

CALL TO ORDER

Session 23-08 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Karin Marks at 6:12 p.m. on October 10, 2023 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar, and opened with the Pledge of Allegiance.

PRESENT: COMMISSIONERS MARKS, AREVALO, BROWN, GAMBLE, KIM, & PITZMAN

ABSENT: STUDENT REPRESENTATIVE PEARSON

STAFF: ECONOMIC DEVELOPMENT MANAGER ENGBRETSSEN & DEPUTY CITY CLERK PETTIT

AGENDA APPROVAL

BROWN/PITZMAN MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

A. Unapproved Regular Meeting Minutes of September 27, 2023

BROWN/PITZMAN MOVED TO APPROVE THE REGULAR MEETING MINUTES ON THE CONSENT AGENDA.

There was brief discussion about some clarifications on the minutes. Deputy City Clerk Pettit explained the correction that he made to the minutes after noticing a typo in the third sentence under "Guiding Homer's Growth." Specifically, "from" was meant to be read as "for." He noted that he went ahead and made the change while reading through the minutes prior to tonight's meeting.

Chair Marks noted that Cassidie Cameron is a female and her first name was spelled wrong under the Kenai Peninsula Economic Development District Report, in addition to the wrong pronouns being used throughout the paragraph. Deputy City Clerk Pettit explained that this information wasn't provided to him, but that it wasn't a problem for him to go back in the minutes and make the appropriate changes without a motion to do so being necessary.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

VISITORS/PRESENTATIONS

A. HART Policy Manual Review

Economic Development Manager Engebretsen first provided some insight on how roads improvements in Homer are paid for. She stated that back in the 80's City voters approved a 20-year plan to tax three-quarters of one percent of the sales tax that that is generated in Homer to help pay for road

improvements. The City responded by acquiring a bond and that's why there are any paved roads in Homer today. The City paid off the bond and kept collecting the tax money which built up significantly before the voters reauthorized the program around 2007. That's when the City decided to use some of the money to fund trails. Within the money that's generated from the voter approved tax, 90% is earmarked for roads and 10% of it goes to fund trails. Furthermore, she added that 2015 saw State budget cuts and layoffs at the City. The money was building up from the road tax, but there was no money to pay the workers running the machinery. In 2017, voters said that some of the road/trails money can be used for operations and maintenance.

Ms. Engebretsen added that there is a cost-sharing program for people that live on a road that meets certain conditions. This cost-sharing program is what the City refers to as "Special Assessment Districts" (or SADs). This is where both the City and the residents that inhabit the area that's being improved each pay a portion of the improvements. The City then carries the debt and the residents make payments for 10-20 year periods depending on the cost. She used Grubstake Avenue as an example, claiming that the SAD is what allowed the City to extend Grubstake Avenue and build the new police station.

When asked by Chair Marks to elaborate on the work that was being done to trails and sidewalks in the community, Ms. Engebretsen assured the Commission that there is a significant amount of money for trails. She added that work has already commenced on the Library Trail and that there was funding this year to do some work on Fairview as well as some other trails. She noted that they have been unable to spend money on the trails in years past due to lack of staffing.

Commissioner Pitzman asked whether the trails money can be used for signage on the trails, and further if the money could be used for parks that are both inside and outside of City limits. Ms. Engebretsen confirmed that new signage could come out of this fund, but they haven't budgeted for signs as part of the project. She continued answering Mr. Pitzman's question, stating that if part of a trail or park is on City property, then yes the money can be used for those trails and parks. However, it's unlikely that the money would be used on someone's private property or on something that's not a City trail or park.

Commissioner Kim voiced his concern about whether staffing was still an issue for the City. Ms. Engebretsen said that she viewed the problem as partially resolved. She backed her point by adding that the City has more staff now in addition to more staff that know about trails.

STAFF & COUNCIL REPORT/COMMITTEE REPORTS

A. EDC Staff Report for August

Economic Development Manager Engebretsen delivered a verbal report to the Commission, first noting that Nine Star Youth Employment Services will be here next month. She added that permitting is slowing down, which is nice because the applicant pool for the Planning Technician position wasn't very strong. She informed the Commission that the new Director of Public Works is slated to start work the week of November 13th. Ms. Engebretsen explained to the Commission that the Director of Public Works and the Public Works Engineer will each become their own respective positions once Public Works Director and Engineer Keiser retires.

B. Chamber Director Report

Economic Development Manager Engebretsen stated that the Chamber Agreement is in the process of being renewed for the next three years. She added that they have a lot of special events going on and they just hired some new staff. Chair Marks urged the Commissioners to go to the Chamber and meet the new employees.

C. Homer Marine Trades Association Report

Chair Marks made note of the minutes from the last Homer Marine Trades Association meeting that were included in the packet.

D. Kenai Peninsula Economic Development District Report

Chair Marks informed the Commission that the Kenai Peninsula Economic Development District meeting isn't until next week, so she will deliver that report at the November EDC meeting.

E. Port Expansion Project

Economic Development Manager Engebretsen delivered an update regarding the Port Expansion Project. She first provided the Commission with some background information, stating that there was a Homer Harbor Expansion public meeting held on Saturday, September 23. There were representatives from the Army Corps of Engineers, as well as representatives for the City from HDR. Much of the discussion was focused on resiliency, and this was the second meeting of a three meeting process. There were also talks about funding hiccups that are still in place. As of right now, the Corps has enough funding to continue through January.

Commissioner Arevalo raised some questions about whether or not these meetings are well-advertised, and further how someone who isn't privy to the City's website or social media could find out about the meetings. Ms. Engebretsen explained that one can sign up for updates through the harbor expansion website, and that the meetings are also advertised in the paper, on the radio, via flyers, Facebook, and even potentially Instagram. She also referenced the public outreach plan that the Port & Harbor Advisory Commission has been drafting up for the past few months.

Chair Marks added that she attended the last public meeting on the 23rd, and that she was pleasantly surprised to see how many people were at the meeting that weren't boat owners.

F. Guiding Homer's Growth Group

Commissioner Kim inserted that there wasn't really any new information to provide the Commission with due to the fact that the last meeting was prior to the last EDC meeting. He suggested the commissioners should attend the next meeting this upcoming Thursday at the library. Chair Marks added that she thinks the meeting will be informative and also urged commissioners to attend. She noted that this group is a growth out of the task force that hosted the housing conversation.

G. HERC Update

Economic Development Manager Engebretsen informed the Commission that Mike Illg, Community Recreation Manager, delivered a presentation at the City Council Work Session on Monday night. She went on to explain that the idea for a recreation facility is at a crossroad. Given that there is a lot of

hazardous material related things to work through at the HERC, it's going to be a long time before it's ready to redevelop. For recreation to continue on that site, the old building would need to be completely taken care of. She continued her update, claiming that another path forward for a recreation center would be to look at acquiring a new piece of property. She noted that City Council was receptive to this idea, and that they assigned Councilmembers Aderhold and Erickson as champions for the idea. Ms. Engebretsen suspects there will likely be a resolution out of the City Council in support of this. She concluded her update by stating that this project is just flat out going to take a while no matter which path the Council takes, but that it would be a good idea to get something done sooner rather than later.

Commissioner Kim inquired if there were any specific properties that rise to the top. Ms. Engebretsen answered Mr. Kim's question by explaining that they have provided eight options to City Council as places that have been on the market and have basic amenities like sewer and water. The new public works site out on East End Road was also included, but Ms. Engebretsen added that she didn't know how conducive that would be to having a walkable, central community given that it's about four miles out East End Road. She asserted that one of the areas she believed best fit for a new recreation center is the Homer Electric Association site above the Gold Mine Gifts and next to the police station. She noted that it has a sidewalk and there is a lot of potential right there. Town Center was another piece of property that Ms. Engebretsen highlighted. She considered the fact that there will be higher costs associated with that property given the infrastructure already in place there. Lastly, she said there was another piece of property between West Homer Elementary School and the highway that isn't super central, but one pro would be the potential to share parking with the school.

Chair Marks added some final thoughts to the discussion, stating that she felt the task force involved in this project should include someone with an economic development viewpoint. She furthered her statement, saying that business and economic development has a different perspective than just recreating, and without including someone with an economic development background, she fears a lot of things will get lost in the shuffle.

PUBLIC HEARING

PENDING BUSINESS

- A. Housing Update
Memorandum from Economic Development Manager

Chair Marks began the discussion with a brief background that she provided regarding the MAPP organization. MAPP, abbreviated for Mobilizing for Action through Planning and Partnerships, has come out with their needs assessment, and housing was their number one concern listed in conjunction with mental health. She informed the commissioners that MAPP was going to be hosting another meeting at the college this upcoming Friday. There will be one meeting from 9 a.m. – 12 p.m., followed by another meeting from 5 p.m. – 7 p.m. Both meetings will cover the same materials, where MAPP will aim to discuss the top four or five problems that they have observed throughout the community in order to see what can be done once they delve into the statistics.

- B. Looking Ahead to the 2024 Strategic Plan
Memorandum from Economic Development Manager

Chair Marks began the discussion by asking Economic Development Manager Engebretsen if the Commission should be careful to recognize that it may have to come up with some other ways of doing things in 2024 in regards to the contract that will be awarded to whichever consultant City Council chooses to work on the comprehensive plan. Ms. Engebretsen affirmed that Council is scheduled to award a contract at the next Council meeting. She added that it would help her to know what things the Commission is interested in outside of the comprehensive plan.

The Commission went through the document in the packet, outlining the following goals and making changes where necessary:

- Goal #1 (near-term): Familiarize with smart growth principles and best practices and also green infrastructure concepts. Have these in our toolbox when development decisions come out way for consideration. Task: staff to provide smart growth resources.

Ms. Engebretsen stated that public works has already done a lot of work as far as green infrastructure is concerned. She backed her claim, using the multi-hundred thousand dollar green infrastructure storm water tank basin down in Old Town and the \$4 million project for the Kachemak Sponge out East End Road. She added that she doesn't foresee much work taking place in the over the next two years aside from these projects. She suggested that the group come up with a different goal for the next year. Commissioner Arevalo followed up with some questions regarding the storm water tank basin in Old Town, questioning if it was essentially just a leech field for storm water. Ms. Engebretsen clarified that there is a component of it that is constructed. She drew a comparison to the example at the bottom of Bartlett Street that has an oil/water separator. Together, the Commissioners reached a general consensus to move this goal into ongoing goals. Ms. Engebretsen agreed that this was a good idea and moved the goal into ongoing goals. She added that she would schedule a speaker, and also suggested deleting the task from the goal.

- Goal #2 (near-term): View economic development through the lens of balancing growth with quality of life. Task: define positive economic development, and what the role of the EDC is in balancing growth and quality of life.

Ms. Engebretsen noted that the Commission has created a mission statement, so that task can come off. She continued by suggesting the Commission pause on this one until Council makes their action at the next meeting. She added that if there's going to be a comprehensive plan, this will be a much more structured conversation through the comprehensive plan than just the Commission working on it alone. Commissioner Brown encouraged the Commission to keep working on this goal and she was emphatic that she didn't want to see this goal disappear. There was a general consensus among the commissioners to pause on this goal. Discussion ensued for a few minutes regarding what is defined as positive and negative economic development, and what that meant for the community.

- Goal #3 (near-term): Affordable short and long-term housing. Seasonal workers, general work force, seniors, etc. affordable year-round housing. Task: stay engaged with the City for all housing conversations.

Ms. Engebretsen said that she felt this goal could stay as is, but welcomed feedback from the commissioners. Commissioner Brown inquired whether or not the goal should integrate the input that the Commission has received from the Guiding Homer's Growth Group. Commissioner Kim stated that when he attends, he doesn't do so as a Commissioner, but added that he is essentially the conduit

between the two bodies. Commissioner Arevalo added that the group isn't a formal entity, but rather an informal group of whoever wants to show up. Mr. Kim continued by asking if a task to come up with solutions would be too bold, is that something that the City could try to alleviate. Ms. Engebretsen suggested creating a task to have a conversation where the Commission talks about the ground that's been covered over time as a City. She added that there are really positive things happening, it's just not on a scale that's going to move the needle for the cost of rent for the workers that we need to have move here.

- Goal #4 (near-term): Present an annual report of EDC accomplishments to City Council

Ms. Engebretsen informed the Commission that this is going to become a part of their calendar. She added that they can strike out this goal and insert a new one.

- Goal #5 (near-term): Have a conversation with the Chamber of Commerce about other economic development beyond tourism. How can the City and the Chamber work together to promote quality of life, and economic development for industries other than tourism, including messaging?

Ms. Engebretsen was in favor of also adding this to the calendar as an annual thing that the Commission does with the Chamber in the winter. Discussion can involve any issue that is rising to the surface to open the path of communication. Ms. Arevalo added that the Commission did this in the current year, which is where the idea to have an annual discussion with the Chamber came from. Chair Marks shared her thoughts, stating that it helped to clear the air on some misconceptions between the EDC and the Chamber. The Commission has accomplished this goal, so they agreed to remove it from the list.

- Goal #1 (mid-term): Review the business retention and expansion plan annually and plan for a new report.

Ms. Engebretsen stated that she did a funding request for the FY24/25 budget and didn't get funded. The Commission was in agreement to move this goal to their long-terms goals since it will take longer than five years to address given that there will be a comprehensive plan to work on at the same time.

- Goal #2 (mid-term): Downtown vitalization momentum and wayfinding/streetscape plan.

Ms. Engebretsen noted that there's an adopted plan, and further that implementation activities will continue in 2024 and 2025. She elaborated on the definition of wayfinding at the request of Commissioner Pitzman, and explained that she is planning on buying new trees to replace the dying trees (streetscape) on Pioneer Avenue. More discussion continued in regards to wayfinding and the transportation plan. The Commission reached a general consensus to keep this as a concept.

- Goal #3 (mid-term): Economic Resiliency Planning

Ms. Engebretsen began the conversation by asking the question of what the group's interaction with the Kenai Peninsula Economic Development District (KPEDD) is. Chair Marks stated that KPEDD has discovered that they need to be totally integrated. She added that KPEDD has numerous websites – a website for themselves with pertinent information for all kinds of businesses, a workforce development website, and a resiliency website. KPEDD is coming to the realization that one centralized location where one can find the information they're looking for is preferred versus having an individual website for each. Chair Marks added that she isn't sure the EDC has the capacity of the ability to do too much

about creating and finishing up a resiliency plan. Ms. Engebretsen added that KPEDD's information is out of date. She pointed out that the Borough's office of emergency management has done a lot of work in terms of preparedness in the last couple years. She also added that it would be good for the Borough and the EDC to work together in order to avoid duplicating efforts. She tasked the Commission with determining how best to interface with KPEDD in addition to thinking of some useful tasks to talk about over the next year as KPEDD evolves.

- Goal #4: (mid-term): Assess job training needs, workforce development, availability of workers and workforce supports including child care and housing. Opportunity: Invite KBC Director Reid Brewer as speaker.

Ms. Engebretsen said that Nine Star Employment Services have already been invited to make a presentation. She added that the City has pretty low regulations on child care, the hurdles are that property is really expensive here and the construction can be costly as well. There was also an idea of a brief survey to businesses and employees on their needs. She stated that there is a calendar item for a workforce speaker, which has been surprisingly hard to coordinate. In terms of child care, Ms. Engebretsen noted that there's been a lot of community discussion regarding the topic. She is unsure of whether or not there are avenues for the City to comment or the EDC to participate. It's been more of the state acquiring grants to have these conversations. The hospital also received a grant to renovate and have a child care facility.

NEW BUSINESS

A. 2024 Meeting Schedule

AREVALO/BROWN MOVED TO STRIKE BOTH THE JULY AND DECEMBER MEETINGS FROM THE 2024 MEETING SCHEDULE AND RECOMMEND ADOPTION FOR THE AMENDED SCHEDULE TO CITY COUNCIL.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

- A. City Manager's Report for September
- B. City of Homer October Newsletter
- C. EDC Strategic Plan
- D. EDC 2023 Meeting Calendar
- E. Commissioner Attendance at 2023 City Council Meetings

Chair Marks noted the informational materials and Commissioner Pitzman volunteered himself to deliver the EDC report to City Council on October 23rd.

COMMENTS OF THE AUDIENCE

There were no comments of the audience.

COMMENTS OF THE CITY STAFF

Deputy City Clerk Pettit thanked the Commission for a good meeting.

Economic Development Manager Engebretsen thanked everyone for a good meeting.

COMMENTS OF THE COMMISSION

Commissioner Arevalo noted that it sounds like the Commission will be in deep with some comprehensive plan issues next year.

Commissioner Pitzman said that he was excited for the Trick or Treat event on Pioneer Avenue this upcoming Halloween. He said he was happy about an activity to steer his grandchildren towards.

Chair Marks noted the Fall Festival that the Chamber of Commerce will be putting on.

ADJOURNMENT

There being no further business to come before the Commission, Chair Marks adjourned the meeting at 7:55 p.m. The next regular meeting is Tuesday, November 14, 2023 at 6:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers and via Zoom Webinar.



ZACH PETTIT, DEPUTY CITY CLERK I

Approved: Nov. 14, 2023