



CITY OF HOMER PORT & HARBOR LARGE VESSEL HARBOR EXPANSION



This Project constructs a new multi-modal large vessel port on the North side of Homer's existing Small Boat Harbor. A natural shelf and local source of rock makes construction of a port basin with 40-60 large vessel slips for home port vessels, transit moorage for visiting vessels, a commercial barge loading ramp, vessel haul-out facilities, fueling facilities, loading dock, and secure homeport and layover accommodations for US Coast Guard assets feasible. Homer's central, road-connected location, renowned marine tradesmen and ice free conditions make it an ideal location.

THE NEED

Homer's large vessel fleet has grown by 42% in the last 15 years and the length of vessels requesting moorage has doubled, filling the harbor beyond capacity. Many large vessels are turned away and travel to the Lower 48 to overwinter and complete maintenance. This comes with significant operating costs for Alaska's marine industrial fleet and significant job and revenue losses for the region.

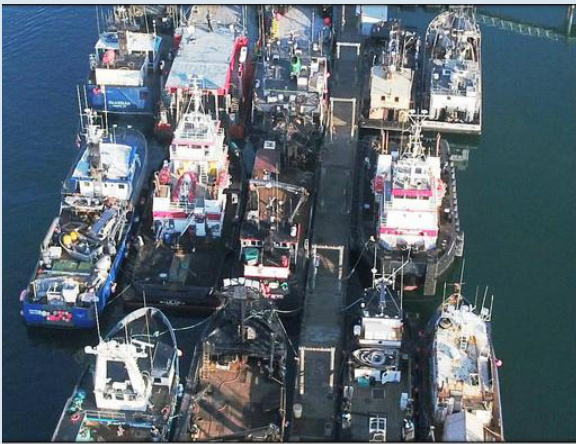
Due to shortage of moorage space and high demand, large vessels are rafted two and three abreast in Homer Harbor causing costly travel delays for the fleet and increased maintenance and repair costs for our systems working beyond capacity. Travel lanes are constricted and traffic congested which presents navigational hazards, especially when small private boats are sharing tight travel lanes.

Port expansion will meet market demands of the marine industrial transportation sector, address navigational hazards and capture economic opportunities currently being lost while simultaneously advancing Alaska's (and the nation's) competitive position. This project will positively impact the lives and livelihoods of countless Alaskans through job creation, economic development and benefit national security interests well into the future.

HOMER LARGE VESSEL PORT EXPANSION WILL

- Increase regional economic activity and support local jobs by an estimated \$2.75 million annually;
- Provide layover, provision, maintenance and over-winter options to marine industrial vessels to capture an estimated \$3.5 million lost annually due to Alaska's lack of moorage space;
- Support and advance national security interests, particularly by accommodating layover, repair and provisioning needs of US Coast Guard ships deployed under the Arctic Security mission;
- Serve as a backup port for marine transportation & delivery critical for Alaska's resilience and recovery in the event a major disaster disables the Port of Alaska.

**OVER A 50-YEAR PERIOD
THE COST OF DOING NOTHING
CARRIES A PRESENT DAY VALUE
OF \$93 MILLION**



High demand keeps large vessels rafted two and three abreast in the harbor. Additional vessels seeking moorage are turned away causing economic opportunity losses.



Overcrowding is a navigational hazard, increases maintenance and repair costs through over stressing the floats and costs the marine industry in time delays.



A Section 22 Navigational Improvement study completed in 2019 by the USACE and the City of Homer showed a preliminary Benefit Cost Ratio (BCR) of 0.9 to 1.0, confirming that the project meets national thresholds for Federal investment and that proceeding with a General Investigation Study (GI) is warranted. A GI will provide additional data for the BCR analysis and will consider design alternatives, which USACE predicts will increase the BCR beyond the range estimated in the PAS Report.

INVESTMENT

Based on the positive results, the USACE recommends advancing this project by completing a \$3 million General Investigation feasibility study (GI). Project costs would be shared under a three-way partnership: 50% Federal, 25% State, 25% City of Homer.

The City and USACE have formally expressed intent to fund the GI.

Ordinance 20-06, adopted by Homer City Council on Feb 10, 2020 commits the City's share by appropriating \$750,000 from the General Fund Balance.

USACE Col. Delarosa ranked Homer Port Expansion as Alaska's #1 budget priority for new starts in their Federal budget request.

Alaska's Congressional delegation supports the project; they sent a letter to the US Department of the Army requesting project funding from the recently enacted Infrastructure Investment and Jobs Act and Federal authorization to begin the new start GI.

The City has formally requested that the State of Alaska Department of Transportation rejoin the project partnership originally formed in 2007.

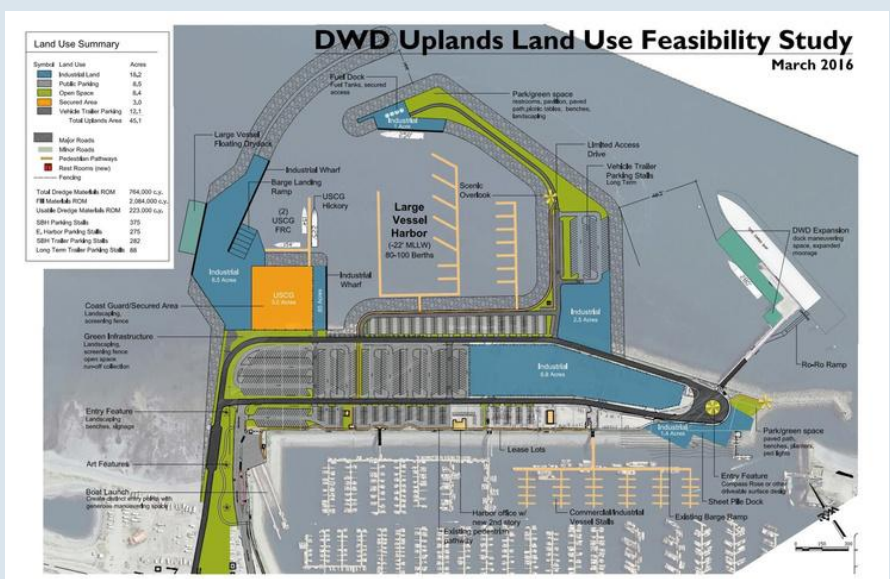
State partnership includes contributing \$250,000 per year for the three-year GI study and providing expertise and input on design and construction.

Once completed, the GI provides all the economic, environmental, geophysical, and engineering analysis necessary to develop a final cost to benefit ratio (BCR) and brings the project to shovel-ready.

Inclusion in a State G.O. Bond package and the Federal infrastructure bill could provide important construction funds.

Momentum on this project is great and now is the time to capture economic opportunities currently being lost while simultaneously advancing Alaska's competitive maritime position.

Combined, our agencies' strengths and expertise can propel this project through feasibility to completion.



ALIGNMENT WITH REGIONAL TRANSPORTATION GOALS

Port infrastructure expansion is recognized as an economic opportunity regionally, as it provides opportunity for increased industrial access and business development. Homer's port expansion project aligns with economic resiliency goals in the Kenai Peninsula Borough Comprehensive Development Strategy and fills a goal in Homer's Comprehensive Plan to enhance and protect our critical role in regional marine transportation and improve traffic flow and safety on the Homer Spit.

Kenai Peninsula Borough 2021-2026 Comprehensive Economic Development Plan
Goal 3 of the CEDS, Infrastructure and Land Use prioritizes Homer's large vessel port expansion as a means to create resilient, industry-focused transportation infrastructure that also helps attract and retain a qualified workforce.

Homer Comprehensive Plan 2018 Goals and Objectives for Public Services & Facilities: Continue to develop the infrastructure and services of the Port and Harbor in order to improve its position as an important regional port and harbor facility.

Homer's Capital Improvement Plan 2022-2027: The Port Expansion is again the #1 priority capital project in the City of Homer Capital Improvement Plan as established by Homer City Council Ordinance 21-059. The public also ranked the project as the #1 recommendation to City Council after an extensive public comment period. This underscores the importance port expansion project to the Homer community.



CITY OF HOMER

491 E. Pioneer Avenue
Homer, AK 99603

City Manager

Rob Dumouchel, 907-435-3102
rdumouchel@ci.homer.ak.us

Port Director/Harbormaster

Bryan Hawkins, 907-435-3157
bhawkins@ci.homer.ak.us

PORT OF HOMER - the largest single-basin harbor in Alaska supports:

- 1,000 docked vessels with 414 additional vessels on a waiting list
- 200+ vessels launching per day from load and launch ramp
- 2nd highest count of commercial fishing vessels & 4th highest volume of halibut and sablefish landings Statewide
- Alaska Marine Highway System and Kachemak Bay Ferry
- Two USCG Cutters and support facilities
- 50 charter companies operating one of the largest fleets in the State
- 100,000 anglers annually, the largest population for a coastal location in Alaska
- Increased cruise ship visits: 4 in 2013; 14 in 2019

Data shows that marine activity in the region continues to increase.

