

Office of the City Manager

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October 27, 2023

Mayor Peter Micciche Kenai Peninsula Borough 144 N. Binkley St. Soldotna, AK 99669 Delivered electronically

SUBJECT: Calendar Year 2022 Cruise Passenger Tax Receipts

Dear Mayor Micciche:

I am writing to confirm that the City of Homer wishes to receive the 2022 Commercial Vessel Passenger Tax (CVPT) receipts from the Borough. It is our understanding that you will be sponsoring an ordinance making the Borough's \$352.50 share of tax receipts from vessel landings in Homer available to the City.

The City will utilize the 2022 funds from both the Borough and the State to reimburse the Port and Harbor Enterprise fund for the construction of Ramp 2 Restroom, which was successfully completed in 2019. Located at the center of the retail area on the Homer Spit and near water taxi and sport fishing services, Ramp 2 restroom is a pivotal launch point for various recreational day trips and has been heavily used by cruise ship passengers during their port visits.

The proposed allocation aligns with prior approvals from the Borough and the State. We greatly appreciate the opportunity to pool these funds to be able to make meaningful improvements for passengers and leverage additional funds. Using accumulated CPVT funds and a promise of future funds as match, the City was able to leverage a Federal Land and Water Conservation grant for a 1:1 match for the project. Currently, \$57,471.91 of construction funding remains to be reimbursed by future CPVT program funding.

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

Sincerely.

Rob Dumouchel, City Manager

Cc: Brenda Ahlberg, KPB Community and Fiscal Projects Manager