

CALL TO ORDER

Session 23-09 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Karin Marks at 6:00 p.m. on November 14, 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, BRENNAN, HASCHE, KIM & PITZMAN

ABSENT: COMMISSIONER BROWN & STUDENT REPRESENTATIVE PEARSON

STAFF: ECONOMIC DEVELOPMENT MANAGER ENGBRETSSEN & DEPUTY CITY CLERK PETTIT

AGENDA APPROVAL

KIM/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

Scott Adams, city resident, spoke briefly to Ordinance 23-61. He commented on the fee for the proposed permit and the nuisances within the code regarding public safety and capacity. He also brought up parking and his concerns about other ordinances that aren't currently enforced.

Jonathon Young, city resident, raised the question of what the dangers are when it comes to fires for short-term rentals, and whether or not that will be applied to long-term rentals as well if passed.

Marcia Kuszmaul, city resident, informed the Commission that she is the president of the Homer Bed & Breakfast Association. She shared some of her concerns which included businesses not having business licenses, businesses not registering and collecting sales tax and businesses not having appropriate liability insurance. She added that her association is looking forward to working with the appropriate commissions as well as the City to further investigate the ordinance.

RECONSIDERATION

CONSENT AGENDA

A. Unapproved Minutes for the Regular Meeting of October 10, 2023

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

Commissioner Arevalo pointed out a few corrections that she suggested should be made to the minutes.

AREVALO/PITZMAN MOVED TO AMEND THE REGULAR MEETING MINUTES ON THE CONSENT AGENDA BY MAKING THE FOLLOWING CHANGES:

- On page 4 of the minutes, last sentence of the first paragraph – changed “Commission” to “Council.”

- On page 5 of the minutes, third sentence of the third to last paragraph – changed “that” to “than.”
- On page 6 of the minutes, second sentence of the third to last paragraph – changed “agreeance” to “agreement.”
- On page 6 of the minutes, in the second to last paragraph – insert “(streetscape)” after the portion that reads “dying trees...”

There was no discussion.

VOTE (AMENDMENT): NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

VOTE (MAIN MOTION): NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

VISITORS/PRESENTATIONS

A. Nine Star Education & Employment Services, Rhapsody Soderberg

Rhapsody Soderberg with Nine Star Education & Employment Services took to the podium to deliver her presentation. Ms. Soderberg stated that Nine Star’s mission is to help all Alaskans get a job, keep a job and advance on the job through education and employment services. She added that Nine Star has been in Alaska for over 40 years, they are non-profit and they work with all age groups. Nine Star in Homer works within the 16-24 age group specifically. The group is exclusive to out-of-school youth that have dropped out or graduated, but face barriers to employment or educational advancement. Ms. Soderberg listed the basic program elements including tutoring, study skills, training and instruction. She also provided insight on the CyberLYNX program, which allows people to go back to high school and get their diploma through an online program where they’re paired with a coach. She briefly discussed internship opportunities and leader development opportunities, noting that Nine Star just sent two youth to Anchorage where they took a peer-to-peer support specialist two week training. One of the youth that just got back is already applying for a position here in Homer. Nine Star provides adult mentoring, supportive services and follow-up services for the full year after an individual has exited the program. In terms of careers, Nine Star offers the service of career exploration to assist an individual in identifying and understanding what steps to take in order to enter the chosen career. Tuition funding may be rendered to remove the cost barrier to entry. Ms. Soderberg concluded her presentation with a list of all of Nine Star’s locations throughout the state, followed up with a question and answer segment.

Commissioner Pitzman inquired on how Homer was lucky enough to receive the Nine Star Services. Ms. Soderberg answered that it was in response to the opioid crisis. Nine Star in Homer was originally working out of the recreation center, and was largely funded through the Workforce Innovation Opportunity Act (WIOA).

Commissioner Kim asked for clarification that Nine Star covers the compensation for employers that take on interns. Ms. Soderberg confirmed that was accurate and added that Nine Star will cover liability as well. Mr. Kim went on to ask if people that are outside of the 16-24 age range are ineligible for the program in Homer. Eugene Algiene, Director of the Youth Program, stated that the terms of the WIOA

grant only allow them to work with 16-24 year olds. He added that when someone ages out there are other grants that they will refer them to.

Commissioner Arevalo asked if Nine Star was hoping to have other businesses participate in the internship/mentorship as a result of the presentation to the Commission. Ms. Soderberg said they were anticipating that, and added that she has already been approached by some of the City employees about having an intern work with the Parks & Rec Department. She continued, saying that the library is on board to host an intern as well, but she still has to find someone to fill that position.

Chair Marks was curious as to whether there was an upper limit to the numbers of people Nine Star can help at any one given time. Ms. Soderberg inserted that they don't have a limit, and that if it gets out of control they will ask for help. She added that they have 31 active youth they are currently working with, in addition to about 10 others that are in exit/follow-up mode.

B. Homer Chamber of Commerce, Brad Anderson, Executive Director

Brad Anderson, Executive Director of the Homer Chamber of Commerce took the floor for his presentation. He gave a brief introduction, stating that the Chamber of Commerce has a partnership with the City of Homer to help with marketing efforts of the area. Currently, there are 450 active members, 53 of which were just gained this year. Mr. Anderson went on to explain that they've added some new members to the team that grew up in Homer who have relative experience. He emphasized the big focus that the Chamber has on community events, and outlined a few events coming up before the end of the year.

Mr. Anderson spoke briefly on the Homer Relocation Guide and the marketing efforts for the upcoming year, where the Chamber plans to promote the "shoulder months." He described the campaign that the Chamber put together called "It's all Here," which is intended to showcase all the various things that can be done out of Homer that are part of the Alaskan experience. He added that the Homer Visitor Guide has been revamped with major renovations, and further that they plan to continue to update it over the next year.

In terms of social media engagement, Mr. Anderson noted that their social media pages have grown phenomenally, particularly the Facebook page. He noted that Instagram is evolving from photos to more video-oriented content, which he said has been a challenging adjustment for the Chamber. He went on to outline each of the various social media pages that the Chamber manages. He spoke briefly about Food tourism in Homer, the Alaska World Arts Festival, and the 30th Annual Winter King Salmon Tournament taking place in March of 2024.

Mr. Anderson listed Homer's 4 Visitor Centers and their locations. He added that the Chamber is working to promote Homer at trade shows and conferences, claiming that this is a good way to connect and bring more people down here. As far as 2023 economic development support is concerned, Mr. Anderson stated that the Chamber advocated for the Homer Harbor Expansion Plan and worked with a task force on housing solutions. Mr. Anderson concluded his presentation by noting that the Homer Chamber of Commerce is celebrating 75 years of serving the Homer community.

Commissioner Arevalo asked Mr. Anderson to elaborate on the advocating that the Chamber does with Fish & Game for sustainable fisheries around Homer. Mr. Anderson answered that before they do anything that might possibly endanger what's happening with the fisheries, they ask for guidance from Fish & Game on whether what they're proposing might have a negative impact in any way. He added

that they really want to make sure they're not doing anything as an organization that would put any kind of a detrimental impact on some of the things that are happening in Homer.

Commissioner Kim questioned how sustainability factors into the decision-making process from a social, economic and environmental perspective. Mr. Anderson explained that the Chamber is a member-based organization, so the filter they look at things through is what's in the interest of what the members are looking for.

STAFF & COUNCIL REPORT/COMMITTEE REPORTS

A. November Staff Report – Julie Engebretsen, Economic Development Manager

Economic Development Manager Engebretsen informed the Commission that the City has submitted a \$1 million EPA Brownfield grant this past Monday in hopes of obtaining some money for the renovations and remediation for the property at the corner of Sterling Highway and Pioneer Avenue. She added that under the program they applied for, the EPA is only awarding about 20 projects nationwide. Further, she said there aren't high hopes to get funding this year, but nonetheless she stated that it was a great experience to learn how to write the grant. She concluded the staff report by noting that she got to meet some of the EPA Region 10 staff members and some of the state folks.

B. Chamber Director Report

Chair Marks noted that this had been covered by Mr. Anderson's presentation earlier in the meeting.

C. Homer Marine Trades Association Report

There was no new report from the Homer Marine Trades Association.

D. Kenai Peninsula Economic Development District Report

Chair Marks noted that the Kenai Peninsula Economic District (KPEDD) met for their quarterly meeting in October and added that KPEDD is still working to integrate their website. They plan to have the website integrated with all the updated information sometime in the spring.

Chair Marks informed the Commission that the Department of Transportation (DOT) in Alaska has asked KPEDD to be an outreach program for them under contract. The reasoning for this is that there's an understanding that the DOT has a bit of a disconnect with communities throughout Alaska and the people who live in those communities. The hope is to see if the DOT ideas and events can be handled in such a way that there's more positive public feedback.

Chair Marks explained that the Business Outlook Survey will likely be released in December, and stated that KPEDD is continuing its work on mariculture and broadband.

Chair Marks pointed out a change in KPEDD's calendar, noting that although the industrial forum is typically held in January, they're hoping to host the forum on April 25th instead. The thought is that it's hard for certain state employees to make their way down to the peninsula in January given the weather conditions. By moving the forum to April, there are hopes to have more people in attendance. The forum is scheduled to be held in Soldotna.

E. Port Expansion Project

Economic Development Manager noted that City Council had a memorandum on their agenda last night and that there will probably be a resolution for the next steps at their meeting on November 27th. She added that the goal at this point is to keep moving forward with the project.

F. Guiding Homer's Growth Group

Commissioner Kim delivered a brief report, stating that the workshop that had been scheduled for this past Friday and Saturday had been cancelled due to weather in Anchorage that prevented staff members from the humanities forum from leading the workshop. The workshop will be postponed to a future date that's to be determined. Mr. Kim added that they are having another discussion on Wednesday, November 29th at 12 p.m. that's tentatively scheduled to be hosted at the college. The discussion at the workshop will pertain to the short-term rental ordinance. Mr. Kim urged the public to attend the discussion to voice their thoughts and concerns. He concluded by saying that they want to meet together and have an insightful discussion where people can come and have already done research so the group can move forward from there.

G. HERC Update

Economic Development Manager Engebretsen covered the HERC update during her staff report.

PUBLIC HEARING

PENDING BUSINESS

A. Housing Update

Chair Marks began delivering her update by providing the new Commissioners with a brief overview of what Mobilizing for Action through Planning and Partnerships (MAPP) does. She added that the decision was made in the last meeting to make housing one of their two top priorities. The other priority the group decided on was communicating the kinds of resources that are available to help people, particularly in regards to mental health. She stated that the idea is to have the beginnings of the work group to start somewhere in the first 11 days of December, so that there can be some information passed around in order for them to get started first thing in 2024. She made it clear that anyone who has an interest in either of the two priorities is welcome to sign up. She advised any individuals interested in signing up to do so through either the MAPP website, or by emailing MAPP. Commissioner Arevalo clarified that MAPP isn't just hospital based, and that there are various organizations and services providers. She finished by saying that there are different entities around the City that participate within the MAPP board and help to guide certain things.

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

Chair Marks noted that the agenda for this meeting was a bit longer than what it typically is. She advised the group that they could work on it now, or postpone it for a later date.

AREVALO/PIZTMAN MOVED TO POSTPONE THE 2024 STRATEGIC PLAN AGENDA ITEM TO THE JANUARY MEETING.

There was no further discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

A. Winter Survey
Memorandum from Commissioner Kim

Commissioner Kim introduced the idea of a winter business survey. He added that he felt it would be a good to have an idea of the pulse of what the businesses in Homer are like, what they're doing, how they're doing, and what they're succeeding and struggling with. He said that the reasoning for the survey will be to make Homer a place that people can live and thrive year-round rather than people seeing Homer as just a tourist town. Commissioner Brennan said that she was very interest in helping Mr. Kim out with this, given that she's a small business owner herself. She added that November-December is a terrible time for her in terms of doing business, and further that it might be a good idea to try and get a response from businesses after the holidays. Commissioner Arevalo contributed to the conversation, stating that she liked the idea of a winter survey as well. She suggested approving something in the January meeting given that the Commission won't meet in December. She reasoned that the Commission could then do some final tweaking to the survey in February if need be.

Chair Marks noted that a good portion of January and February will be spent working on the short-term rentals, and added that it might be a good idea to handle the survey in March. Economic Development Manager Engebretsen advised Mr. Kim that he and she could meet with City Planner Ryan Foster in mid-December to discuss, and then bring back an update to the EDC in January. Mr. Kim agreed that was a good idea.

Commissioner Pitzman cautioned the Commission that they might be adding too much to the January agenda considering they had already postponed one of this meeting's agenda items to January. He questioned why the survey would only be winter-focused, and suggested broadening it for businesses year-round. He stated that it takes time to write good survey questions, and added that people can be confused by the survey questions if they aren't well thought out. He continued, saying that even if it doesn't happen this winter, it's going to be an ongoing process. His thought was that maybe that would allow the Commission to really refine the survey and publish a survey with well thought out questions rather than rushing it.

Ms. Engebretsen affirmed with Mr. Kim that what he has drafted thus far is a great starting spot, and advised him to not do anything else until they have a time to have a conversation with Mr. Foster. Ms. Arevalo voiced that she felt this is a good idea to try to accomplish this winter while Mr. Kim has the energy for it, rather than pushing it off for 15 months. She suggested removing any redundancies to comprehensive plan questions, and aiming for a small survey that the Commission can easily refine.

There was a general consensus among the Commissioners to revisit this in January.

B. End of Year Report to City Council

Chair Marks noted that the next City Council meeting will be held on November 27th and volunteered herself to give the end of year report to the Council. Commissioner Arevalo suggested mentioning to Council the winter survey that the Commission plans to work on.

C. Amending Homer City Code to Address Short Term Rentals
Memorandum from Economic Development Manager

Economic Development Manager Engebretsen began the discussion by summarizing the ordinance that had been introduced by City Council the night prior. The ordinance, if passed, would require a licensing process for short-term rentals to ensure that sales taxes are being collected. Ms. Engebretsen added that Council is hoping for a response back from the Commission by their second meeting in February, and said that she would like the Commission to discuss possible options for public outreach.

Ms. Engebretsen continued by answering a few questions that had been asked during the public comment at the beginning of the meeting. She first addressed what this meant for long-term rentals. She stated that long-term rentals in a building with 4 or more units are already regulated by the state fire marshal. She used the example of someone who has 6 guest rooms in their house, stating that this is technically a hotel, which requires the building to meet fire marshal regulations, and added that hotels are only allowed in certain parts of Homer due to zoning. In terms of the associated fee that Mr. Adams had inquired about during public comment, Ms. Engebretsen said that her hope is that the first year would be free, and added that she hopes the ordinance won't be in place until August of 2024.

Commissioner Arevalo proposed the idea of the Commission hosting a work session prior to its January 9th meeting scheduled to start at 4:30 p.m., in addition to a work session prior to the Commission's February 13th meeting scheduled to start at 5:00 p.m. The Commission was in agreement that the two proposed work session dates worked for everyone.

Further discussion ensued regarding the Open Meetings Act.

INFORMATIONAL MATERIALS

- A. City Manager's Report for October 23, 2023
- B. City of Homer Newsletter for November 2023
- C. AKSBDC Homer 3rd Quarter Report
- D. EDC 2023 Strategic Plan
- E. EDC 2023 Meeting Calendar & Commissioner Attendance at Council Meetings

Chair Marks noted the informational materials and encouraged the Commissioners to start putting some thought towards their availability next year in regards to delivering monthly reports to City Council.

COMMENTS OF THE AUDIENCE

Scott Adams, city resident, suggested the group run their upcoming work sessions as a charrette, adding that this would permit a more fluid discussion than the three minute public comment period. He voiced his concerns about the lack of affordable housing in Homer and the absence of funding from the government for the Homer Harbor Expansion.

Brian Reid, city resident, shared his concerns regarding the newly proposed ordinance. He described the property that he and his wife purchased and developed in Homer. He cautioned the Commission that developing his property was quite an uphill battle to begin with, and added that the proposed ordinance would make it that much harder. Mr. Reid said that the ordinance feels like a direct attack on short-term rentals under the guise of safety for the public, but that it's a complicated issue.

Richard Perry shared that the vast majority of people he knows that have short-term rentals are not making the margins that are being rumored. He questioned why the ordinance is framed in a way that suggests it will provide more short-term rentals for seasonal workers.

Lizzie Young, city resident, expressed her worries that the proposed ordinance will hinder people from being productive and making a difference. She added that incentivizing is a better way to solve the problem instead of burdening those who are trying to make the community great.

Scott Turkington stated his worry is that by regulating and limiting short-term rentals, the underlying issues that have gotten the community here aren't being addressed. He continued, saying that in the process of limiting the number of short-term rentals, the City would be taking away income from individuals, making it harder for them to live in Homer. He concluded that although the ordinance might solve a problem in one area, it creates more problems in other areas.

Jonathan Young, city resident, shared that through the properties he and his wife have, they've generated 933 stays this year from people outside of Homer bringing money into Homer. He doesn't think that the infrastructure in Homer with hotels and motels will be able to absorb that if local short-term rental hosts don't have a platform to be able to do that here. He finished saying that by making it difficult to be able to be an entrepreneur, this more limits the economic growth that can happen in Homer.

Marcia Kuszmaul, city resident, noted that the Borough is responsible for collecting taxes, and asked what the Borough's role in all of this is. She added that she felt more public education regarding the ordinance would be helpful, but that she was looking forward to providing future input on behalf of the Homer Bed & Breakfast Association.

COMMENTS OF THE CITY STAFF

Economic Development Manager Engebretsen said that she really liked the idea of running the upcoming work sessions as charrettes. She thanked the public that came and spoke for their participation and for also being courteous. Lastly, Ms. Engebretsen welcomed Commissioners Brennan and Hasche.

COMMENTS OF THE COMMISSION

Chair Marks welcomed Commissioners Brennan and Hasche. She encouraged them to reach out to her with any questions. She added that the Commission is fortunate to have Commissioner Kim as the conduit between the Commission and the Guiding Growth group, and suggested any commissioners interested in doing something similar to reach out to her.

Commissioner Kim thanked the public for providing their input. He also welcomed the new commissioners and thanked the Commission for a good meeting.

Commissioner Arevalo thanked the public in attendance for being at tonight's meeting, and urged them to bring their friends to future meetings. Ms. Arevalo added that any local businesses that might

consider taking on interns and training people should reach out to Rhapsody with Nine Star Education & Employment Services.

Commissioner Hasche thanked the Commission for the opportunity for him to give his input on issues that are pertinent to Homer.

Commissioner Pitzman echoed his appreciation to all the audience members that had comments. He thanked the Commission for a great meeting and welcomed the new commissioners.

Commissioner Brennan thanked the public for attending the meeting and gave a brief summary of her background.

ADJOURNMENT

There being no further business to come before the Commission, Chair Marks adjourned the meeting at 8:21 p.m. The next regular meeting is Tuesday, January 9, 2024 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: Jan. 9, 2024