September 22, 2022

Kenai Waterfront Revitalization Assessment

Joint Kenai City Council/Boards and Commissions Work Session

PREPARED FOR:

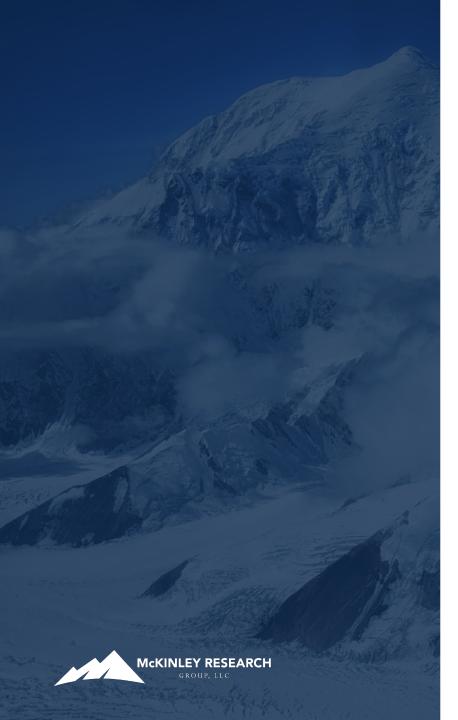




Celebrating 50 Years







Project Team

McKinley Research Group

- Donna Logan, Senior Consultant, Project Manager
- Katie Berry, Director of Economics and Research

Corvus Design

Chris Mertl, ASLA, Principal, Landscape Architect

PND Engineers

Alexandra West Jefferies, Senior Engineer

Work Session Content

Summary of Community Visioning

Summary of
Programming &
Community-Developed
Concepts

Development of Preferred Concept

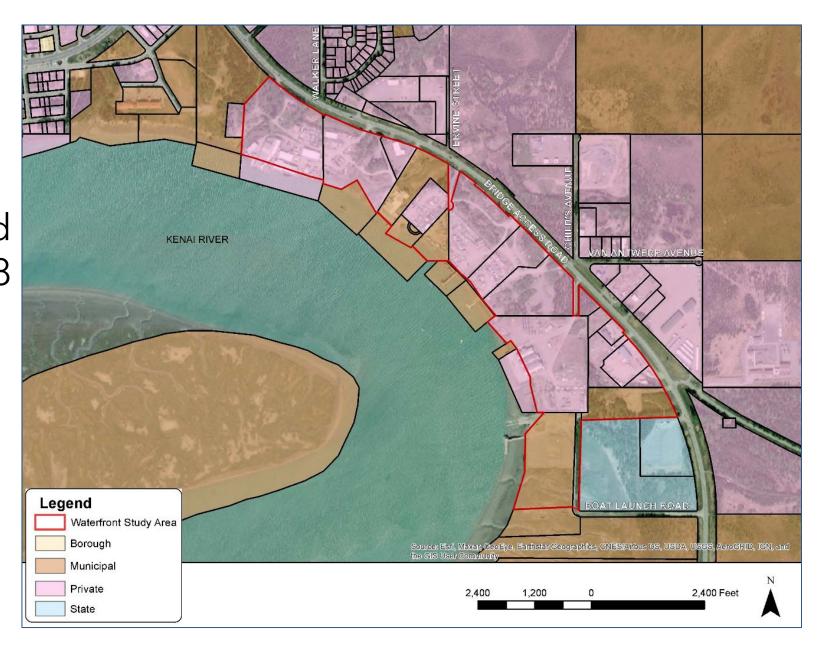
Investment and Funding Strategies

Recommended Next Steps and Discussion



Study Area

City-owned parcel on southern edge includes gravel road access, parking (238 vehicles with trailers), dock, boat launch, restrooms, and an elevated viewing platform







Visioning Process Overview

- Public work session held February 24, 2022 at the Kenai Visitor Center
- ~40 Kenai residents attended
- SWOT exercise and other facilitated exercises conducted
- Residents were invited to add feedback on City of Kenai website



Vision

- The public desires and supports new development but not at the expense of impacting the existing uses, primarily the seafood plants, and the ability to access the Kenai River and its many resources.
- The public wants revitalization to be authentic, protective of the river and natural environment, be accessible year-round, and provide economic opportunities.
- There is a need to protect and celebrate the area's history, culture, and outstanding views of the river, surrounding landscape, wildlife, and volcanoes.
- The phrase, "Build it for the locals, and the visitors will love it" is important in meeting these criteria.



Great Ideas

- Consensus on mixed-use
- Limit development to low impact uses, such as recreation and water dependent uses, was a priority
- Create a destination facility or 'anchor tenant' such as a convention center, lodge, hotel, or other facility that meets local needs and draws visitors
- Support new businesses, such as restaurants, breweries, tackle shops, tour operators, and general
 commercial and retail
- Support boardwalks, park and open space, campgrounds, and recreation, as well as expand and improve river access and the needed support facilities
- Integrating existing seafood plants into the overall revitalization effort would meet the community's desire to represent an authentic working waterfront



Programming Ideas (Facilities/Infrastructure)

- River boardwalk
- Trails and pathways
- Restaurants and retail
- Dock and boat launch improvements
- Hotel
- Performance area (stage, pavilion)
- Park and open space (shelters, picnic, benches)
- Natural areas
- Improved river access
- Viewing platforms for wildlife and people watching
- Education center
- Defined roads and traffic patterns
- Interpretive signs
- Restrooms
- Utility extension and improvements

- Kenai marketplace
- High tower for exceptional views
- Faster internet
- Statues and artwork
- Lighting for year-round use
- Wind breaks
- RV park and campground
- Co-working space
- Dock for food and drink pick-up by boats
- Brew pub
- Parking
- Tackle and fishing support shops
- Oyster bar
- Banquet and convention center
- Walking tours



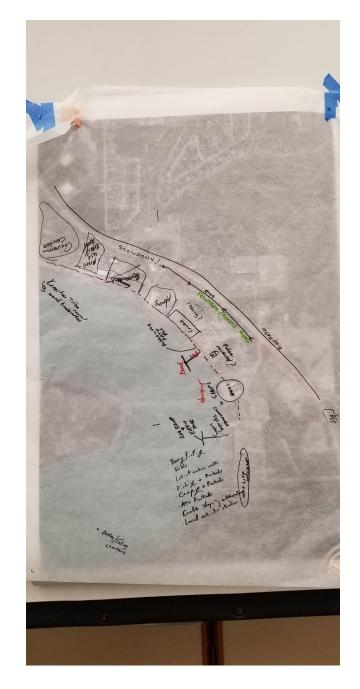


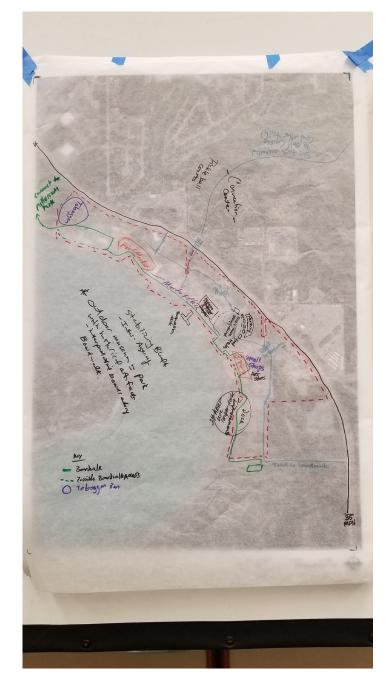
Community Concept Session - May 2, 2022



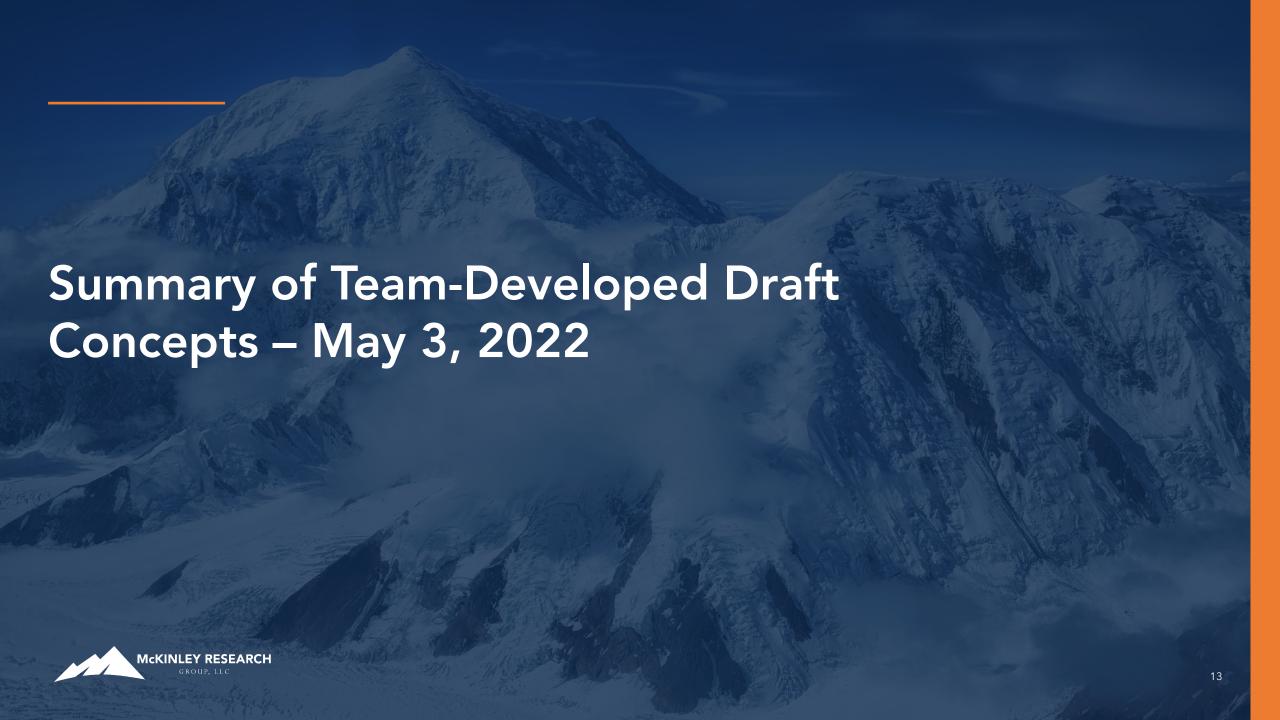


Community Concepts









Concept A

Features:

- * Nature Road
- * Outdoor Deck
- * Playground
- * Riverwalk
- * RV/Campgrounds
- * Green space
- * Link across Bridge
- * Access Road to additional trails





Concept B

Features:

- * Pavilion
- * Playground
- * Riverwalk
- * RV/Campgrounds
- * Green space
- * Housing in wooded environment
- * Small-scale retail





Concept C

Features:

- * Civic Center
- * Boat Condos
- * Riverwalk
- * Mixed housing and small-scale retail
- * Green space
- * Commercial Development











LEGEND

KENAI WATERFRONT REVITALIZATION

Vision Plan & Land Ownership

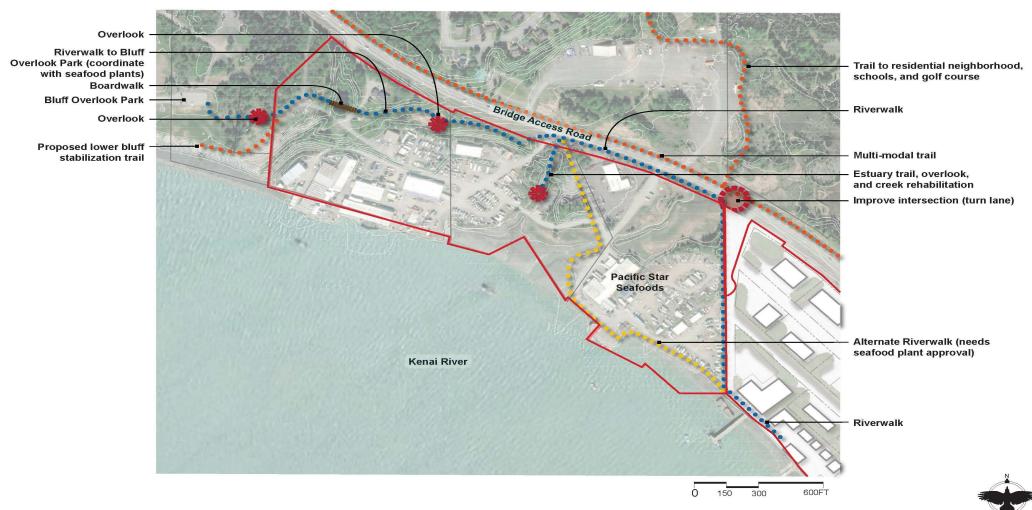












KENAI WATERFRONT REVITALIZATION

Vision Plan - Enlargement 1

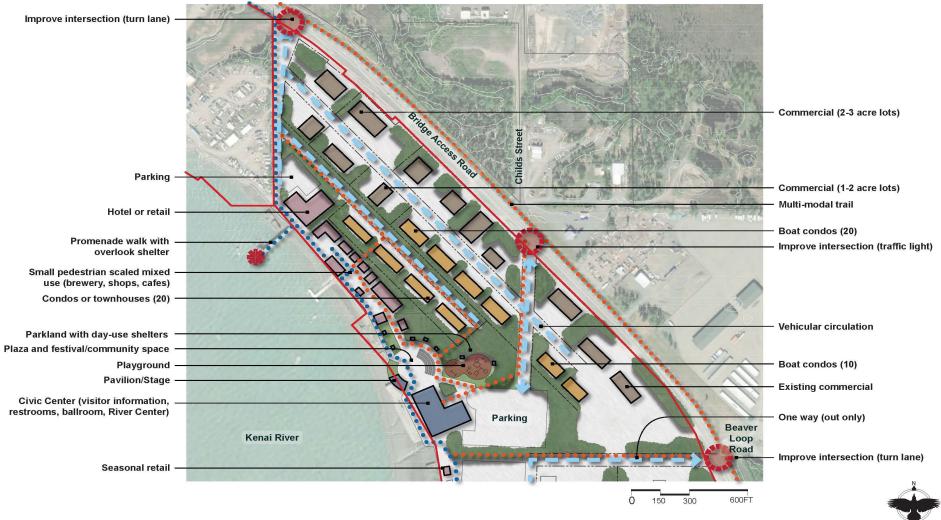












KENAI WATERFRONT REVITALIZATION

Vision Plan - Enlargement 2

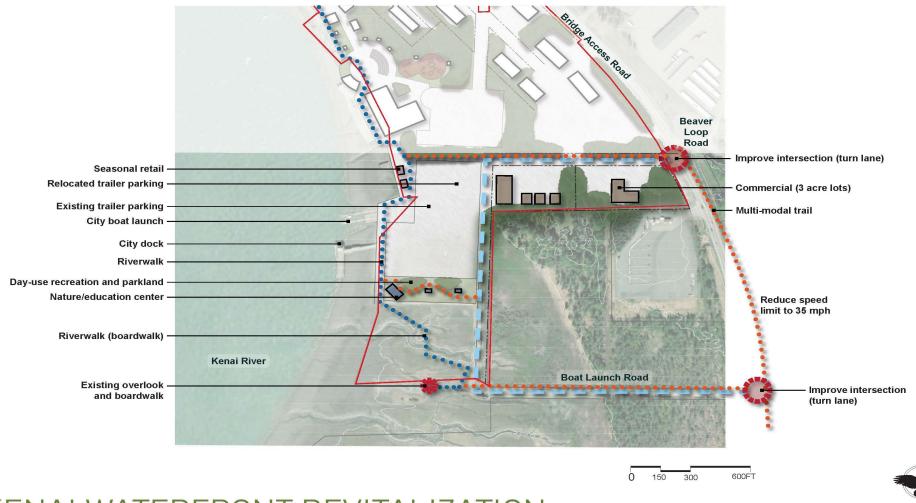












KENAI WATERFRONT REVITALIZATION

Vision Plan - Enlargement 3















Attracting Private Investment

Rezoning

- Create clarity on community vision for redevelopment of the waterfront
- "Heavy industrial" to "Working Waterfront" zone designation

Placemaking and Branding

- Historical, cultural, environmental, recreational, industrial, and economic
- Forging an identity and creating a sense of place, purpose, and community

Tax Incentives

- Major policy tool to spur economic development and business opportunity
- Can be geographically limited to stimulate production in waterfront area.
 - Examples: tax abatement, tax exemptions, Utility Special Assessment District

Land Swaps

Negotiated at fair market value (Kenai Municipal Code 22.05.135 - No purchase shall be made until a
qualified independent appraiser has appraised the property and given the Council an opinion as to the fair
market value....)



Public Infrastructure Investment

- City of Kenai roads, public trails/boardwalk, utility extensions, parks and playgrounds, and public buildings and spaces. Construction of this infrastructure would help encourage private landowners to develop adjacent private land.
- Rough Order of Magnitude Project Costs: ~\$74 million + contingency, including:
 - Paved Pedestrian Path -- \$1.3 million
 - Board walk -- \$1.0 million
 - Day-use shelters -- \$1.1 million
 - Water Line extension -- \$2.0 million
 - Sewer Line extension -- \$2.1 million

- Storm Sewer -- \$2.1 million
- Shoreline Protection -- \$1.6 million
- Civic Center--\$19.5 million
- Structure Demolition-\$2.1 million
- Intersection Improvements -- \$1.3 million





Traditional Methods (Cash and Other Current Assets)

Туре	Description	Relevant Examples
Tax Revenue	Commonly used to fund local infrastructure projects that yield community-wide benefits, i.e., parks and recreation. Taxes may be general taxes (i.e., sales tax, property tax) or more narrowly based taxes either in their general fund or in special funds and dedicate these revenues to fund local infrastructure.	Property taxes, sales taxes, bed taxes
User Charges	Imposed on local residents and businesses for their use of utilities and other public enterprises, including water charges, sewer charges, parking fees, among others. Infrastructure projects such as those related to water, wastewater, parking facilities, and convention centers are sometimes funded by user charges through an enterprise fund.	Boat launch fees, parking fees
Local Government Capital Reserves and Fund Balances	Can be designated to pay for recurring and small capital projects, and capital asset replacement funding for the future replacement of government buildings, equipment, facilities, vehicles, and certain other assets.	
Federal and State Grants	Represent a major funding source of local infrastructure financing. A variety of federal grant and state-funded grant programs are available for helping fund streets, water supply and wastewater utilities, parks and recreation, and many other local infrastructure needs.	US DOT RAISE Grant Program USDA Rural Community Facilities Direct Loan & Grant Program US EDA Public Works and Economic Adjustment Assistance Program ADFG Boating and Angler Access Grant Program



Traditional Methods (Debt Financing)

Туре	Description	Relevant Examples
General Obligation Bonds (GO)	Long-term obligations of local governments to repay bonds from their general tax revenues. GO bonds are traditionally issued to finance projects that do not generate revenues. City of Kenai GO bonds are subject to constitutional debt limits and require voter approval.	Alaska Municipal Bond Bank Authority General Obligation and Revenue Bonds City of Kenai General Obligation and Revenue Bonds
Revenue Bonds	Typically issued to finance public facilities that have definable users with specific revenue streams, such as utilities. Revenue bonds are secured by the pledge of defined revenue sources generated from the bond funded projects (i.e., user fees, facility rent). City of Kenai has constitutional debt limits and require voter approval, with one exception (utility development when revenue bonds can be issued to pay the cost of a facility to be used by 10 customers or less for the purpose of promoting economic). These might be used for private activity bonds or leasing bonds.	



Alternative Infrastructure Financing

New Funding

- Special Assessment Districts
- Tax Increment Financing (TIF)

New Financial Arrangements

- Public-Private Partnerships
- Private and Nonprofit Philanthropic Partners





Next Steps

Additional Planning

- Waterfront Master Plan
- Civic Center Market Assessment and Feasibility Study

Financial

 City of Kenai re-examine its financial incentives for economic and business development, such as SADs for utility and road development and tax abatements for private investment in new and redeveloped properties

Public Infrastructure

- To signal support and incentives for private investment, focus on:
 - Utility buildout (water, sewer, electricity, natural gas, communications)
 - Roads and intersections
 - Attractions (River Walk, civic center, parks)

Marketing and Attraction Development

Implement community vision and clearly identify the area to attract visitor, commercial, and resident uses



