

Session 11-03, a Special Meeting of the Economic Development Advisory Commission was called to order at 6:20 p.m. by Chair Davis on September 27, 2011 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER DAVIS, SARNO, FAULKNER, NEECE

STUDENT REPRESENTATIVE: DAVIS

COUNCILMEMBER: WYTHE (absent)

STAFF: CITY MANAGER WREDE
SPECIAL PROJECTS COORDINATOR HOLEN
DEPUTY CITY CLERK JACOBSEN

APPROVAL OF THE AGENDA

The agenda was approved by consensus of the Commission.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

RECONSIDERATION

There were no items for reconsideration.

APPROVAL OF MINUTES

VISITORS

A. Kyra Wagner- Farmer's Market Presentation

Kyra Wagner, director of Sustainable Homer and promoter of the Farmer's Market, shared some success stories from the Farmers Market, showing it is a window into the economic infrastructure of our town. She highlighted a vendor who grew basil plants that sold from \$5 to \$30 per plant, a beehive owner selling honey from \$15 to \$30, a teenager who started off selling veggies grown in his yard and has purchased equipment and become the local portable DJ, flower sales, peonies sold out of a bucket at \$3 a stem. Mrs. Wagner noted that Colleen James' peony stems at the market were the rejects that bloomed late and couldn't be sent out to other areas where they bring in more money per stem. She commented about a vendor who sells flowers and shared ideas about a local on-line co-op. She told the Committee about Eve Matkin who grew up in Homer and is now running one of our area's first Community Supported Agriculture (CSA) projects. A CSA takes subscriptions for people who pay up front for the delivery of a box of veggies. She utilized funding provided by the NRCS/USDA high tunnel grant. These success stories are examples to show these are not isolated incidences but the building of a local agricultural and economic infrastructure that is vital to the future of the southern peninsula. Other community members have received high tunnel grants. The local NRCS office has granted more high tunnels than any district in the state or country. Over 150 high tunnels have been approved from Clam Gulch south to Kodiak. High tunnels make agriculture accessible to people without a lot of land and allows control over their

environment. These opportunities equal economic stability whether the producer is growing their own food to make their home more sustainable, or running a business than can employ up to five people per farm. This year the Farmers Market was able to utilize a VISTA volunteer who has been busy with many programs. One of the most important was starting a pilot program, one of the two in the state, which has a card reader that can now accept QWEST cards distributed for welfare recipients. Those users can now access healthy food at the Farmers Market and those dollars that would normally go to Safeway and out of town will go to our local entrepreneurial farmers instead. The card reader also opened the door to another program that allows users to swipe their debit card at the market they get cash back in market coins that can only be spent at the market. It is a local currency only spent in Homer, supporting the local economy. Maybe one day there will be businesses all over town accepting the coins as our local currency. Lastly, Mrs. Wagner commented that agriculture is strengthening our social infrastructure as well. She explained how the Flex School created a school garden that grew into a school greenhouse, a cooking curriculum, and this year a student ran a CSA for profit from the school greenhouse. This leads to skills, good health, and staying power of our youth and has lead to a collaborative network of MAPP (Mobilizing Action through Planning and Partnerships) to take notice. MAPP consists of numerous businesses and organizations around town that are interested in creating a healthy community. The health of a community is more than just physical health, and the group has recognized food production as an important element for healthy lifestyles. Now there is a collaboration of community organizations supporting food production and education. A subgroup of MAPP applied for a NIFA grant for the funding of peoples gardens. The grant is \$110,000 and is to be broken down into mini-grants to fund school gardens, public gardens, and other educational demonstration gardens around the Homer area. The grant hasn't been officially awarded yet, but she feels confident that they will receive one of the 5 grants being awarded. She commented about opportunities these gardens could present in the communities future and acknowledged the crafters and arts community of the market. The market is only one side of the budding agricultural economy. She noted there are many ways the City could help, even just by bringing in a load of gravel and running a blade over the parking lot for them.

Mrs. Wagner responded to questions from the Commission. She thought the idea of a permanent Farmers Market structure would be great, but it would be important to get all the players on board first. She responded that farmer's market prices are very comparable and even cheaper than what you find in the grocery store. The high tunnels are not necessarily year round gardens, but season extenders.

B. City Manager Wrede - Natural Gas Line Update

City Manager Wrede started off acknowledging Special Projects Coordinator Holen and the work she has done for economic development and capital improvements for the City. He updated the Commission on the status of the Gas Line, explaining that the City has not given up on the project and there is an effort to convince the Governor that it would be wise for him to put it in his own budget this year. He could pick up a lot of votes as he is up for re-election next year. Mr. Wrede explained that the City Council adopted an action plan which authorizes him to keep pushing for the project. He spent time today speaking to legislators about the project and trying to find out what their concerns are, as there is not full support from the delegation in the Central Peninsula, and what can be done to get them on board. He also spent time with Enstar to help establish the core area of users in Homer. Enstar's business plan doesn't show much of a profit from coming to Homer and a really long payback period for them if they have to upfront the money for the transmission line from Anchor

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Point. The City created a map showing them the area the City believes is a logical phase 1 which includes the institutional buildings and businesses, noting there are several State, Federal, and Local buildings that would benefit and also including the hospital, schools, and Islands and Ocean visitor center. Enstar is going to figure out the miles for a build out in this core area, give him an estimate on cost per mile, or cost per foot. He will then convert it to a special service area mil rate and take it to Council for consideration of helping finance the distribution system, similar to what Kachemak City is doing. If Council chooses not to participate we would have to follow the Enstar procedure, approved by the RCA, where people would have to pay upfront to get the line to their street, then to their house. Special Projects Coordinator Holen is setting up meetings with the Commissioner of Commerce, and Director of the Alaska Energy Authority. Borough Mayor Cary is meeting with the Governor and the gas line is one topic of discussion. The Borough is on board, it is going to be high on their CIP list, and passed a resolution requesting the Governor put it in his budget.

Question was raised about a special service mil rate. City Manager Wrede explained that LID's are complicated administratively, the City already has a lot of them, and they are difficult to keep track of. The mil rate would be much cleaner and the Borough would collect the tax. Property owners could then decide individually when they want to incur the cost of hooking their homes to the main line. There are benefits for LID's as well and the options will be laid out for Council to consider. Regarding the boundaries of the core area City Manager Wrede said the spit was not included, but could be added on if needed. Right now it includes a portion of Kachemak Drive up to the Bay Club area.

Chair Davis asked what kind of resistance was received from the delegation. City Manager Wrede explained that some of it is philosophy as there is a feeling that Enstar is a private corporation and they will benefit from this with a transmission line and distribution line, so why subsidize a private corporation. The City responded that while Enstar is a private corporation, they function like a public utility in many ways, and we don't have many choices. Pulling out of the Enstar service area brings up another set of issues. There is also a strong anti-Homer sentiment. People in the central peninsula feel like we have been against oil and gas at every chance we have gotten. He tried to remind them that while there are people who are against it and don't want to see any more drilling in Cook Inlet, but it isn't necessarily the majority, and those people don't speak for the City of Homer. He suggested they ask the City Government what they think about it. But it is the impression that we have a NIMBY attitude; let the drilling happen up there, we just want the gas and a subsidy from the state to get it here. He commented about the issues with Escopeta wanting to tie up to the City docks, which would have been good money to the Harbor enterprise fund, but there was such a fuss about it being here, the head of the company said forget it and they would find an ice free port elsewhere. It is too bad that legitimate business that wouldn't impact the environment gets driven away. It plays right into the image that people have that Homer is not business friendly. He tries to counter it but runs into it every where he goes all the way to Juneau, and whether the image is justified, he doesn't know, but it's reality. Chair Davis said he had the same experience at a state chamber conference.

Brief discussion ensued about the importance of countering the current image and trying to change the focus to what we are for, rather than against. People want to see economic development, jobs, our young people stay here, and to be able to afford to live here.

STAFF AND COUNCIL REPORT

Special Projects Coordinator had nothing to report and Councilmember Wythe was absent.

PUBLIC HEARING

No public hearings were scheduled.

PENDING BUSINESS

No pending business items were scheduled.

NEW BUSINESS

A. Homer Farmer's Market

The Commission had discussion with Kyra Wagner about how to bring this all together.

Special Projects Coordinator Holen commented that Olympia Washington's project was done in a partnership with between the Farmer's Market and local government. She concurred with Mrs. Wagner's earlier comments that it needs to be the Farmer's Market organization asking to work with the City to try to make this happen.

Mrs. Wagner added that the Farmer's Market board is diverse in their views of how to proceed. Because the project is addressed in the CEDS and included in the CIP it has brought awareness to the concept. She suggested opening the dialogue between the two entities by inviting Boardmembers to talk at a City Council meeting or someone asking to talk to their Board. She noted that there are a lot of communities who support their markets this way and the structure can be something as simple as a pole barn with a metal roof.

SARNO/FAULKNER MOVED TO CONTACT THE FARMER'S MARKET BOARD AS A GROUP AND ASK IF THEY ARE WILLING TAKE VISITORS TO INITIATE THE DIALOGUE.

There was discussion in relation to who should attend their meeting and Chair Davis indicated he could attend.

On the subject of location, question was raised if an area like the HERC building would be feasible. Mrs. Wagner commented that it is a good location, but typically the building would need to have access from the outside that would allow trucks to pull up to unload vegetables. City Manager Wrede commented regarding the Town Center area. He thinks the pieces are in place and if the Council got on board with the idea, the City owns quite a bit of land in the town center all ready. The Council adopted the town center plan fits nicely with the idea and the Town Center infrastructure is already a CIP project. The TAC has urged Council to put the roads through Town Center to stimulate movement in the area. City Manager Wrede said there is funding for roads, parks, and trails in the area. A city hall is not going to happen in the there, but a civic function in the center could be a convention center, a farmers market, a community greenhouse or a combination of those uses.

The Commissioners considered how to approach the board, and who would attend their meeting. They were reminded of the OMA and that if two or more Commissioners were going

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to discuss this or attend the meeting it would need to be advertised. Chair Davis said he would attend.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

Commissioner Faulkner suggested finding out where the board would want this to be located, noting that it is in a good location right now with room for vendors and for parking. Maybe they want to be in the parking lot there or maybe they are interested in public property in the town center area and want to wait a few years until the roads are put through. Mrs. Wagner added that the property they are on now is 4.2 acres and there are comparable sized lots in the Town Center. She noted the City's willingness to give that much space is another level to consider. She explained that at the current location the property owner has been very generous in letting the market use the space, but there is uncertainty as to how long they can continue to be there. Currently they are not allowed to build a structure, but she doesn't think the owner has been approached about the concept.

Chair Davis was curious whether there is enough product supply to be able to expand to more days and longer hours. Mrs. Wagner thinks that with the high tunnels there could be more supply and a longer period of availability. Commissioner Neece said he has participated in several of these type projects and their growth into farms and teaching centers. It is good to think of the long term and possible expansion as there are a lot of options that could be developed.

B. Homer Area Natural Gas Line

The Commission took no action on this item. They recognized that they previously expressed their support through the CIP process and the City Manager has indicated that the administration is working at finding ways to move the project forward.

C. Proposed Changes to Homer Sign Code

Chair Davis explained that he asked for this to be on the agenda in hopes that the Commission could familiarize themselves with the sign code and could offer ideas if any came to mind.

Commissioner Faulkner expressed that he has had to deal with the sign code from time to time and thinks it is fairly adequate but there is minimal enforcement. He supports a sign code but it has to be enforced.

Chair Davis said some of the concerns he has heard is about the inability for a vehicle with a logo to park for more than four hours and also the sandwich board signs.

Sharon Minsch, Chair of the Planning Commission, explained that there are allowances in code for free standing signs. Regarding the spit, City code states that signs on the boardwalk have to be approved by the owner of the boardwalk and he has to apply. The new change allows the business owners to apply for their own signage, there is a new set of sizes proposed, and there is no additional provision for free standing signs. Any business gets to have signage, but it can't be in the right-of-way and some of these sandwich boards are out for the business, but you don't know what business it's for. Everyone needs a permit for their sign and needs

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to follow code. The temporary signs you see now are not allowed under current code and are there because of a lack of enforcement.

Commissioner Faulkner added that if you want to put up with one sandwich board on the spit, then you have to put up with 150. Either you don't allow them and when they are out they end up in the back of a truck and can be picked up at the City maintenance shop. If you allow them, then they will be in the way of parking, walking, and everything else. He supports the changes to the sign code and supports enforcement of the sign code.

Mrs. Minsch added that the Planning staff has sent out information to business owners to get people to talk about it and the Planning Commissioners really want outreach. The sign issues aren't only on the spit; they are showing up in residential neighborhoods and parking lots in town as well.

D. Small Business Development Support

Commissioner Neece wanted to express kudos to people on Pioneer and around town who have done a lot of work this last year on remodeling, paving, and other things that have improved the overall look along Pioneer Avenue. The town is looking good. He would like to get a message to the Mayor from the EDC that they recognize all the work. He commented that one thing that was talked about during the work on the CEDS document and bringing this stuff forward is starting to pay off and people are doing things to their businesses that are creating economic flow to Pioneer. He wants to let them know that we are seeing it. It starts here and keeps expanding to give Homer vibrancy and vision.

NEECE/FAULKNER MOVED THAT THE ECONOMIC DEVELOPMENT COMMISSION SEND A MESSAGE TO CITY COUNCIL EXPRESSING ITS APPRECIATION IN SEEING WHAT IS HAPPENING ALONG PIONEER AVENUE AND RECOGNIZING THE PEOPLE ALONG PIONEER AVENUE FOR DOING SUCH.

FAULKNER/SARNO MOVED TO AMEND TO ADD AND CONTINUE SUPPORT FOR IN THE GAS LINE EFFORTS FOR THAT AREA AS IT WILL BENEFIT EVERYONE WHO HOOKS UP.

There was no discussion on the amendment.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

There was no further discussion on the main motion as amended.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL ITEMS

- A. Items of Possible Interest from Recent City Council meeting Packets
- B. Proposed New Port and Harbor CIP Projects
- C. Alaska Economic Reports
- D. ISER Analysis: "High Oil Prices Give Alaskans a Second Chance: How Will we Used the Opportunity

COMMENTS OF THE AUDIENCE

Franco Venuti, city resident, said the comments about the sign code tonight were interesting. He didn't hear any negative comments about the proposed changes and he suggested that if the EDC supports the proposed sign code changes, they pass that on the Council as well.

Bumppo Bremicker, city resident, commented that he was on the Town Center Committee and the idea of putting city hall in the town center was an idea to get something started. There was a lot of talk about the Farmer's Market using the space. As the City Manager said, the idea hasn't ended on doing something there. He thinks the Farmer's Market there would be a good site to get things rolling. There are a lot of good ideas put together and with the Commission's help maybe something can continue.

COMMENTS OF CITY STAFF

Special Projects Coordinator Holen commended Chair Davis on running his first meeting and welcomed Student Representative Davis.

COMMENTS OF THE COUNCIL MEMBER

There were no Councilmember comments.

COMMENTS OF THE CHAIR

Chair Davis welcomed Student Representative Davis. He looks forward to what she can bring to the Commission with the unique perspective she can offer.

COMMENTS OF THE COMMISSION MEMBERS

Commissioner Sarno commented that she is enjoying being on the Commission and appreciates the input from people who have lived in Homer longer than she has.

Commissioner Faulkner welcomed Student Representative Davis. It is nice to have someone from the high school here and he encouraged her to speak up and bring up feedback from the youth of the community.

Commissioner Neece thanked the group for their indulgence with his being late tonight.

ADJOURN

There being no more business to come before the Commission the meeting was adjourned at 7:46 p.m. The next regular meeting is scheduled for October 11, 2011 at 6:00 p.m. in the City Hall Cowles Council Chambers.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____