

Session 17-03 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Karin Marks at 6:02 p.m. on August 8, 2017 at the City Hall Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and opened with the Pledge of Allegiance.

PRESENT: COMMISSIONERS EVANS, RICHARDSON, MARKS, LORD, SANSOM, GUSTAFSON

ABSENT: COMMISSIONER KIESEL

STAFF: SPECIAL PROJECTS AND COMMUNICATION COORDINATOR CARROLL
COUNCILMEMBER SMITH
DEPUTY CITY CLERK SMITH

AGENDA APPROVAL

EVANS/RICHARDSON- MOVED TO APPROVE THE AGENDA

There was no discussion

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion Carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

RECONSIDERATION

APPROVAL OF MINUTES

A. June 13, 2017 Regular Meeting Minutes

Commissioner Lord pointed out laser print did not provide a quote when requested.

LORD/SANSOM - MOVED TO APPROVE THE MINUTES OF JUNE 13, 2017 AS AMENDED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

VISITORS

A. Marie Bader and Other Board Members of Kachemak Shellfish Mariculture Association

Marie Bader and Steve Rykaczewski from Kachemak Shellfish Mariculture Association (KSMA) started their presentation by thanking the commission for supporting Kachemak Shellfish Mariculture

Association. Ms. Bader explained that Resolution 03-85(S) was instrumental in securing the 2003 EDA Federal Loan and being on the Capital Improvement Plan has increased their chances of obtaining funding. Fish and Game do an annual report of Mariculture, in 2015 Mariculture had over 1.1 million dollars in sales, and each acre of farm produced 7,000\$ in product. There are 60 farms statewide and 25% of the farms are located in Kachemak Bay and Kachemak Bay produces 38% of the states total sales. KSMA's Remote Selling Facility is Alaska's only source of oyster seed due to Ketchikan failing to make a usable oyster seed product. KSMA have been successful for the last 4 years. The current facility is 20 years old and requires frequent maintenance and repair. They state all of the money they are making is going directly back into repairing the facility. Mr. Rykaczewski states the future of Mariculture is in kelp production. It is a 20 million dollar industry in Maine and a 2 billion dollar industry in the United States. Alaska only sold 25lbs of kelp in 2015. Ms. Bader and Mr. Rykaczewski both believe that the potential in the kelp industry is huge.

Commissioner Lord inquired about the supply to demand ratio, the successfulness of KSMA opposed to Ketchikan, and asked how Ketchikan got their funding.

Mr. Rykaczewski explained that the reason KSMA is so successful is "hands down" because of their employees. They monitor the nursery 24 hours a day from January to May to make sure the larvae have enough to eat. Right now KSMA is the only seed producing farm in Alaska. Ms. Bader explains that if they get funding to repair or build a new facility, they could easily add another setting to extend the season.

Commissioner Sansom asked if there were any negative impacts to the oyster seed or oyster farming.

Mr. Rykaczewski explains that the only negative impact he can think of would be the noise the equipment makes during the season. In fact, oysters are a good source of water purity. If oysters can't live in the water, then it will make everyone aware that the ocean is changing.

REPORTS

A. Staff Report

Jenny Carroll, Special Projects and Communications Director, had no report.

PUBLIC HEARINGS

PENDING BUSINESS

A. BR & E – Initiative

1. Update

Ms. Carroll provided a Memorandum that stated the Economic Development Commission has mailed out 1,700 post cards for their survey and currently have 69 respondents. Of the 69 respondents 39% of the respondents provided their name and contact number. The commission has followed up with said respondents and has gotten very positive feedback to the surveys. Ms. Carroll encouraged the entire Commission to participate in the survey and reminded everyone to listen carefully, take detailed notes, and be timely in the feedback process.

Ms. Lord commented that her overall impression of the survey has been very positive. The community has responded well to the Commission personally getting involved and the confidentiality clause comforts them to know their information will not be shared.

Councilmember Smith suggested that the Commission come up with some way to ask these responders if they have reference of someone else who would enjoy giving feedback.

2. Next Steps

Ms. Carroll explained that the next steps should be advertising the survey. Social media, post cards, and word of mouth are all things the Commission needs to do in order to gain feedback. The commission also should report their progress on the survey to City Council and think about presenting their results to City Council in the future.

NEW BUSINESS

A. CIP Review and Recommendations

1. Draft
2. Everything You always wanted to know

The Commission briefly discussed the combination of the Barge Mooring and Haul Out Facility projects into one two phased project. They also discussed the development of the Ramp 2 restrooms and that the Public Safety Building has had no change in progress. Councilmember Smith stated that he believed the Large Vessel Harbor was moved up in ranking last year and that the current form may be an error. Ms. Carroll stated she would look into that possible error.

The Commissioners discussed which two projects should be sent to City Council.

LORD/GUSTAFSON- MOVED TO SEND LARGE VESSEL HARBOR AND BARGE MOORING/ HAUL OUT REPAIR FACILITY TO CITY COUNCIL FOR THE CAPITAL IMPROVEMENT PLAN

The commission discussed adding the Mariculture Project to the Capital Improvement Plan but decided against it.

VOTE: 4 YES 1NO: MAJORITY VOTE

Motion carried.

A. Small Business Development Center Funding Request Letter

Commissioner Marks stated that she received this letter and had a brief conversation with John Bittner from the Small Business Development Center (SBDC). Ms. Marks suggests that the Commission gather information and form a suggestion to bring to City Council about giving SBDC funds. There was more discussion to follow. The consensus of the Commission is to move the letter request to the next agenda and make a decision after they gather more information.

B. Homer Ocean Park Proposal Marley Letter

William and Judy Marley sent the Commission a letter requesting that the city buys their 40 acre property and constructs a convention center on it. Ms. Carroll provided a map of the property which

shows wetland and bluff erosion issues. There was an erosion study done for the City which shows the erosion lines have not stayed the same and are eroding at .3 -.7 meters per year. The letter did not include an asking price for the property, but Ms. Carroll asked Mr. Marley what his price point was. He responded by saying 2.1 million dollars for the two properties.

Ms. Lord stated that we already have a proposed conference center in town center on the Capital Improvement Plan.

Commissioner Richardson stated that she thinks buying this property would not be a good idea because of the bluff erosion.

LORD/SANSOM- MOVED TO DECLINE THE PROPOSAL OF BUYING TWO PROPERTIES FROM WILLIAM AND JUDY MARLEY.

There was no discussion.

VOTE: NONOBJECTION: UNANIMOUS CONSENT

Motion Carried.

INFORMATIONAL ITEM

A. City Manager's Report

Ms. Carroll inquired if the Commission would like to have the City Manager's Report put in the packet on a regular basis to keep up to date with the items going on in other commissions.

The Commission agreed that from now on they will put the City Manager's Report in their meeting Packets.

B. Commissioner Attendance at City Council Meetings

Ms. Lord volunteered to be present and speak at the August 14th City Council Meeting

Councilmember Smith volunteered to be present and speak at the August 28th City Council Meeting.

Ms. Marks volunteered to be present and speak at the September 11th meeting.

COMMENTS OF THE AUDIENCE

COMMENTS OF CITY STAFF

No Comments

COMMENTS OF THE COUNCILMEMBER

No Comments

COMMENTS OF THE CHAIR

No Comments

COMMENTS OF THE COMMISSION

No Comments

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 8:15pm. The **NEXT REGULAR MEETING IS SCHEDULED FOR Tuesday, September 12, 2017 at 6:00 p.m.** at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

HAYLEY SMITH, DEPUTY CITY CLERK

Approved:_____