



## City of Homer

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

Port and Harbor

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## Memorandum

TO: PORT AND HARBOR ADVISORY COMMISSION

FROM: BRYAN HAWKINS, PORT DIRECTOR/HARBORMASTER

DATE: MARCH 17, 2020

SUBJECT: OVERSLOPE LEASE APPLICATION – HOMER SPIT OYSTER BAR, SUVI BAYLY

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Homer Spit Oyster Bar has submitted a lease application to the City with a proposal including the development of an overslope platform and Oyster Bar business in an area currently offered for overslope development on the City's Land Allocation Plan. Port and City Hall staff have reviewed the application and the main details, comments, and notes are listed below:

### Basic Notes:

- Term requested is 20 years plus extensions, (2) 5 year extensions allowed per code, total max term of lease 30 years
- Primary proposed business is Oyster Bar, Secondary Office Space, Retail Space, and VRBO- vacation rental
- We do not have the appraisal back for this property yet (results due by April 30<sup>th</sup>) Base rent final amounts will be based on the results of appraisal per City Code. We don't have pre-existing similar comparison for estimated numbers.
- Proposed platform is 70'x40', footprint underneath is a minimum of 42'x 70' given the slope, approx. sq. footage = minimum of 2940 sq. ft.
  - A current survey will give us the exact square footage. That survey is the responsibility of the proposer. She is aware/has been informed of this and has stated that she is in the process of scheduling one. We need a completed survey to be able to accurately complete a final lease.

- Proposed structure is 2 stories, construction timeline proposed is start by 9/2020, complete by 4/30/2021.
  - Proposed structure has been approved by an architect but does not have engineering stamp yet, still in the process of permitting through all agencies (see permitting section for more detail)

Permitting: In process/ Incomplete

- Business license and insurance are current and valid
- Receipts/Invoices/Correspondence has been submitted by proposer to show contact with agencies, initial permit fees, and ongoing work to achieve permits through DEC and State Fire Marshal. Permits are NOT complete or approved yet
- Army Corps of Engineers has given preliminary sign off and verbal confirmation of OK to pile driving method for the overslope platform piers. Now in public/open comment phase.
- Proposer has been working her way through the CUP process with City Planning concurrent to her lease application process.

Section 6 of the Lease Application Asks:

Attach statement(s) of proof that your plans have been inspected and approved by any agency which may have jurisdiction of the project; i.e. Fire Marshall, Army Corps of Engineers, EPA, etc. The granting of this lease shall be contingent upon lessee obtaining approval, necessary permits, and/or inspection statements from all appropriate State and/or Federal agencies.

- Proposer has provided correspondence/invoice documentation that she is actively working with all needed permit agencies. She has been informed of the underlined application statement in Section 6 of the lease application (listed above) and that any preliminary approval or denial recommendations in the public review process will include conditions requiring remaining permit approval before a final lease is negotiated and/or put before City Council for final approval. She has verbally indicated that this is what she would like to do, and that she wishes to start the public review process now with Section 6 of the Lease Application currently unsatisfied, moving forward with both public lease application review and agency permitting at the same time.

If the Port and Harbor Advisory Commission, after review, chose to recommend approval of the lease application to City Council, staff recommend that any motion condition the following conditions:

- Contingent on leasee securing approval of all necessary permits and/or inspection statements from all appropriate State and/or Federal agencies.
- Contingent on leasee obtaining and submitting to City a survey of the property subject to the proposed lease

### **RECOMMENDATION**

For discussion and review. Any recommendations to City Council or direction to staff must be done by way of motion.