



## City of Homer

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

## Office of the City Manager

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March 23, 2015

Mayor Mike Navarre  
Kenai Peninsula Borough  
144 N. Binkley St.  
Soldotna, AK 99669  
*Delivered electronically*

**SUBJECT: 2014 Cruise Passenger Tax Receipts**

Dear Mayor Navarre:

I am writing to confirm that the City of Homer wishes to receive the 2014 Commercial Vessel Passenger Tax receipts from the Borough. It is our understanding that you will be sponsoring an ordinance that would make the Borough's share of these tax receipts for vessel landing in Homer available to the City. The City appreciates that and understands that the amount to be passed through for calendar year 2014 is \$13,925.

The City of Homer recognizes that these funds must be used for port and harbor improvements that directly benefit cruise ship passengers. The City agrees to comply with the provisions contained in AS 43.52.200 - 43.52.295 and former SB 256 and HB 310. The 2014 funds will be used toward passenger seating at the cruise ship passenger loading/staging area and, as budget allows, signage on the trails around the harbor.

Thank you very much for your time and consideration. Please do not hesitate to contact me if you have any questions.

Sincerely,

Marvin Yoder  
City Manager

Cc: Brenda Ahlberg, KPB Community and Fiscal Projects Manager



February

Mayor Mike Navarre  
Kenai Peninsula Borough  
144 N. Binkley  
Soldotna, Alaska 99669

March 9, 2015

RE: Cruise ship passenger tax proceeds

Dear Mayor Navarre,

On behalf of the City of Seward, I would like to thank the Borough Assembly and administration for allocating the Commercial Passenger Vessel (CPB) excise tax to the cities of Seward and Homer, based on their pro-rata share of cruise ship passengers visiting each port. These funds continue to be critical to Seward's ability to provide improvements to our port infrastructure in support of cruise ships and their passengers.

The City was asked to submit a letter requesting their allotment of 2014 cruise ship head tax proceeds, and to identify the intended use of these funds. AS 43.52.230(b) requires that "a city or borough that receives a payment under this subsection shall use the funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels." We have identified the following projects for possible use of the CPV funds, including: 1) bus transportation for cruise passengers and crew; 2) ambulance services (\$10,000 annually); 3) passenger bus and rest benches; 4) cruise ship dock maintenance and repairs; 7) cruise ship berth enhancements and amenities such as signage, paving, and cruise-related pedestrian path awnings; 8) harbor float repairs/replacement; and cruise-related pedestrian improvements to and from the cruise dock.

In the past, the City has used CPV funds for projects such as construction of a security dock in the Small Boat Harbor to enhance U.S. Coast Guard, fire, and emergency response; harbor and port dredging; bus transportation; outboard replacement for the fire and rescue boats; ambulance services; breakwater repairs, etc.

We appreciate your support of our request and look forward to working with you to enhance facilities for the cruise ship industry in our region.

Sincerely,

A handwritten signature in blue ink that reads "James Hunt". The signature is stylized and cursive.

James Hunt, City Manager  
Seward, Alaska  
907.224.4047

**From:** [Pickarsky, Penny](#)  
**To:** [Ahlberg, Brenda](#)  
**Cc:** [Chapman, Craig](#); [Friedersdorff, Chad](#)  
**Subject:** Commercial Passenger Vessel tax  
**Date:** Friday, February 27, 2015 8:08:39 AM

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Good morning Brenda,

We received the CY2014 Commercial Passenger Vessel tax revenue this week.

Here is the breakdown of the portion paid to the borough.

Homer	\$ 13,925.00
<u>Seward</u>	<u>\$ 347,732.50</u>
Total	\$ 361,657.50

Thanks!

Penny Pickarsky  
Financial Planning Manager  
Kenai Peninsula Borough  
Finance Department  
144 North Binkley Street  
Soldotna AK 99669  
(907) 714-2194  
Email: [ppickarsky@kpb.us](mailto:ppickarsky@kpb.us)

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