

Session 12-01, a Special Meeting of the Economic Development Advisory Commission was called to order at 6:00 p.m. by Chair Davis on January 18, 2012 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER DAVIS, WAGNER, NEECE, FAULKNER, SARNO

COUNCILMEMBER: WYTHE (absent)

STUDENT: DAVIS

STAFF: COMMUNITY AND ECONOMIC DEVELOPMENT COORDINATOR KOESTER
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

A. September 23, 2011 Special Meeting Minutes

The minutes were approved by consensus of the Commission.

VISITORS

Kachemak City Mayor Phil Morris and Assemblymember Bill Smith commented to the Commission regarding a committee that was formed to push the letter writing campaign for the gas line. Previously they received letters from individuals and this time they are focusing on businesses and getting good feedback. Committee members are going to the business owners, giving them a 5 page description of what they are hoping to accomplish and soliciting them to write the Governor. Representative Seaton attended a meeting and explained this year's program.

Bill Smith explained that Representative Seaton has proposed is an additional \$1 per mcf added to the base rate. Adding the extra fee seems to be satisfying many people who were opposed and hopefully the Governor won't veto. Mr. Smith added that even with the additional consumers will see 60% savings or more compared to fuel. There was discussion regarding the \$1 per mcf charge.

STAFF AND COUNCIL REPORT

Community And Economic Development Coordinator Koester provided an update on the gas line from perspective of City Manager's office. The \$1 per mcf tariff is being considered the game changer in gaining traction in the conversation for legislators. There has been a lot of talk about Homer needing to have skin in the game so this is significant and still represents a robust economic development project. City Manager Wrede will be asking Council to take an action on the \$1 per mcf recommendation. At some point it would be good for the Commission to discuss a recommendation for or against the \$1 per mcf. Hopefully the City's support will show Juneau that we are committed. Preliminary numbers for the build out are available from Enstar for the Council to consider for the core area versus the entire area.

PUBLIC HEARING

No public hearings were scheduled.

PENDING BUSINESS

No pending business was scheduled.

NEW BUSINESS

- A. Review of Homer Comprehensive Economic Development Strategy Implementation Plan and Possible Action Items for 2012

Community and Economic Development Coordinator Koester commended the Commission for their work on the CEDS. She noted that while some of the items are more appropriate for other groups, she chose a few for the Commission to discuss and work toward throughout the year.

The Commission considered the following items from the CEDS Implementation Plan:

- Support development of a new program aimed at helping entrepreneurs identify and secure needed capital.
- Support development of a program to provide mentoring and other networking opportunities for local entrepreneurs.

Discussion centered on the concept of a website, and a mentoring program where professionals who were willing could take a half hour or so to work with entrepreneurs to help guide them in areas where they need help. An education event is another option for getting information out to interested people. Mrs. Koester suggested the Commission could consider supporting HB 121 that would create three revolving loan fund programs, one for charter fisheries, one for mariculture, and one for small businesses. These would be modeled after the commercial fishing revolving loan fund.

- Encourage new businesses that will fill unmet needs within the marine trades cluster.

Mrs. Koester suggested a needs analysis of what is lacking in marine trades and defining how to support the development. This could include working with the Port and Harbor Advisory Commission and other groups developed to market the port. She noted another piece of

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legislation support Alaska manufacture preference for borrowers of the commercial fishing revolving loan fund. It was pointed out that there is a new Marine Trades Association and they could assist in establishing what needs are not being met.

- Support technical upgrades that benefit individuals and businesses who utilize these services extensively: e.g. high speed broadband internet, improved cell phone service, and wireless connectivity.
- Market Homer's quality of life factors and suitability for high-tech/internet-based operations.

The group acknowledged that for Homer's economic future they need to form ways to attract people to Homer who can bring business with them, thus bringing new dollars into the economy. Resolving concerns about internet connectivity, flight services, packaging something, and so forth are things to consider with this task.

Commissioners addressed challenges with inadequate fiber optics availability in our area. Commissioner Neece suggested finding information about Kodiak Native Corporation who owns most of the cables that run all over the world. It would benefit the community to find a way to create an entity and tie into the cable rather than dealing with the telecommunications bureaucracy.

- Support expansion of local agriculture enterprises in the Homer area.

While recognizing that agriculture has become very popular, the Commission talked about how farmers markets are becoming a vital part in communities all over. Most of the members felt that growing our farmers market would strongly benefit local entrepreneurs and the community overall. Concepts of a larger building, different venues, and location were discussed.

- Take steps to make Pioneer Avenue more appealing as a commercial district. Support similar improvements on Main Street and Bunnell Street.

Mrs. Koester expressed her feeling that the idea of a central business district is good and ours needs revitalization from what didn't work before. Commissioner Faulkner spoke strongly in opposition of spending anymore staff time on the town center right now because the City has spent significant amounts of money to promote it and the voters said no to the town center. There was discussion that the voters said no to the package presented on the ballot primarily due to the new city hall, but many people in the community have interest in the town center itself. Commissioner Neece reiterated his suggestion from the last meeting of the Commission and City Council recognizing the businesses that have put forth money and effort to make their building look good thereby improving the overall look of the business district.

The Commission requested Mrs. Koester bring back information on the fiber optics concept, business acceleration/business incubation events, inviting the Marine Trades Association to talk to the Commission and look at needs analysis as a future step.

INFORMATIONAL ITEMS

COMMENTS OF THE AUDIENCE

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Councilmember Zak welcomed Katie and acknowledged the great ideas from Commission tonight.

COMMENTS OF CITY STAFF

There were no further staff comments.

COMMENTS OF THE COUNCIL MEMBER

COMMENTS OF THE CHAIR

Chair Davis said he is glad to have Katie here and is looking forward to what we can get done.

COMMENTS OF THE COMMISSION MEMBERS

Student Representative Davis said she likes the idea of the business incubator and having a business education event extend to the high school as well. It will be good to help teens have an understanding of economic development and have incentive to stay in Homer if they can sustain themselves here. She enjoys being on this Commission, she's learning a lot.

Commissioner Sarno thanked Katie. She said she keeps coming from the point of view from popular movements. Large numbers of people doing small things equals one large company doing one thing. She is on the side of lots of small businesses being incubated.

Commissioner Faulkner commented that as they discuss economic development some ideas brought out, like building a convention center for 1500 people, it makes wonder if he wants to live in a Homer that has conventions of 1500 people coming to town. He suggested in the near future the Commission invite business to discuss the plusses and minuses of cruise ships and how many is too many. He and Chair Davis engaged in discussion of cruise ships.

Commissioner Wagner said he is glad Katie is here and looks forward to working with the group.

Commissioner Neece thanked Katie and said he would give her the fiber optic information he has.

ADJOURN

There being no more business to come before the Commission the meeting was adjourned at 8pm p.m. The next regular meeting is scheduled for February 14, 2012 at 6:00 p.m. in the City Hall Cowles Council Chambers.

MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK

Approved: _____