ECONOMIC DEVELOPMENT ADVISORY COMMISSION
REGULAR MEETING
FEBRUARY 9, 2016

Session 16-01 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Brown at 6:00 p.m. on February 9, 2016 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and opened with the Pledge of Allegiance.

PRESENT: COMMISSIONER BROWN, MARKS, SANSOM, STANISLAW

ABSENT: SPRAGUE (excused), ARNO (unexcused), FRIEDLANDER (unexcused)

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

AGENDA APPROVAL

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Chair Brown asked for a motion to approve the agenda.

MARKS/SANSOM MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

PUBLIC COMMENTS

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

RECONSID-ERATION

RECONSIDERATION

MINUTES APPROVAL

APPROVAL OF MINUTES

A. Regular Meeting Minutes of November 10, 2015

Chair Brown called for approval of the minutes.

MARKS/STANISLAW SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

VISITORS

REPORTS

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

Karen Zak, Chamber of Commerce Executive Director, provided the Commission some updated statistics, upcoming events, and works in progress.

- 20 new businesses have joined the Chamber.
- They are looking for a location where vendors can set up and be available for the 9 cruise ships that will be coming in 2016.
- 2014 started with 465 businesses and they ended with 548 businesses in 2015.
- 26 Gold Businesses they give additional funding for promoting Homer and community events.
- 60 new members in 2015 and 9 new member businesses since the first of the year.
- Wrote a grant for Shark Tank and a company called Deluxe for "Small Business Revolution on Main Street"
    - $500,000 grant and they would come to help with business marketing and seminars.
    - Top 10 contenders posted May 1st then it goes to online voting.
- Cook Inletkeeper has applied for a grant to address the building on Pioneer that has some issue with contamination.
- Asia Freeman is working on a grant for an art type program for Pioneer Avenue.
- They are working on the information kiosk on Baycrest, Winter Carnival is Saturday, the are hosting an international group of tour operators, and the Winter King Tournament and a statewide hockey tournament the same weekend.

Chair Brown recognized former EDC Chair Mike Barth and his efforts in promoting the hockey program and getting the statewide tournament in Homer.

PUBLIC HEARINGS

PUBLIC HEARINGS

PENDING BUSINESS

PENDING BUSINESS

NEW BUSINESS

NEW BUSINESS

Land Allocation Plan

A. Memorandum from Deputy City Planner Engebretsen re: Land Allocation Plan

Deputy City Planner Engebretsen reviewed her memo in the packet which provides an overview of the land allocation process.

Question was raised how property values are determined when the city sells its property and about the Bridge Creek Watershed. Deputy City Planner Engebretsen replied that properties assessed at over $50,000 by the Kenai Peninsula Borough have to have an appraisal done before it can be sold. Regarding the watershed, she addressed the importance of the city owning the land in its watershed. Mrs. Engebretsen explained the watershed is the land that drains into the reservoir for city water, some is inside city limits and some is outside. The Borough granted the City extraterritorial zoning powers for the area bounded between Skyline Drive and Crossman Ridge Road. The City tries to purchase land in the area when it's affordable to help protect the watershed to help protect the area because development can degrade the water quality.

There was brief discussion about lease properties, particularly the Coast Guard lease that expires in September 2016. Deputy City Planner Engebretsen explained that there is a lease committee made up of City staff that reviews and makes recommendations regarding leases. If a lease reaches the end of its term the city can work with the lessee to negotiate a new lease or make the property available through the RFP process if there may be a better use for a property.

Land Allocation Plan

Councilmember Smith commented that there is a new class of ship scheduled to replace the current vessel and the new class can't berth at our harbor. Creating space for the new class of ship is something we need to think about for the port expansion. The Coast Guard wants to house them in two's in order to consolidate the maintenance facilities. We really need to be working to that end.

BROWN/MARKS MOVED TO FORWARD RECOMMENDATIONS A AND B TO THE CITY COUNCIL.

A. *Designate the 40 acres acquired through tax foreclosure for watershed protection purposes. (Page F-7)*
B. *The old harbormaster office property on page D 20, and is designated for parking and restrooms. Expand designation to include Boat House.*

There was no further discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

B. Memorandum from Deputy City Planner Engebretsen re: Comprehensive Plan Update

Comprehensive Plan Update

Deputy City Planner Engebretsen explained that the current Comprehensive Plan was adopted in 2010 and a lot of the work has been completed which is great, and now we are looking at updating the plan. She explained that a Planning and Zoning staff member will be working with them in April and May to look at the economic development chapter of the plan, talk about projects that have been completed, things that should be added to the plan, and things in the plan that may not be feasible now. She noted and reviewed the work schedule included with her memo.

There was brief discussion that the Community Economic Development Strategy is a separate document than the Comprehensive Plan. Their work on the Comprehensive Plan could help them with the direction they may want to go when they work on updating the CEDS.

C. Memorandum from Deputy City Planner Engebretsen re: EDC Strategic Planning

Deputy City Planner Engebretsen reviewed her memorandum and packet information regarding strategic planning and ways for the commission to be more effective. She highlighted:

- Sending memos to Council periodically so they have a written report of what's going on.
- Having a Commissioner speak under Commission Reports at Council meetings.
- Working on topics the whole Commission wants to work on.
- Keeping the workload manageable with two long term projects and one or two short term projects going at a time.

She reviewed the draft strategic plan she included in the packet and asked for feedback from the Commission about their goals.

Comprehensive Plan Update

The Commission discussed developing a marketing/advertising program for Homer to make people aware of being able to put businesses in this town. Discussion points included:

- Promoting that we are open for business beyond what the Chamber already does.
- The Marine Trades developed a video promoting the harbor and marine trades and we should develop one promoting other areas of business in Homer.
- Radio advertising in this area is effective.
- The internet has very effective ways of reaching audiences in the way messages are marketed through search topics.
- With a small investment we could make a splash in social media.

Special Projects and Communications Coordinator Carroll commented that any kind of advertising or communication plan it's very essential to identify who you are trying to reach and for what reason.

Point was raised that with all the ideas tonight, maybe next meeting we can address short term goals and breaking down a marketing plan for Homer into smaller ideas that are manageable. For example if the topic is radio, then why radio. It's important to bring some facts to the meeting for different short term goals.

There was also discussion about the importance of promoting what the City offers, things like police and fire, it's all interconnected.

Councilmember Smith agreed marketing what we have is great, but we need to consider what we're lacking and what prevents people from coming here. It's important to consider what we might do to fix that.

They touched on some ideas about developing a video promoting Homer.

Special Projects and Communications Coordinator Carroll encouraged the Commission to set their goal and start to break it down into discrete steps that become objectives to their goal and specific tasks. If a goal is developing a video, this process will create a complete and well thought out package to present to the City Council.

Deputy City Planner Engebretsen added in working through this process they will get to a point where they address cost and formulate a budget request to send to Council in August when they being the budget process. Mrs. Engebretsen said she will break some of this down in to tasks for their next packet.

Chair Brown thanked staff for their help and information tonight and addressed the importance of interacting with Council. He recognized the benefit of having a Councilmember at their table to assist in the Commissions efforts and looks forward to the information that will come back at their next meeting and working toward successful completion.

Declaring Vacancy

D. Memorandum from Deputy City Clerk re: Declaring David Friedlander's seat vacant

Declaring Vacancy

Chair Brown reviewed the memo in the packet and called for a motion to declare David Friedlander's seat vacant.

MARKS/STANISLAW SO MOVED.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

INFORMATIONAL ITEMS

A. City Manager's Report February 8, 2016
B. Memo from Deputy City Clerk Re: Upcoming Speakers
C. Appointment of Heath Smith as City Council Representative to the Economic Development Advisory Commission

INFO ITEMS

COMMENTS OF THE AUDIENCE

AUDIENCE COMMENTS

Duane Parlow, city resident since 1991, commented he is interested in their comments about being open for business. He attended the Industry Outlook Forum in Kenai and our Mayor did a really good job about reiterating Homer is open for business. In relation to getting the word out he thinks the time is right for the Commission to recommend to Council to invite CIRI down to work with the Commission to look at potential economic opportunities with the use of their land in the middle of town. 12 years ago the town wasn't of a mind that we are open for business, bringing it up again now, we'll see if the town has changed or not. He thinks Council inviting CIRI down would do more than any radio advertising.

STAFF COMMENTS

COMMENTS OF CITY STAFF

Special Projects and Communications Coordinator Carroll commented she appreciates the opportunity to work with the group and looks forward learning ways she can provide support to make the group more productive and feel that their time is well spent. She recapped that she will send them email links for videos done by the Marine Trades and the Chamber and also the MySoldotna video. She will create a spreadsheet to them to list challenges and attributes that Homer presents to people moving here to start or engage in business.

COUNCIL COMMENTS

COMMENTS OF THE COUNCILMEMBER

Councilmember Smith said he is excited to work with the Commission and report to Council. He thanked Mr. Parlow for his comments. It's interesting where we are now and the kind of commerce we're inviting into the community that maybe it is the perfect time to come to Council and say if we're open to this type of business then we better be open to other kinds. He commented about his experience as a UPS driver in the 20 years he's worked there, the freight has almost quadrupled and over a third of the freight is from Amazon. Amazon prime has made a huge impact on where our

money goes. The longer we go without finding a resolution to becoming competitive, the sooner we will teach upcoming generations to continue to use this. We aren't far removed from this replacing our market place. We have to be cognizant of what technology has done and what Amazon has done to change the game. When we talk about the dirty word "Fred Meyer" and the competitive price point in the diversity of product, we have to wake up and address it sooner than later.

CHAIR COMMENTS

COMMENTS OF THE CHAIR

Chair Brown thanked everyone for participating and he appreciates their efforts and diligence. We are in our greatest struggle now; this is the tipping point of our city, state, and economy. Everyone needs to participate and become involved.

COMMISSION COMMENTS

COMMENTS OF THE COMMISSION

Commissioner Sansom said she is happy to be back. She said was feeling a little sheepish when they voted out the other guy since she's missed a few meetings. She will miss a couple more as she has to tend to some family things. She hopes to call in to the next meeting and will be back in May.

Commissioner Stanislaw commented today was very good in some of the ideas and thoughts we can do. He said he is always willing to help with research to take on the storm, as Heath said, and he is happy to be more involved.

Commissioner Marks said she's glad to see the new members of the Commission and looks forward to the new one. She added that from what Heath is saying she has thought for a long time the community voted not to have a big box store, but they always use the big box store in the sky called Amazon. She hopes the advertising and marketing has anything to do with what is now, but looks forward to what is going to be happening in the next number of years and embrace it. Business isn't a dirty word. She knows exactly what Duane means; this community has had problems in the past with embracing the idea of business. You can have very good business people who care about the community and make it worthwhile. She recognized the Chamber Director and her efforts. Non-profits are great for a community, but often times they don't pay property tax and we have issues we need to identify. She thinks this is a good group to put together a concept that says we're all in this together and this is a really good time to start something that will generate the same feeling that Homer has and still be good business people.

ADJOURN

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 7:57 p.m. The next regular meeting is scheduled for Tuesday, March 8, 2016 at 6:00 p.m. at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

Melissa Jacobsen

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: ~~May 10~~ March 8, 2016