

Session 13-09 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Barth at 6:00 p.m. on December 10, 2013 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONER ARNO, BARTH, ROSS, SARNO, WAGNER

ABSENT: KRISINTU

STAFF: COMMUNITY & ECONOMIC DEVELOPMENT COORDINATOR KOESTER
DEPUTY CITY CLERK JACOBSEN

AGENDA APPROVAL

ROSS/WAGNER MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

None

RECONSIDERATION

APPROVAL OF MINUTES

A. November 12, 2013 Regular Meeting Minutes

It was noted that the attendance on the minutes needed to be corrected to show Commissioner Wagner absent and Commissioner Arno as present.

The minutes were approved by consensus of the Commission.

VISITORS

A. Aaron Kallenberg, High Tech Entrepreneur out of New York

Mr. Kallenberg introduced himself and said he grew up in Homer and graduated from Homer high school. He recognized that the influence and encouragement of particular high school teachers helped him get where he is today. During high school he taught web development at Community Schools, and then attended college in Washington State. He talked about his experience in developing a consulting business, and web based businesses. Mr. Kallenberg also addressed the importance of location when working in the technological field. He said it wouldn't be impossible to do his kind of

work from Homer at the point he is now, but location and access to jobs is important when getting started. Location is key based not only being where there is a trained work force, but also ease of accessibility from other locations in the state. For example Boulder, Colorado and Austin, Texas are both growing in the technological field and are somewhat centrally located from either coast. He spoke of a technology incubator that he was involved with in one of his businesses called TechStars. They pull you on site, mentor your company, and introduce you to capital with investors.

Homer is at a disadvantage because it is a lot smaller, and travel to and from can be challenging, but he thinks there are things the city could do to position itself to create an environment that is conducive to the culture and location. He thinks Homer could be marketed or positioned as a destination for something specific that could augment the tech conversation on a global level. One way to do that is hold some sort of tech conference where you would really play up that there is no better place to have a conference than the Homer, Alaska. Then it becomes extremely desirable and convenient when you are doing something globally and trying to get people in from Asia and the states. It would take a lot of planning but is attainable, and there are a lot of cities that are doing it. Another thing that is important, before trying to attract companies or investors, is to focus on creating and nurturing a work force. That can be done starting in high school, or even earlier. There is an organization called Code for America where people share their expertise for little or no cost to local government. Creating that resource pool for companies to benefit from is key. Mr. Kallenberg also suggested a event called a Hackathon, where people come in and win a prize to build a new product. A surprising amount of companies get started this way. Direct incentives are an option to consider. He emphasized that there would be a need to get Homer on the map and over time start to attract attention.

Talent is one thing, but capital is also important. Focusing Homer as a place where tech investors come to discuss tech investment would be an interesting approach. A surprising number of those people have heard of Homer, visited, or even own property here.

In relation to internet or infrastructure, Mr. Kallenberg said he hasn't had an issue with it in Alaska. He probably wouldn't put a data center here, but for web companies, a lot of stuff is moved over the Cloud and the service is adequate for that type of work.

They talked briefly about ways to enhance the city center, should it be developed in the future, to house some type of high tech business. Mr. Kallenberg noted a large company that has a main office in New York and satellite offices in Dublin and in Portland. It's his understanding they did that because there are a lot of developers and engineers in those less competitive areas and put engineering departments there. He talked about other circumstances that are relative to people in high tech fields who are able to work from home and also conference potential, but continued to emphasize the importance building an environment conducive to tech talent and lobbying companies with enough incentives to thrive in Homer.

STAFF AND COUNCIL REPORT/COMMITTEE REPORTS/BOROUGH REPORTS

PUBLIC HEARING

PENDING BUSINESS

A. Marketing Homer to High Tech Entrepreneurs

The Commission took some time to review and talk about the packet materials that comprise the groups work regarding High Tech Entrepreneurs. Initial discussion focused on the survey, and that is still an option for them to put out and get feedback. One of the issues initially with the survey was who to send it out to. The group talked about getting it out to the entrepreneur group that is meeting regularly, and possibly working with the Chamber to send out to businesses in its database. The group agreed to schedule a worksession to finalize the survey. Commissioner Wagner said he would send it out to a few key people to get their input on it.

They briefly reviewed the information about the fiber cable and the challenges to use it.

Lastly the group touched on the conference idea that Mr. Kallenberg mentioned. It was suggested that would be a good idea to get people here and get an idea of what it would be like to live here or do business here. Commissioner Wagner talked about an event they went to in Yakutat that addressed alternative energy. A competition will get a little buzz going, that is something they can continue to think about.

The Commission agreed on January 7th for a worksession and Community and Economic Development Coordinator Koester said she would coordinate with the Mr. Lavrakas from the Chamber to see if he can attend. Commissioner Sarno said she would be absent at the January 14th, regular meeting.

NEW BUSINESS

INFORMATIONAL ITEMS

A. Memo to Council Re: Status Update on Resolution 12-041

COMMENTS OF THE AUDIENCE

Bumppo Bremmicker, city resident, encouraged the Commission not to let go of the town center concept. He participated on the Town Center Committee and the group had a lot of discussion with CIRI. At that time they were interested in doing something and willing to work with and trade with the city and the city could develop the needed infrastructure, as land ownership in that area is about 50/50. When it went to the voters on the ballot the city hall question kind of brought it down. He was always a big promoter of doing a big park green space, and including businesses and residential. There were a lot of good plans and a lot of good work done on it. He thinks it's good that some time has passed since then for things to settle down. He still thinks there is good potential for something good there. He hopes they keep it in mind, and he hopes that green space is a part of it.

Larry Slone, city resident, commented that everyone loves the concept of the town center, but they aren't willing to pay the money to put in the infrastructure. Without some large commercial entity willing to locate there and provide financing for infrastructure, his sense is that is simply isn't going to go anywhere. This topic seems to be revisited on a regular basis, and this is ultimately what it comes

down to. He thinks they are all aware of the city status with regard to financing and providing funding for all the entities that want it. The budget was adopted last night and they provided all the funding requested. But they are coming up against the insurmountable barrier of the health care costs for city employees. It is presumably going to get worse in the future. They managed to get through this year, but will have a tough time in subsequent years. Money will be tight so if the group has no way of dealing with funding for the town center infrastructure, any plans they may have for that are pretty much dead in the water.

COMMENTS OF CITY STAFF

Community and Economic Development Coordinator Koester commented that she looks forward to working with the Chair on the upcoming worksession and meeting agenda.

COMMENTS OF THE COUNCILMEMBER

COMMENTS OF THE CHAIR

Chair Barth commented that money is the issue and he is encouraged that their focus as a commission is really on increasing the tax base through economic development, not necessarily by just a vote to raise taxes. It's encouraging business to come in and produce income, which in turn generates revenue through sales tax. He personally prefers that approach and he is excited they are talking about things that could potentially make that happen.

COMMENTS OF THE COMMISSION

Commissioner Ross thanked staff for compiling the information in the packet, it was a good comprehensive overview and he is glad it is consolidated for review before the worksession. He thanked the audience for their feedback. Part of the reason he is here is because he thinks it's important to be involved in our local government, and to have the community input is also part of that. The ideas we share and talk about bring about the change that is being sought. Without it we are stagnant, and that's not good.

Commissioner Sarno commented that she spoke to council last night and she mentioned there are millions of gallons of water that could be sold. Today she found herself talking to the Finance Director Li and Public Works Director Meyer about that idea. There's 50 million gallons of water bled off every year because it can't sit in the lines past a certain amount of time. Finance Director Li did a little math and came up with 400 million bottles of water. That's a lot and water is the most precious thing on the planet right now. She said Mr. Li and Mr. Meyer asked to be invited as visitors to talk to them about what they have come up with relating to this. She thanked staff for providing copies of the CEDS to them and encouraged everyone to read it. It could really help Homer unite as a city. We developed this plan, so let's use it.

Commissioner Wagner said he agrees with Commissioner Sarno's comments and appreciated the feedback tonight. He thinks the whole thing is to keep it real. He said with things going on the

ECONOMIC DEVELOPMENT ADVISORY COMMISSION
REGULAR MEETING
DECEMBER 10, 2013

internet for businesses, so either we can join it or not. It should always be part of our plan for how we develop economically.

Commissioner Arno said he feels like they accomplished a lot tonight. He's glad to be here working on this with the Commission.

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 7:28 p.m. The next regular meeting is scheduled for Tuesday, January 14, 2014 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:_____