

Session 15-06 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Brown at 6:00 p.m. on July 14, 2015 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER ARNO, BROWN, FRIEDLANDER, MARKS, SANSOM

ABSENT: STANISLAW

STAFF: ASSISTANT CITY MANAGER LAWRENCE
DEPUTY CITY CLERK JACOBSEN
CITY MANAGER KOESTER

AGENDA APPROVAL

FRIEDLANDER/MARKS MOVED TO APPROVE THE AGENDA

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

There were no public comments.

RECONSIDERATION

APPROVAL OF MINUTES

A. Regular Meeting Minutes June 9, 2015

FRIEDLANDER/ARNO MOVED TO APPROVE THE MINUTES

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried

VISITORS

**STAFF & COUNCIL REPORT/CHAMBER OF COMMERCE & MARINE TRADES ASSOCIATION REPORT/
COMMITTEE REPORTS/BOROUGH REPORT**

Commissioner Friedlander commented on behalf of the Marine Trades Association. He reported Kate Mitchell is working in the Seattle area with other ports and harbors assisting in their efforts to build marine trades associations. Matt Alward is busy with UFA even though he's on the boat right now and will have a lot to report when he can. He acknowledged Commissioner Marks information in the packet and said it's no secret that the fishing industry is aging out. Kodiak has a great program going at their local college and that's what we are trying to grow here in Homer.

PUBLIC HEARINGS

PENDING BUSINESS

- A. Resolution 12-041 Re: Community Economic Development Strategy Priorities
 - i. Memorandum 13-166 Re: Status Update November 15, 2013

The Commission reviewed the resolution and acknowledged the 2013 status update. Commissioner's expressed interest in promoting high tech business. Deputy City Clerk Jacobsen noted that the previous Commission did work on the topic and said staff could include a memo highlighting their work in the next meeting packet. There were also comments that there are other business areas worthy of addressing and that downtown revitalization goes beyond just the town center as referenced in the memo. It includes Pioneer, Lake, and the bypass and is worthy of further consideration.

NEW BUSINESS

- A. Election of Vice Chair

Commissioner Marks volunteered to serve as Vice Chair.

ARNO/SAMSON MOVED TO NOMINATE COMMISSIONER MARKS

There were no further nominations.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

- B. Old Building Business Renewal – Submitted by Commissioner Brown

Chair Brown reviewed his proposal to identify buildings that are eyesores or sitting vacant for several years, and those available to renovate for commercial applications. He suggests providing a tax incentive to defer city sales tax equal to the cost of renovations.

Assistant City Manager Lawrence commented that there are quite a few details that would need to be worked out, like the parameters for several years and what is an eyesore. He thinks the idea to fix up and incentivize buildings in our town is good, but there is quite a bit of work that would need to go into establishing how we would move forward.

ECONOMIC DEVELOPMENT ADVISORY COMMISSION
REGULAR MEETING
JULY 14, 2015

Commissioner Marks noted that different buildings may need different solutions, there are structures we see along Pioneer for example, but there are likely others that we don't see regularly. She thinks it's important to look at things before finalizing a solution.

Commissioner Sansom questioned if we are talking about buildings that make us look like we're in economic downturn rather than a vibrant community. She commented that in her eyes the Alaska Wildberry building may an example of such a building.

Commissioner Marks added that to some people don't see the building that way, even though it's vacant. There is something in the town that creates interest in "funky", rather than cookie cutter and polished.

Staff and Councilmember Zak commented briefly about the Soldotna Storefront Improvement program and suggested it as an avenue for the Commission to consider exploring.

There was brief discussion of some of the challenges with addressing different needs of buildings. Councilmember Zak referenced the building next to Bay Realty that has been for sale for many years.

Chair Brown asked that more details about the in Soldotna be provided at the next meeting for consideration.

Commissioner Arno suggested lowering property tax as a benefit and raising sales tax.

Assistant City Manager Lawrence commented about the survey that is currently ongoing to get input from the public relating to taxes and other facets of city services specifically related to the budget circumstances. He encouraged the group to complete the survey and attend the open house on July 20.

C. Economic Engines, starting the dialog for Commission consideration – Submitted by
Commissioner Marks

Commissioner Marks commented that we need to bring something into the community in addition to upgrading what kinds of businesses and economic engines we have so there will be more people in town who will spend more money. What she sees as a business owner is that there aren't enough people here year round to sustain the types of businesses we would like to see. It takes a population that is here year round. She has some ideas for people to invite to speak to the Commission. She would like to know more about what is happening at the harbor and what kind of economic development possibilities are out there.

Commissioner Sansom commented that she sees a lot of people who come here to work here in the summer, then spend their money outside Homer. It made her think of products we make in Homer and ship outside. She doesn't necessarily want a whole bunch of people to move here, but wants to be able to produce things that people want from Homer. She added that the ACS building has big data pipes going in to it and questions if cold storage be done there. They don't need a lot of people for that but it brings money in. She also touched on recycling and how do we use these resources to make something to turn around and send out. She doesn't think we can tax ourselves into prosperity.

ECONOMIC DEVELOPMENT ADVISORY COMMISSION
REGULAR MEETING
JULY 14, 2015

Councilmember Zak talked about the business retention and expansion program the state is coming up with to help retain existing businesses and making them stronger. If it works well, and we have strong relationship with the city and businesses then everyone will be successful. He talked about local manufacturers like Homeric Traders and Nomad Shelters that are grass roots and working hard to make it work.

Commissioner Arno talked about a family member who is growing peonies. She's competing with Sweden and other places who are selling them cheaper than she can right now and shipping costs play a big part in it. Our biggest downfall is the cost to ship things out. If we import jobs like Vo-tech or marine trades to train, that will bring people in for the training jobs and also people to who come to get trained.

Commissioner Friedlander agreed that a vocational program in Homer would be incredible and people would want to stay here. He agrees with raising taxes to the point of being sustainable.

Commissioner Marks pointed out that we have grown. There are more people here in the winter now than 15 years ago. A few thousand people won't make a lot of difference in many cases other than supporting local business on a year round basis. She commented how people don't want a big box store in town, but at the same time most people in town have purchased from Amazon.com, which is a big box store in the cloud. It's hard to go up against that when you need to have enough people to come in to a business to buy. She looks forward to talking more about this and hearing other people's ideas. She will work with Assistant City Manager Lawrence for an agenda topic for next meeting.

D. Bylaw Amendment – Adding Pledge of Allegiance prior to roll call

ARNO/FRIEDLANDER MOVED THAT THE COMMISSION SUPPORTS THE PROPOSED BYLAW AMENDMENT AND THAT IT BE INCLUDED ON THE AUGUST AGENDA FOR FINAL ACTION BY THE COMMISSION.

Commissioner Marks noted a date correction in the draft resolution.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried

E. Draft 2015-2020 Capital Improvement Plan review

Acting City Manager Lawrence and City Manager Koester reviewed the process with the Commission and also the CIP schedule.

Chair Brown encouraged Commissioners to read through the CIP in the packet and bring their top two choices back for the next meeting. They will discuss and rank the recommendations for their top two that will be sent to council.

INFORMATIONAL ITEMS

ECONOMIC DEVELOPMENT ADVISORY COMMISSION
REGULAR MEETING
JULY 14, 2015

- A. City Manager's Report June 29, 2015
- B. Memorandum from Assistant City Manager Lawrence Re: EDC recommendations to City Council
- C. Memorandum 15-081 Re: Appointment of Anna Rodriguez-Sansom to the Economic Development Advisory Commission

The Commission talked about the memorandums they sent to council and how to proceed. Chair Brown agreed to speak under commission reports at the next council meeting. Councilmember Zak noted that it might be challenging to move this forward given the city's current financial situation.

COMMENTS OF THE AUDIENCE

Karen Zak, Chamber of Commerce Executive Director, provided some statistics to the Commission. They have had 4878 visitors to the chamber since June 1. She is very proud of the personalized service that the staff and volunteers have been able to provide. This doesn't include phone calls and emails. They have met 4 cruise ships so far, sent out 215 relocation packages and fielded lots of calls and emails with questions about jobs and housing. Mrs. Zak said they are working to upgrade the relocation packages with a new look and better information. They are also working hard looking at ways to promote business in the winter months. She added that she is looking forward to seeing how much sales tax was generated during the winter king salmon tournament and one of their goals is to show the sales tax revenue during peak times, like shore bird festival, cruise ship visits, and other events.

COMMENTS OF CITY STAFF

There were no staff comments.

COMMENTS OF THE COUNCILMEMBER

Councilmember Zak commented that it's interesting how expensive it is to ship out of here. As small business owners, if we got a grass roots effort of businesses or B&B to order them from a local business owner would be something we could do as a community.

COMMENTS OF THE CHAIR

Chair Brown thanked everyone for their work tonight.

COMMENTS OF THE COMMISSION

Commissioner Friedlander commented he would work with staff with some data mining questions and to work on a couple proposals for next meeting. He also commented that from a tax stand point the city isn't zoned correctly and asked about speaking to the Planning Commission. Deputy City Clerk Jacobsen explained all of the Commission's meetings are open to the public and encouraged reviewing the Comprehensive Plan as it has a lot of information related to zoning and the city's plan moving forward.

ECONOMIC DEVELOPMENT ADVISORY COMMISSION
REGULAR MEETING
JULY 14, 2015

Commissioner Marks thanked staff for continuing to educate them on how to do their jobs. She looks forward to coming up with an action for the next meeting.

Commissioner Sansom commented she would be interested in working with Commissioner Friedlander on his proposal.

Commissioner Arno said it was a good meeting.

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 8:01 p.m. The next regular meeting is scheduled for Tuesday, August 11, 2015 at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____