____ Other _____	4%	4%	4%	16%
____ No answer (#)	(2)	(1)	(3)	(3)
19. How would you rate the quality of your primary water source?				
____ Satisfactory	81%	80%	81%	81%
____ Unsatisfactory	15%	14%	14%	19%
____ No opinion	4%	6%	5%	–
____ No answer (#)	(1)	(0)	(1)	(3)
20. How would you rate the quantity of your primary water source?				
____ Satisfactory	89%	87%	88%	86%
____ Unsatisfactory	8%	10%	9%	14%
____ No opinion	3%	4%	4%	1%
____ No answer (#)	(2)	(0)	(2)	(2)
21. What type of sewage disposal do you have?				
____ City sewers	67%	56%	62%	2%
____ Septic tanks	24%	32%	28%	54%
____ Outhouse	5%	6%	5%	41%
____ Other	1%	5%	3%	2%
____ Don't know	2%	2%	2%	2%
____ No answer (#)	(1)	(0)	(1)	(3)
22. If you have a septic tank, are you having recurring problems with it?				
____ Yes, severe problems	9%	2%	6%	8%
____ Yes, some problems	23%	23%	22%	5%
____ No	66%	73%	70%	85%
____ Don't know	2%	2%	2%	3%
____ No answer (#)	(1)	(2)	(3)	(106)
____ Legitimate skip (#)	(134)	(88)	(222)	(5)

	RANDOM SURVEY OF CITY RESIDENTS (n = 174)	VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)	ALL CITY RESIDENTS COMBINED (n=313)	VOLUNTEER SURVEY OF NON RESIDENTS (n=120)
23. If you answered yes [redacted] please identify primary problem.				
____ High water table	24%	40%	30%	22%
____ Settling of the system	18%	20%	–	11%
____ System lacks adequate capacity	18%	10%	18%	33%
____ Poor installation	6%	10%	15%	22%
____ Lack of maintenance	–	–	–	–
____ Don't know	35%	10%	30%	11%
____ Other	6%	20%	7%	–
____ Legitimate skip (#)	(161)	(119)	(280)	(106)
____ No answer (#)	(1)	(5)	(6)	(5)
24. In past years, state and federal funds have been available for water and sewer extensions. In the future these funds may or may not be available. Assuming state and federal funds may not be available for water and sewer extensions, who then should pay for the cost?				
____ All City taxpayers	16%	19%	17%	12%
____ Benefiting property owners	28%	28%	28%	33%
____ City taxpayers and benefiting property owners should share the cost	37%	34%	38%	41%
____ None of the above. Wait for state and/or federal funds to become available even if it means a delay.	12%	12%	12%	8%
____ No opinion	8%	2%	6%	7%
____ No answer (#)	(5)	(2)	(7)	(4)



25. Please find your neighborhood on the map above and check the correct location.

	RANDOM SURVEY OF CITY RESIDENTS (n = 179)	VOLUNTEER SURVEY OF CITY RESIDENTS (n = 134)	ALL CITY RESIDENTS COMBINED (n = 313)	VOLUNTEER SURVEY OF NON RESIDENTS (n = 120)
____ Homer Spit	4%	4%	4%	–
____ Central business district (bounded by high school, south of Pioneer Ave., west of Lake Street, north of By-Pass)	20%	17%	19%	–
____ West side of town, inside of City limits (west of high school)	18%	23%	20%	–
____ East side of town, inside City limits (east of Lake Street)	28%	28%	28%	–
____ Outside of Homer city limits (greater Homer area, Anchor Point, Kachemak City, head of bay)	–	–	–	98%
____ Outside of Homer (across the bay, Seldovia, Halibut Cove, Port Graham, English Bay, etc.)	–	–	–	2%
____ Central (inside city limits) (North of Pioneer Ave., West of Lake Street).	29%	28%	28%	–
____ No Response	(3)	(0)	(3)	(0)

26. Are any of the following conditions present in your neighborhood?

	Severe Problems	Limited Problems	Not a Problem	No Answer (#)
Streets needing repair	57%	25%	18%	(10)
Fire hazard	4	21	74	(23)
Trash and litter	11	38	51	(18)
Abandoned structures	2	13	58	(21)
Odor and air pollution	2	10	88	(22)
Drainage problems	2	39	39	(16)
Noise pollution	10	26	65	(22)
Unsafe conditions for pedestrian	28	29	43	(15)
Other (please list) _____	76	–	24	(162)

	Severe Prob.	Limited Prob.	Not a Prob.	No Answer (#)
Streets needing repair	51%	31%	18%	(6)
Fire hazard	5	19	76	(18)
Trash and litter	23	37	40	(13)
Abandoned structures	14	15	71	(16)
Odor and air pollution	3	9	89	(18)
Drainage problems	30	39	31	(9)
Noise pollution	10	36	54	(16)
Unsafe conditions for pedestrian	37	30	34	(12)
Other (please list) _____	86	14	--	(113)

	Severe Problems	Limited Problems	Not a Problem	No Answer (#)
Streets needing repair	54%	28%	18%	(16)
Fire hazard	5	20	75	(41)
Trash and litter	16	38	46	(31)
Abandoned structures	7	14	78	(37)
Odor and air pollution	2	9	89	(40)
Drainage problems	25	40	36	(25)
Noise pollution	10	30	60	(38)
Unsafe conditions for pedestrian	32	29	39	(25)
Other (please list) _____				(275)

	Severe Prob.	Limited Prob.	Not a Prob.	No Answer (#)
Streets needing repair	37%	38%	25%	(9)
Fire hazard	9	30	61	(18)
Trash and litter	14	21	65	(15)
Abandoned structures	7	14	79	(19)
Odor and air pollution	1	5	94	(19)
Drainage problems	18	26	56	(14)
Noise pollution	4	13	83	(18)
Unsafe conditions for pedestrian	26	16	58	(15)
Other (please list) _____	30	40	30	(110)

27. How long have you lived in Homer or the Homer area?

	RANDOM SURVEY OF CITY RESIDENTS (n = 179)	VOLUNTEER SURVEY OF CITY RESIDENTS (n = 134)	ALL CITY RESIDENTS COMBINED (n = 313)	VOLUNTEER SURVEY OF NON RESIDENTS (n = 120)
1 yr. or less	13%	11%	12%	8%
1-5 yrs	37%	34%	35%	38%
6-10 yrs.	24%	30%	26%	28%
10 yrs.	27%	25%	26%	26%
Median	5.0 YRS.	5.8 YRS.	5.4 YRS.	5.7 YRS.
No Answer (#)	(0)	(0)	(0)	(0)

	RANDOM SURVEY OF CITY RESIDENTS (n=179)	VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)	ALL CITY RESIDENTS COMBINED (n=313)	VOLUNTEER SURVEY OF NON-RESIDENTS (n=120)
28. What type of housing unit do you live in?				
____ Single family	56%	69%	62%	86%
____ Duplex	4%	6%	5%	2%
____ Apartment/multiple-unit	16%	8%	12%	1%
____ Mobile home	20%	12%	16%	8%
____ Other (please specify) _____	3%	6%	5%	3%
____ No answer (#)	(2)	(3)	(5)	(1)
29. How many persons currently live in your house? ____				
____ One	12%	11%	12%	17%
____ Two	37	37	37	40
____ Three	19	21	20	18
____ Four	19	21	20	15
____ Five	8	5	7	6
____ Six	4	3	4	1
____ Seven or more	2	2	2	2
____ median (persons)	2.58 persons	2.60 persons	2.59 persons	1.82
____ No answer (#)	(10)	(4)	(14)	(5)
30. Do you own or rent your house?				
____ Own	73%	77%	75%	79%
____ Rent	26%	19	22%	18
____ Other arrangement (house sit, staying with family or friends, etc.)	1%	1	1%	3
____ Other (please specify) _____	1%	3	2%	1
____ No answer (#)	(4)	(2)	(6)	(1)

31. What is the occupation of the primary wage earner of your household? Please check first column. If there are other wage earners in your household, what is the occupation of the second wage earner? Please check the second column

	Primary	Secondary	Primary	Secondary	Primary	Secondary	Primary	Secondary
Professional (doctor, teacher, etc.)	16%	9%	23%	20%	19%	14%	21%	21%
Managers and owners (public/private business)	14	8	22	17	17	12	6	6
Technical	10	6	7	--	9	3	7	7
Clerical and sales	8	17	2	25	5	26	15	15
Crafts (carpenter/shipwright)	5	1	7	2	6	1	10	10
Crafts (artists, handicrafts)	1	1	1	3	1	2	8	8
Equipment operator	4	1	4	--	4	1	--	--
Laborer	7	4	1	2	4	3	4	4
Service worker (cleaning, food service)	2	10	1	3	1	8	6	6

31. What is the occupation of the primary wage earner in your household? (continued from last page)	RANDOM SURVEY OF CITY RESIDENTS (n=179)		VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)		ALL CITY RESIDENTS COMBINED (n=313)		VOLUNTEER SURVEY OF NON RESIDENTS (n=120)	
	PRIMARY	SECONDARY	PRIMARY	SECONDARY	PRIMARY	SECONDARY	PRIMARY	SECONDARY
Fishing boat (owner, operator, crew)	11%	9%	17	14	14%	11%	11	11
Cannery worker	-	1	1	3	2	3	1	1
Homesteader/farmer	3	0	--	--	—	—	4	4
Homemaker	2	9	--	9	1	9	3	3
Student	0	2	--	--	—	1	1	1
Retired	12	8	12	2	13	5	3	3
Other (please list)	3	0	4	--	4	1	--	--
No Answer (#)	(3)	(93)	(1)	(75)	(4)	(168)	(1)	(98)
32. What percent of your total household's income is earned by the primary wage earner?								
___ Less than 25 percent	1%		2%		1%		-	
___ 26 to 50 percent	19		15		17		19%	
___ 51 to 74 percent	10		21		15		26	
___ 75 to 99 percent	17		17		17		18	
___ 100 percent	53		45		50		42	
___ mean	87		81		84		82	
___ No Answer	(22)		(9)		(31)		(10)	
33. On the average, what percent of last year's income was earned outside a 50 mile radius of the greater Homer area defined as the area around Anchor Point, Homer and Seldovia?								
___ None	63%		61%		62%		57%	
___ 1 to 25 percent		9%		5%		7%		11
___ 26 to 50 percent		4%		10%		7%		7
___ 51 to 75 percent	4%			2%		3%		9
___ 76 to 99 percent		6%		10%		8%		9
___ 100 percent		16%		12%		14%		10
___ mean		25%		28%		26%	35%	
___ No Answer (#)	(21)		(21)		(42)		(16)	
34. If you earn more than 5% of your income outside of the Homer area, please list the location and activity; for example, fishing in Bristol Bay. If you earned less than 5% of your income outside of the Homer area, please leave this question blank.								
___ North Slope (oil related)	24%		33%		19%		14%	
___ Bristol Bay & Bering Sea - (SW Alaska)	19%		23		21		18	
___ Prince William Sound -	8		3		6		9	
___ Anchorage -	11		23		17		20	
___ Kenai Borough & Cook Inlet	19		13		16		2	
___ Outside State	11		10		11		14	
___ Other	8		16		11		23	
___ No Answer (#)	(142)		(95)		(237)		(26)	

34. (continued) - Activity Listed -	RANDOM SURVEY OF CITY RESIDENTS (n=179)	VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)	ALL CITY RESIDENTS COMBINED (n=313)	VOLUNTEER SURVEY OF NON RESIDENTS (n=120)
Fishing	36%	32%	34%	29%
Investments	17	13	15	12
Equipment & Construction	14	19	16	19
Pension	7	–	4	2
Oil Related	10	3	7	2
Technical	7	10	8	12
Service Worker	2	6	4	2
Professional	5	16	10	21
Guiding	2	–	1	–
Legitimate Skip (#)	(104)	(66)	(170)	(52)
No Answer (#)	(33)	(37)	(70)	(26)

35. On the average, what percent of your household's purchases of the following items are bought from Homer area merchants?

RANDOM SURVEY OF CITY RESIDENTS (n=179)

Item	None	1% to 25%	26% to 50%	51% to 75%	76% to 100%	Mean	No Answer (#)
___ Groceries	(-)	2%	3%	11%	85%	89%	(20)
___ Clothing	(17%)	20	23	4	26	43	(34)
___ Small appliances	(26)	15	19	5	36	46	(38)
___ Large appliances	39	10	16	2	34	41	(46)
___ Entertainment (including meals away from home)	1	7	18	12	62	74	(35)
___ Gasoline and car maintenance	2	1	3	7	88	89	(30)
___ Furniture	33	11	16	5	35	44	(47)
___ Insurance and financial services	11	3	18	5	63	70	(33)
___ Medical services	4	6	11	6	74	79	(43)
___ Other personal services (legal, haircuts, repairs, etc.	4	9	12	12	64	74	(42)

VOLUNTEER SURVEY OF CITY RESIDENTS (n=134)

Item	None	1% to 25%	26% to 50%	51% to 75%	76% to 100%	Mean	No Answer (#)
Groceries	-	5%	6%	8%	82%	86%	(9)
Clothing	6%	44	29	5	16	35	(15)
Small appliances	27	22	18	5	27	39	(20)
Large appliances	44	13	10	4	29	36	(19)
Entertainment (including meals away from home)	-	11	15	21	63	71	(12)
Gasoline and car maintenance	1	1	3	8	87	89	(9)
Furniture	36	11	15	7	32	42	(20)
Insurance and financial services	12	6	15	8	59	68	(11)
Medical services	5	3	9	6	78	82	(12)
Other personal services (legal, haircuts, repairs, etc.	3	6	11	9	72	79	(18)

ALL CITY RESIDENTS COMBINED (n=313)

Item	None	1% to 25%	26% to 50%	51% to 75%	76% to 100%	Mean	No Answer (#)
Groceries	-	3%	4%	10%	84%	88%	(37)
Clothing	9%	37	26	7	21	39	(49)
Small appliances	26	17	19	5	32	43	(59)
Large appliances	41	11	13	3	32	39	(65)
Entertainment (including meals away from home)	1	9	17	16	58	73	(47)
Gasoline and car maintenance	2	1	3	7	88	89	(39)
Furniture	34	11	16	6	34	43	(67)
Insurance and financial services	11	4	17	6	61	69	(49)
Medical services	4	5	10	6	76	80	(55)
Other personal services (legal, haircuts, repairs, etc.	4	8	12	11	68	76	(60)

VOLUNTEER SURVEY OF NON RESIDENTS (n=120)

Item	None	1% to 25%	26% to 50%	51% to 75%	76% to 100%	Mean	No Answer (#)
Groceries	-	7%	5%	7%	81%	84%	(11)
Clothing	17%	50	15	9	11	28	(17)
Small appliances	24	22	19	5	21	33	(23)
Large appliances	47	14	11	3	25	32	(25)
Entertainment (including meals away from home)	5	11	20	16	49	66	(13)
Gasoline and car maintenance	5	3	8	7	78	82	(14)
Furniture	51	14	13	1	22	28	(27)
Insurance and financial services	24	3	17	3	59	60	(19)
Medical services	9	7	10	5	70	74	(16)
Other personal services (legal, haircuts, repairs, etc.	10	9	17	2	63	69	(18)

	Random Survey of City Residents (n=179)	Volunteer Survey of City Residents (n=134)	All City Residents Combined (n=313)	Volunteer Survey of Non Residents (n=120)
36. What is your approximate total annual household income				
___ Less than $20,000	25%	23%	25%	31%
___ $20,000 to $29,999	33%	29%	31%	29%
___ $30,000 to $39,999	14%	15%	14%	13%
___ $40,000 or more	28%	25%	31%	35%
___ Median ($)				
___ No Answer (#)	(18)	(5)	(23)	(5)
37. What was your age on your last birthday? ______				
Less than 25 yrs.	12%	6%	9%	2%
25-34 yrs.	33%	37	35	51
35-44 yrs.	23%	27	25	23
45-54 yrs.	14%	13	14	9
55-64 yrs.	10%	6	8	11
More than 64 yrs.	7%	11	9	4
Median (yrs.)				
No Answer (#)	(7)	(7)	(14)	(2)
38. What is your sex?				
___ Female	46%	49%	47%	42%
___ Male	54%	51%	53%	58
___ No Answer (#)	(4)	(1)	(7)	(6)

RANDOM SURVEY COMMENTS

#3. How should the establishment of a strong central business district (defined as the area of Pioneer Avenue, Lake Street, and Main Street) be achieved?

Keep a green belt in the downtown area (Bypass). Do a complete development plan for area for roads, streets, water and sewer, electricity, telephones, etc. Make an an atmosphere to attract more businesses (trees, boardwalk or pathways).

Make it unique, such as Victoria B.C. Homer has artisans, seafood, spectacular scenery. Make use of local residents for work projects, zoning with backbone. No industrial type work in CBD, sing board limitation (no neon). I would also approve orderly div. of Bypass.

To retain a certain historic relationship as to what and where the city was.

#4. What should be done to the retail/commercial area along Pioneer Avenue and Lake Street to improve its appearance and traffic flow?

If streets and sidewalks are provided, allow access at all necessary crossings and areas for the handicapped.

Put back the trees

Upgrade approaches to above streets

Shuttle buses

Leave modernization for the big city

Enforce present parking hours

3-way stop sign at Pioneer Lake and East Road; wooden sidewalks should be constructed. I think that from a safety standpoint that lines on paved roads be kept up and pedestrian ways of some kind should be built.

Eliminate one way street on Bartlett.

Discourage other commercial strip zoning; underground power lines, pave east and west roads; sweep streets; no on-street parking; install curbs and gutter.

More trash cans for public use; no neon signs; more trees and landscaping; pass an ordinance against junk and debris in downtown area; business should have paved parking lots; don't inhibit growth by poor building design, etc.;

Sign control ordinance; keep roads clean and shoulders graded; traffic signal at Lake and Pioneer.

#9. (continued)

Spend money on more worthwhile projects -- sewerage first, roads second

The sales tax should be considered as a means of money for projects.

Get more value for services we are now paying for (i.e., what are we paying an animal control officer for, he isn't doing anything.

Decrease city employees by 30%

Enlarge city limits -- how many people are being served or are using city services without paying for them?

Curtailmant of irresponsible and incompetent spending practices of city council.

Taxes in Homer are already the highest around. The city needs to stop doing what the public can and should do for itself.

Only expand public services when economically justified.

User fees and taxes pay for what you use; alot of people are already doing road work, for example, during break-up that we pay in taxes for but does not get done by Homer city government. Why pay for something that does not get done?

Get rid of dead wood and cut the ridiculously high wages.

Go to 5% sales tax and no property tax

Hold taxes, cut waste and inefficiency in government.

Manage what they get better

Develop sources of revenues other than taxes

Pare down police, it is inflated for summer density all year long.

Raise taxes slightly and change for sure city services, parks and recreation programs, use of city school rec/educational facilities.

#14. What possible solutions to traffic congestion on the Spit do you favor?

Keep some of the natural aspects;

Fill in lower areas for parking and camping; parking compounded by no plan for commercial development

Walkway only on end of spit

Residence and commercial fishermen should have special parking privileges.

The shuttle bus is the best idea. It should be from downtown to east of spit. Parking should be no problem then.

Improve existing parking. Provide off spit parking for commercial fishermen.

Keep tourists off spit; parking fee

Deplete overnight camping. Too many rapes and beatings go on out there in the summer.

CITY OF HOMER

MISCELLANEOUS COMMENTS

(Random Survey)

Suggest development of Bishop's Beach as day park area. The area is presently deteriorating rapidly due to unsupervised use and campers. Problems include fire, no waste disposal, trash and litter, damage to trees and other vegetation.

If park not feasible, ordinance should be passed to restrict camping on private property to those with written permission of owners (city wide)---should be patrolled.

Day park would be of great benefit to community residents.

Homer city airs council meetings and prints decisions made in paper; however, it does not advertise how citizens may comment and be heard on local issues before these decisions are made.

Dear Survey,

My wife and I both work at the hospital and live close to work in the central section. Our roads could stand to be paved and sidewalks installed, especially where most lots are owned or developed. We earn our money here, and we generally spend it here. I don't really want a big expensive city government, just a small responsive one. Police and fire seem to be adequate, while not imposing. I feel the Spit should be utilized, but in a controlled manner. Hotels and tourist related business at the end of the spit, the east side should be developed for port and harbor, commercial fish, sport fishing, and supportive enterprises. The west side should be mostly open camping, day parks, and limited time camping. I would like to see a bus or shuttle from town to the spit and back, and parking done at the base of the Spit, or along Lake Street. I like a compact central location for most business, and a loose restriction used on the style and type of buildings and signs.

Altogether, we like living here, and the taxes are so far acceptable. I don't like people moving here without jobs and being on welfare or aid, but cannery housing should be done by the cannery, and not supported by us. Outhouses are needed on the Spit, but should be in day park or small developed areas. I hope it all works out for you.

We need a civic center of small size, but one that is flexible, with a good staff. It should be optimized and put on an expansive program when needed, or possibly joined with the library and museum. I would like some watchdog action on the price and quality of food goods and possibly an open market for fish, shrimp, crab and vegetables.

Appendix B

ECONOMIC MODEL

The primary objective of analyzing or developing a model of an area's economy is to obtain information which will help the local decision makers better understand the economic structure of the area and what makes it work. Hopefully, with insight into the area's economic makeup, projects and programs can be better evaluated in terms of their economic contribution to the community. An economic study should be able to answer the following types of questions:

> What are the sources of current income and employment for the area?
>
> What are the impacts on the regional economy of various economic development alternatives?

The purpose of this appendix is to give a brief description of the two major types of economic models employed, and explain the origins of the economic figures presented in Chapter 3.

TYPES OF ECONOMIC MODELS

Two major types of economic models are developed to describe community or regional economies. An economic base model identifies the basic sources of employment and income in a community.

By the term basic sources or sectors, reference is made to those economic sectors whose sales are primarily generated outside the area. Sectors whose income sources originate mostly from local sales are considered as local or secondary sectors. The growth potential of a region is assumed to depend on its basic-local ratio. The greater the proportion of local goods and services exported out of the area, the greater is its potential for growth.

One of the more important concepts derived from economic base studies is the idea of the regional multiplier. The multiplier can use either employment or income figures as a unit of measure. Suppose that the analyst wanted to estimate the impact of increased production in a basic sector--for example, the impacts of increased recreational/tourism activity occurring in the region. To derive the total income generated within the area, the analyst would take the multiplier derived for the tourism sector and multiply it by the revenue resulting from the increase in anticipated recreational/tourism activity.

TOTAL ECONOMIC CHANGE IN REGIONAL ECONOMY	=	CHANGE IN BASIC SALE OF SECTOR i	x	ECONOMIC BASE MULTIPLIER OF SECTOR i

Estimating the total impact by using the basic sector's regional multipliers, one can compare the relative total economic benefits occurring in the area from various economic development alternatives.

An input-output model breaks down the components of the economic base study's basic-local sectors. Instead of using the total proportion of export sales to local sales in determining whether a sector is to be considered as being basic or local to the area, an input-output model looks at each sector of the economy in terms of its purchases and sales to the other sectors both locally and from outside of the area. Using this information, the regional input-output multipliers are developed. Where the economic base multiplier yields the total increase in income resulting from an increase in any one of its sectors, the multipliers developed from an input-output model are able to break down the total income effect among all the sectors of the economy.

TOTAL ECONOMIC CHANGE IN REGIONAL ECONOMY		SUMMATION OF ECONOMIC CHANGES IN ALL SECTORS	=	CHANGES IN EXPORT SALES OF SECTOR i	x	INPUT-OUTPUT MULTIPLIER OF SECTOR i

The most apparent divergence between the two models is the level of aggregation, or grouping together, in describing the impacts of a change occurring in any one of the economic sectors.

HOMER ECONOMIC MODEL

The economic model utilized in Chapter 3 is an input-output model which was primarily derived by direct surveys of Homer businesses and residents, along with some secondary (previously published) information.

The major source of information for the model was a series of economic surveys filled out by businesses representing well over half of the employment in Homer. The survey asked businesses to indicate the type of business they were engaged in (to help match their response with published data sources), along with recent employment and the distribution of their revenues and expenditures among other major categories of business. A sample of the survey form used for non-fishing businesses is attached as Figure B-1, while Figure B-2 lists the categories of employment used to compile the figures. Names of individual businesses who responded to the survey cannot be released since their answers were given under the premise that their identify be kept confidential.

Total value of output for each sector of the Homer economy was obtained from the Alaska Department of Revenue for all sectors other than fisheries, and by interview and other documents for the fishing and fish processing sectors. Where State revenue figures were not available for the current year, Borough retail sales tax data and other data were used to develop current estimates.

All of these sources were used to develop a detailed 22 row, 22 column transactions table, or input-output model, of the Homer economy. The table was then condensed, by combining certain rows and columns of the table, to a 14 row, 14 column table presented in Chapter 3. Employment figures were obtained for non-fishing businesses directly from the Alaska Department of Labor, and fishing employment was estimated based on crew share estimates obtained in the employer survey.

Once the transactions table (shown in Table 3-4) was finalized, direct and indirect coefficients (dollar multipliers specific to each combination of selling and purchasing business category) were calculated and used to translate the economic growth assumptions (Table 3-8) into economic projections for the Homer economy (Table 3-7). The calculations were made utilizing the methods of Miernyk (1965). The direct and indirect coefficients utilized for the calculations are shown in Table B-1.

FIGURE B-1

HOMER COMPREHENSIVE PLAN

EMPLOYER'S SURVEY

Please answer as many of the questions below as you can, and return your completed survey in the envelope provided. If you have any questions about any parts of this questionnaire, please call Marlene Helminiak at the Comprehensive Plan office (235-6368) or leave the question blank. If you fill in your name and telephone number, we will contact you shortly to complete the questionnaire.

ALL ANSWERS TO THIS SURVEY ARE CONFIDENTIAL AND WILL BE USED FOR STATISTICAL PURPOSES ONLY. YOUR COOPERATION IS STRICTLY VOLUNTARY.

1. First, what is the name of your business or agency?

   _____

2. What is your name and telephone number where we may reach you, in case we have any questions about your survey?

   Name: _____

   Telephone: _____

3. What type or types of business are you engaged in?

   _____

   _____

   _____

4. Over the last two and a half years, on the average how many fulltime employees or crew members (including yourself and family members) worked for your organization during each of the following periods? Use fractions if necessary.

	1979	1980	1981
a) Winter (January-March)	___	___	___
b) Spring (April-June)	___	___	___
c) Summer (July-September)	___	___	___
d) Autumn (October-December)	___	___	___

5. Please consider your sales or other revenues over the past year. Without giving actual dollar figures, approximately what percentage of your operating revenues came from the following sources. (Please note, the total percentages should equal 100 percent.) We recognize that this information may not be readily available to some employers, but please give your best estimate if possible.

a. What percent of your sales or revenue can be attributed to Homer area businesses? (This would include all areas from Diamond Ridge to Head of the Bay and the City of Homer, but not Seldovia, Port Graham, Halibut Cove, English Bay, McDonald Spit, Jakalof Bay, or communities north of Anchor Point.) _____ %

b. What percent of your sales or revenues can be attributed to businesses outside of the Homer area? _____ %

c. What percent of your sales were to year round or part time residents of the Homer area? _____ %

d. What percent of your sales or revenues were from tourists? _____ %

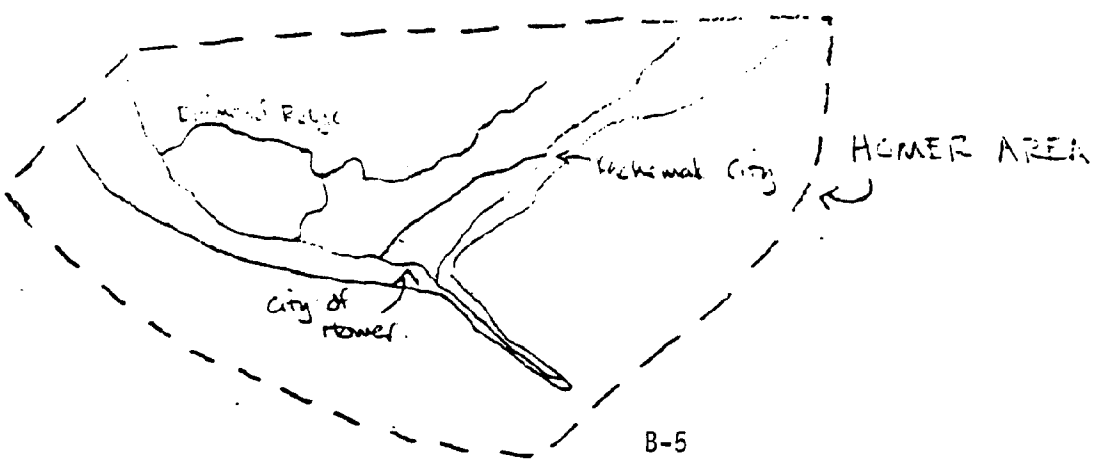
e. What percent of your sales or revenues were from Federal government agencies? _____ %

f. What percent of your sales or revenues were from State agencies? _____ %

g. What percent of your sales or revenues were from Borough, City or other local public agencies? _____ %

h. What percent of your sales or revenues were from residents of other Kenai Peninsula towns outside of the Homer area (Seldovia, Port Graham, Halibut Cove, English, Kenai, Soldotna, etc.) _____ %

(Note: The total should equal 100%) TOTAL _____ %



6. Now, please consider your expenditures, and where your business purchases its supplies and services. Indicate how your purchases are distributed among organizations within the Homer area and organizations located outside of the Homer area. What percent of your expenditures went to the following categories?

a. Wages, salaries, owner's draw, crew shares, etc. _____%

b. Property and sales taxes. _____%

c. Other taxes _____%

d. Purchases from organizations or individuals located within the Homer area. _____%

e. Purchases from organizations or individuals located outside of the Homer area. _____%

(Note: Total should equal 100%) TOTAL _____%.

7. Of the wages, salaries, owner's draw, crew shares, etc. estimated in 6(a) above, what percentage was paid to year round residents, seasonal residents and non-residents of the Homer area?

a. Year round residents _____%

b. Seasonal residents _____%

c. Non-residents _____%

(Note: Total should equal 100%) TOTAL _____%

8. Of the Homer area organizations included in 6(d) above, what percentages were purchases from the two largest suppliers?

a. Our largest Homer area supplier was _____ and we purchased ___% of the total percentage listed in 6(d).

b. Our second largest Homer area supplier was _____ and we purchased _____ of the total percentage listed in 6(d).

9. (Optional) What was your organization's total revenue during the last year?

Thank you for your assistance. Please return this questionnaire in the envelope provided or to City Hall or call Marlene Helminiak at 235-6368 if you have any questions.

Table B-1

DIRECT AND INDIRECT COEF
HOMER ECONOMY

	1	2	3	4	5	6	7	
1	1.0001	2E-04	.4503	1E-04	0	0	.0125	
2	2.8E-03	1.0802	2.5E-03	.0184	1.2E-03	3.6E-03	1.4E-03	1.7E
3	2E-04	4E-04	1.0001	3E-04	0	0	.0278	
4	2.6E-03	.0217	1.6E-03	1.0247	2.7E-03	3E-04	1.7E-03	2E
5	.079	.0862	.109	.0544	1.0753	.0735	.0768	.0
6	1.2E-03	3.8E-03	1.5E-03	2.6E-03	1.1E-03	1.0009	1.1E-03	1.1E
7	2.9E-03	1E-04	2.2E-03	1E-04	4E-04	0	1.0022	
8	.0436	.0157	.0217	9.1E-03	.0277	3.4E-03	2.9E-03	1.0
9	4E-04	2.4E-03	4E-04	4.9E-03	3E-04	5E-04	2E-04	3E
10	7E-04	.0463	6E-04	.0105	5E-04	6E-04	4E-04	6E
11	.0297	7.4E-03	.016	.0126	1.9E-03	1.4E-03	8.3E-03	3E
12	0	9.5E-03	1E-04	2E-04	0	0	0	
13	.0105	.0197	.0111	.0183	7.5E-03	.0178	5.2E-03	5.7E
14	0	0	0	0	0	0	0	

Note: Final table to be printed with accompanying row and column titles and wi

Figure B-2

BUSINESS CATEGORIES

SIC*	Category
01, 07	Agriculture
09	Commercial Fishing
10-14	Mining
15-17	Contract Construction
20	Manufacturing, Food & Kindred Products
24	Lumber & Wood Products
27	Printing & Publishing
33	Fabricated Metal Products
16-19, 21-23, 25, 26, 28-32, 34-39	Miscellaneous Manufacturing
41	Local, Suburban, Interurban Transit
42	Motor Freight, Warehousing
43	Air Transportation
40, 44-47	Other Transportation
48	Communications
49	Electric, Gas, Sanitary Services
50	Wholesale Trade
52, 53, 59	Retail, Durable Goods, General Merchandise, Misc.
54	Retail Trade, Food Stores
55	Auto, Service Stations
56, 57	Retail Apparel, Accessories, Furniture & Home Furnishings
58	Retail Eat & Drink Places
60-79	Finance, Insurance & Real Estate
70	Hotels, Rooms, Other Lodging
72, 73	Personal & Business Services
75, 76	Auto & Misc. Repair Services
78, 79	Motion Pictures, Amusement & Recreation
80-89	Health, Legal, Educational & Misc. Services
91	Federal Government
92	State Government
93	Local Government
	Households, Local
	Households, Non-local
	Imports from Other Areas

*Standard Industrial Classification utilized by U.S. Government (Office of Management and Budget, 1972).

Appendix C

COMPLIANCE WITH STATE OF ALASKA COASTAL MANAGEMENT PROGRAM

Based on the regulations and guidelines of the Alaska Coastal Management Program, the Homer Comprehensive Plan substantially complies with many of the provisions of the Alaska Coastal Management Act of 1977. Compliance with specific guidelines and provisions of the Alaska Coastal Management Program (ACMP) is shown below.

ACMP Guideline	Meets Part or All of Guidelines Yes	No	Comments
6 AAC 85.020 Statement of Needs, Objectives, Goals	X		See Chapters 4, 5, 6, 7, 8, 9, 10, 11 and Objectives
6 AAC 85.030 Description of the Program Organization for Coastal Management		X	
6 AAC 85.040 Map of Boundaries of the Coastal Area Within the City Subject to the Program		X	
6 AAC 85.050 Resource Inventory of Habitats			
Offshore Areas		X	
Estuaries		X	
Wetlands & Tidelands		X	
Rocky Islands/Sea-Cliffs		X	
Barrier Isl. & Lagoons		X	
High Energy Costs		X	
Rivers, Lakes, Streams	X		See Chap. 2 - Natural Resources
Important Upland Habitats	X		See Chap. 2 - Natural Resources
Major Cultural Resources	X		See Chap. 3 - Human Resources and Chap. 11 - Public Safety, & Health Services Plan
Land & Resources Management Responsibilities	X		See Chap. 4 - Land Use Plan
Historic/Arch. Resources		X	

ACMP Guideline	Meets Part or All of Guidelines Yes	No	Comments
6 AAC 85.060 Resource Analysis Which Describes: Significant changes in the resources inventoried, evaluation of environmental capability & sensitivity of resources and habitats, assessment of present and anticipated needs & demands for coastal habitats & resources	X		Partially satisfied See Chap. 2 - Natur. Resources Chap. 4 - Land Use Plan Chap. 5 - Homer Spit Plan Chap. 9 - Parks & Recreation Plan
6 ACC 85.700 Description of Land and Water Uses Subject to the Program, Including:			
Coastal Development	X		See Chap. 4 - Land Use Plan
Geophysical Hazard Areas	X		See Chap. 4 - Land Use Plan
Recreation	X		See Chap. 9 - Parks & Rec Plan
Energy Facilities		X	
Transportation & Utilities	X		See Chapters 7 and 8
Fish & Seafood Processing	X		See Chapters 4, 5, and 12
Timber Harvest & Processing	X		See Chapters 4, 5, and 12
Mining & Mineral Processing	X		See Chapters 4, 5, and 12
Subsistence	X		See Chapters 4, 5, and 9
6 ACC 85.080 Description of Uses & Activities Which Will Bee Considered Proper & Improper Within the Coastal Area	X		See Chapters 4 and 5

ACMP Guideline	Meets Part or All of Guidelines Yes	No	Comments
6 AAC 85.090 Summary of Policies That Will Be applied to the Land & Water Uses & Activities Subject to the Program			See Chapters 4 and 5
Coastal Development	X		See Chapters 4 and 5
Geophysical Hazard Areas	X		See Chapter 4
Recreation	X		See Chap. 9 - Parks & Rec.Plan
Energy Facilities	X		See Chapters 4 and 5
Transportation & Utilities	X		See Chap. 8 - Public Utilities and Facilities Plan
Fish/Seafood Processing	X		See Chapters 4, 5 and 12
Timber Harvest/ Processing	X		See Chapters 4, 5 and 12
Mining/Mineral Processing	X		See Chapters 4, 5 and 12
Subsistence	X		See Chapters 4, 5 and 12
Habitats	X		See Chapters 4 and 5
Air/Land/Water Quality		X	
Historic/Arch. Resources		X	
6 ACC 85.020 Statement of the City's Needs, Objectives or Goals, or the Comprehensive Land and Resource Use Plan	X		

Appendix D

GLOSSARY OF TERMS USED

Action. An officially adopted course of operation to attain an objective. (Example: Secure site and design treatment plant.)

Budget. A plan to allot certain resources for defined items. (Example: One-half million dollars is appropriated to complete Project "A").

Criterion. Any established rule for testing or judgment. (Example: If grade of slope exceeds 25 percent, a site is considered unsuitable for home building.)

Fund. A governmental account to which specific revenues are deposited, and from which only certain types of expenditures may be made. (Example: General Fund.)

Goal. A desired level of achievement which reflects values. (Example: Adequate housing for all people.)

Issue. A point, matter, or dispute, the resolution of which is of special or public importance. (Example: Lack of rental housing.)

Liberty. Implies choice. The minimum amount of development adequate for survival is not satisfactory. There must be diversity in the environment so that people, within the limits of their personal resources, can make their own selections of where to live, work, shop, play, worship, learn and travel.

Life. An adequate supply of various items necessary for health and safety. To maximize our value of preserving life, planning policies should be aimed at the goal of providing adequate supplies of housing, commerce, industry, public facilities, transportation and open space.

Objective. A measurable short-range step toward achieving a goal. (Example: Build 9,000 units of low-income housing by 1975.)

Plan. A detailed method, formulated beforehand, for doing something. (Example: Land use plan.)

Policy. An accepted or professed rule of action. (Example: Close-in building sites should receive priority for water and sewer extension.)

Priority. An assignment of precedence in time, order or importance. (Example: Utilities before landscaping.)

Program. A plan of procedure or activity. (Example: Building maintenance program.)

Project. A proposal of something to be done, a scheme. (Example: 20 units to be built on site "B".)

Public. Intended for use by the general public.

Pursuit of Happiness. Requires that people be able to achieve satisfaction and enjoyment in their activities. Thus, a certain quality must exist as well as an adequate supply and choice.

Shall. Subject to deliberation and appropriation.

Standard. An approved basis for comparison which is measurable. (Example: Units must rent for under $300 per month.)

Value. That which is believed to be intrinsically desirable. (Example: Life, liberty, pursuit of happiness.)

Appendix E

Participants in Planning Process

Former Mayor Leo Rhode
Mayor Erle Cooper
City Manager Larry Farnon
Administrative Assistant Bob Klein
City Planner Marlene Helminink

Steering Committee Members

Mark Guldseth
Bruce Turkington
Bill Butler (Chairman)
Pat Evarts
Robert Ditton
Thomas Schoder
Jan Jensen
Robert Barnett
Bill Russell
Tony Swartz
Mike Herring
Mike Pate

Ex-Officio Members

Leo Rhode
Larry Farnon
Bob Klein

Comprehensive Plan Public Input Summary

Contract awarded - February 10, 1982

Conducted Public Opinion Survey - Spring 1982

Resolution establishing Steering Committee - February 8, 1982

Steering Committee organized - February 1982

Steering Committee meetings - 9

March 2	August 24
April 8	August 27
June 23	October 5
July 27	November 2

Public Workshop - 4
- April 6
- June 22
- July 26 - Homer Spit Merchants
- November 29 - Council/Commission Hearing

Agency Meetings - 3
- June 22
- August 27
- September 14

First draft submitted - October 31 - Distributed to Department Heads

Department review - March 30 - November

Department meeting - April 2

Port and Harbor Comment and Review - 3
- August 11
- September 8
- November 10

Parks & Recreation Comment and Review - 6
- April 15
- May 20
- September 16
- October 21
- November 18
- January 19, 1983

Planning Commission Comment and Review - 10
- March 3
- April 7
- May 5
- June 2
- July 7
- September 1
- October 6
- November 3
- December 1
- December 15

Final Draft sent to Council - January 19, 1983

City Council Meetings - Progress Reports
- February 14
- January 31