

ECONOMIC DEVELOPMENT ADVISORY COMMISSION
SPECIAL MEETING
JANUARY 10, 2017

Session 17-01 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Marks at 6:00 p.m. on January 10, 2017 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER EVANS, GUSTAFSON, KIESEL, LORD, MARKS, RICHARDSON, SANSOM
COUNCILMEMBER SMITH (arrived at 7:00 p.m.)

STAFF: SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
DEPUTY CITY CLERK JACOBSEN

AGENDA APPROVAL

Chair Marks asked for a motion to approve the agenda.

GUSTAFSON/RICHARDSON SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

RECONSIDERATION

APPROVAL OF MINUTES

A. Regular Meeting Minutes of November 8, 2016

Chair Marks asked for a motion to approve the minutes.

EVANS/GUSTAFSON SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

A. Rita Jo Shoultz, Alaska Perfect Peony

Mrs. Shoultz gave a brief overview of her 50 years' experience with economic development in Homer and talked about projects and policy relating to agriculture. She cited the 2012 census noting the

western Kenai Peninsula has 34% of the farms selling food direct to consumers and 30% of the peony industry. A 2015 Soil & Water Conservation District Survey showed food producers had increased sales and producers of value added products like salsa and jellies expanded their business. Community Supported Agriculture (CSA), sales to restaurants and numbers of farms have increased, the Food Hub was established in 2016, and the Homer Farmer's Market sold \$80,000 in Market Coins in 2016.

Mrs. Shultz highlighted ways the city can help promote agriculture including public gardens on city land, sponsoring educational offerings, training for forming co-ops, and applying for USDA grants. She also touched on ways to support agriculture through policy opportunities such as advocating for a sunset on the length of time the Farm Use Assessment has to be paid back if the land use changes, supporting farmers being threatened by annexation, and planning zoning to protect farmlands.

She also reviewed the ongoing efforts planting peonies throughout the city.

REPORTS

A. Marine Trades Association Report

The Marine Trades Association provided a written report.

B. Chamber Director Report

Karen Zak, Executive Director of Homer Chamber, updated the commission on the chambers work including:

- 2017 Visitor guide and website updates
- Homer as a health and wellness destination
- Signage improvements for Pioneer Avenue
- Annual meeting and christening the kiosk on Baycrest
- KPEDD Industry Outlook Forum
- Marketing agreement with the City
- Relocation packages
- Winter Carnival and Shorebird Festival

There was brief discussion about marketing Homer worldwide and about broadband throughout the area and across the bay.

C. Pioneer Avenue Task Force Report

Chair Marks reported the task force will meet again on the last Wednesday of January and the meeting is open to all.

D. Staff Report

Special Projects & Communications Coordinator Carroll reviewed the Open Meetings Act information included in her staff report.

The group discussed population trends, noting that Homer's population is growing slightly. They also talked about the Commissions guiding documents including the Community Economic Development Strategy (CEDS), and the Economic Vitality chapter of the Comprehensive Plan. The Planning Department is working on a Comprehensive Plan update, which this Commission has provided input on. The CEDS is more like a comprehensive plan for economic development with more detail on demographics, projection, current economic climate, and so on. It is a big project to update the CEDS and the Commission would have to consider how to do it and if it's worthy of the effort or if other things rise to the top.

PUBLIC HEARINGS

PENDING BUSINESS

A. Update on Information gathering session with local business owners

Chair Marks updated the group on efforts to meet informally with local business owners. She has not received any confirmation from anyone yet for the January 18 or 23 times. Suggestion was raised that if people don't show up for the session, commissioners could be tasked with reaching out to a few names on the list and speak with them directly.

Chair Marks will report again in February.

NEW BUSINESS

A. Homer Conference Center Discussion

Commissioner Gustafson started the discussion explaining that people from within and outside the community have commented informally to him that it makes sense for Homer have a conference center. Getting that feedback from an Anchorage perspective seemed valuable in understanding it would be a primary source of people coming to Homer and would fit well with what we already have to offer. In listening to feedback after the public safety building project, there doesn't seem to be disdain for large public projects and people are interested in building infrastructure in the community, the question is what project they can get behind.

Councilmember Smith commented there has been a lot research on a conference center and a lot of information his dad passed down that he would be happy to share. He thinks we are still trying to digest the aftermath of the last proposition and put in place what lead to its failure. One element is what's happening in the state, not knowing how it will play out, and not knowing what it will ultimately cost us. Another is the fiscal challenge of the city to fund the deficit we face. Until we find long-term fixes, it will be increasingly difficult to bring the community on board to fund large projects. He thinks a conference center is a great idea and it would benefit our community. The biggest questions are how to draw costs in and pay for it in the end. Getting that information is something this Commission could address and he would be wholeheartedly behind pursuing something with a conference center and willing to work with them on it.

The group talked about private development and ownership of a conference center and public/private partnership.

Commissioner Evans commented that the city is probably the worst model to choose because it would have to be subsidized. In a public private partnership the city could provide land, facilitate access to water and sewer and so on, then plan build where it will be the most economically viable. The market goes beyond Alaska in that we have not only road access but also airport, so outside marketing could be very dynamic for a private developer. He thinks the commission can facilitate a lot of this by asking questions, getting as much information as they can, and putting it out there.

Chair Marks agrees that private industry is the best direction to avoid the problems Councilmember Smith brought up. It's important to see what is going to happen with the state, but if we don't start talking about this now, we may lose an opportunity. She noted an issue that has come up before is limited lodging facilities in Homer to accommodate a large group. There might be room for a hotel/convention center to create some of that outside marketing. We might have some potential for this if we take some control over how it's being done to help retain the qualities we like to have in Homer.

Commissioner Lord also agreed with the private or public/private ownership options and raised the question of bed tax as part of a user pay pot of money at some level.

Councilmember Smith explained the borough would have to address bed tax before the city can do anything with it. One of the biggest complaints he has heard about bed tax is it singles out one industry.

Ms. Carroll asked for feedback about the reports for which she provided links in her memo. In reviewing the reports, she asked them to consider some of the local market conditions, how they have changed over the years, and what they see as being a viable possibility for Homer, and also think about what has changed in the years since the reports were written.

Chair Marks appreciated the discussion on the topic and encouraged everyone to look at the reports and continue digesting the information for further discussion at the next meeting.

Commissioner Sansom said she would have information provide on wellness at the February meeting.

INFORMATIONAL ITEMS

A. Commissioner Attendance at City Council Meetings

COMMENTS OF THE AUDIENCE

Karen Zak said she thinks the community would get behind this if it were a conference and civic center. She shared some of her experience with the Dena'ina Center Task Force in Anchorage and said she would be glad to work with the group on this. She suggested a center that could accommodate up to 250 to 500 people and noted how the chamber could would be able to assist groups in finding other accommodations for their events.

Mayor Bryan Zak commented that Stagvid is holding a business summit on social media and marketing at the Second Star on February 17 and 18. He added he is the Director for the Small Business Development Center and would be happy to present to the Commission on programs and tools SBD has for business owners.

COMMENTS OF CITY STAFF

Special Projects & Communications Coordinator Carroll said she appreciates everyone being here and the lively conversation.

COMMENTS OF THE COUNCILMEMBER

Councilmember Smith expressed his appreciation for the time and efforts of the Commission. The Commission's work is going to be key in getting the council moving in directions that are meaningful and hopefully result in something that will help move the City forward. We have a tremendous asset with the SPARC facility that is being built through a public/private partnership. It will have a tremendous amount of room and probably be available for events in the future.

COMMENTS OF THE CHAIR

Chair Marks had no comments.

COMMENTS OF THE COMMISSION

Commissioner Robertson said we're off to a great start and its fun to see them getting some traction, it's real exciting.

Commissioner Lord said she's looking forward to working with everyone.

Commissioner Gustafson welcomed Mr. Evans and Ms. Lord to the group.

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 8:15 p.m. The next regular meeting is scheduled for Tuesday, February 14, 2017 at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

MELISSA JACOBSEN, MMC, DEPUTY CITY CLERK

Approved: _____