

**NOTICE OF MEETING
WORKSESSION AGENDA**

- 1. Call to Order**
- 2. Agenda Approval** (Only those matters on the noticed agenda may be discussed)
- 3.** Julie Engebretsen, Deputy City Planner – Comprehensive Plan Update Economic Vitality Chapter **Page 19**
- 4.** Action Plan Goal 1 – Attract/encourage business as a significant component of the city’s economic mix **Page 13**
- 7. Audience Comments**
- 8. Adjournment**
Next Regular Meeting is Tuesday, July 12, 2016 at 6:00 p.m., in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

**NOTICE OF MEETING
SPECIAL MEETING AGENDA**

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

2. APPROVAL OF THE AGENDA

3. PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA

4. RECONSIDERATION

5. APPROVAL OF MINUTES

- A. May 10, 2016 Regular Meeting Minutes

Page 5

6. VISITORS/PRESENTATIONS

7. REPORTS

- A. Marine Trades Association Report
B. Chamber Director Report
C. Pioneer Avenue Task Force Report
D. Staff Report

8. PUBLIC HEARING

9. PENDING BUSINESS

- A. Action Plan Goal 1 - Attract/encourage business as a significant component of the city's economic mix

Page 13

10. NEW BUSINESS

- A. Elect a Vice Chair
B. Comprehensive Plan Update Economic Vitality Chapter
C. Scheduling Worksessions

Page 17

Page 19

11. INFORMATIONAL ITEMS

- A. City Manager's Report May 23, 2016
B. Commissioner Attendance at City Council Meetings

Page 45

Page 61

12. COMMENTS OF THE AUDIENCE

13. COMMENTS OF THE CITY STAFF

14. COMMENTS OF THE COUNCILMEMBER *(If one is assigned)*

15. COMMENTS OF THE CHAIR

16. COMMENTS OF THE COMMISSION

17. ADJOURNMENT/NEXT REGULAR MEETING IS SCHEDULED FOR TUESDAY, JULY 12, 2016 at 6:00 p.m. in the City Hall Cowles Council Chambers located at 491 E. Pioneer Ave, Homer, Alaska.

Session 16-03 a Regular Meeting of the Economic Development Advisory Commission was called to order by Acting Chair Sansom at 6:00 p.m. on May 10, 2016 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COMMISSIONER GUSTAFSON, PETERSON, RICHARDSON, SANSOM

ABSENT: MARKS, STANISLAW (both excused)

STAFF: SPECIAL PROJECTS & COMMUNICATIONS COORDINATOR CARROLL
DEPUTY CITY CLERK JACOBSEN

AGENDA APPROVAL

Acting Chair Sansom called for a motion to approve the agenda.

GUSTAFSON/RICHARDSON SO MOVED

No discussion.

VOTE: YES: GUSTAFSON, PETERSON, RICHARDSON, SANSOM

Motion carried.

PUBLIC COMMENTS REGARDING ITEMS ON THE AGENDA

RECONSIDERATION

APPROVAL OF MINUTES

A. Regular Meeting Minutes of March 8, 2016

Acting Chair Sansom called for a motion to approve the minutes.

PETERSON/GUSTAFSON SO MOVED

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

VISITORS

A. Woodard Creek Coalition

Robert Archibald showed the Commission a power point presentation and gave them an overview of the history of the Woodard Creek Coalition and their efforts over the past 20 years. He showed the area of the watershed below the bluff. The vision of the Coalition is Woodard Creek as a vibrant, healthy, safe community asset. Their mission is to bring together diverse groups, property owners and citizens to promote the health and safety of the Woodard Creek Watershed as a community asset. Mr. Archibald reviewed some of the work that has been done recently, including daylighting the Pioneer Avenue culvert, improving the Soundview Avenue culvert and the bridge over Soundview Avenue. The Coalition's work is ongoing; a current effort is to put a trail across from the east to west side of the creek into Hornaday Park. They have stressed daylighting Woodard Creek underneath Pioneer Avenue and with the rebuilding of the road it would be a big plus. There is dialog with DOT about it and others who are involved, but he's not sure if they will get any traction on that.

In response to questions, Mr. Archibald talked about efforts to improve parking areas at Hornaday Park. The Pratt is planning on daylighting the creek through their property once their new building is complete. He said work is being done on a trail that goes from the museum to Pioneer Avenue coming out next to the LIO building and they are looking at having a creek clean-up day sometime this spring. There has been talk of repainting the creek on the road, but isn't sure if it will happen. Mr. Archibald also talked about work and discussion with property owners along the creek.

STAFF & COUNCIL REPORT/CHAMBER OF COMMERCE & MARINE TRADES ASSOCIATION REPORT/ COMMITTEE REPORTS/BOROUGH REPORT

Karen Zak, Chamber Director, reported that things are happening at the visitor center. The number of daily visitors to the center has tripled since April. They will probably see close to 100 per day for the shorebird festival and will be open seven days a week starting Memorial Day weekend. She reported the following recent and upcoming events including:

- Winter King Tournament
- Clean up day
- Collections for the Food Bank
- Shorebird Festival
- Halibut Derby

She is looking forward to a report from the Borough on activity during the winter salmon derby and will give an update next time.

Mrs. Zak also reported on advertising opportunities the chamber has taken advantage of in the Seattle Mariners game program, Harbors Magazine, the Alaska Sporting Journal and radio ads. She said they are promoting all things Homer, not just fishing.

Special Projects & Communications Coordinator Carroll reviewed her staff report that was included in the packet.

PUBLIC HEARINGS

PENDING BUSINESS

A. Pioneer Avenue Revitalization Effort

Special Projects & Communications Coordinator Carroll reported to the Commission about the task force that is working on the Pioneer Avenue Revitalization project. It represents a lot of different organizations and is comprised of public and private businesses and is primarily focused on revitalizing Pioneer Avenue as the historic and commercial core of Homer. The group's focus is to make it more of a destination for people to come to, linger, and have a nice time. Ms. Carroll participates on the task force as well as Chair Marks. The group has been consulting with DOT about their rehabilitation project which initially started off with major improvements but has been scaled back to a pavement preservation project. The task force is trying to understand to what extent that will help accomplish some of the goals of safety, walkability, and so forth. She said one issue that was talked about was the daylighting of Woodard Creek. They want DOT to know this process is happening in Homer and that primarily it's about storm water management. It could be that it becomes part of the project, but there is also room for input to DOT on how the project can work along with some of the other efforts to revitalize Pioneer. Ms. Carroll explained there is an effort to work with local business owners for beautification, and working with a muralist; area trails groups are working on the task force who want to help connect Old Town with Pioneer Avenue; and there's been an effort toward looking at the old garage near the Acropolis Building to see if something can be done with that.

Ms. Carroll encouraged the group to look at any other avenues or ideas toward helping develop Pioneer Avenue's economic potential. She thinks it's a fruitful place for a commissioner to be involved and noted that Chair Marks is involved as a business owner and would like to be a representative from the EDC. She encouraged the rest of the group to think about it as well.

Question was raised how Main Street ties in with the Pioneer improvements. Ms. Carroll said since she has been participating with the task force they haven't talked about the connectors, but people are welcome to bring ideas to the meeting. She said Main Street is on the city's capital improvement plan for improvement and it's a matter of funding to get that going. There are other roads that Planning wants to bring to the table for safer pedestrian walkways.

Discussion ensued about the need for parking to help draw people in to Pioneer, particularly in the summer. Lack of parking is one thing that can drive people away from the town center. Councilmember Smith noted he thinks there is some land that could be accessible below the old Pioneer Building. Some Councilmembers aren't keen on creating parking lots, but there is a need for them so people can go in either direction and access the businesses more easily. He added that Main Street is on the Council's radar but there are some right of way issues to secure the space needed to put sidewalks. They may need to look at connective paths to get to different areas of town. Recommendations from the commission as to what they see as being important and why will be key to helping Council make good decisions in working to open things up.

The group also talked briefly about the peony planting project along Pioneer.

B. Promoting Complementary Medicine in Homer

Acting Chair Sansom reviewed the information she provided on complementary medicine that was included in the packet. She explained that at a previous meeting the group was encouraged to suggest ideas the commission could address through their action plan. Relating to Complementary Medicine we have some very fine practitioners in town, a fine hospital facility, and all the support systems along with the view that could be combined to promote Homer as a wellness area. She has talked with Karen Zak at the chamber and she wants to be able to go to the City Council at some point to ask for money to promote this. She touched on some of the actionable items she included like advertising what the different practitioners specialize in. She also shared that as a B&B owner there could be opportunities to offer lodging to people who may be here for wellness services and can convalesce in a comfortable space that has a capability to work with dietary needs, and restaurants and other businesses could be incorporated as well.

Mrs. Zak commented about the marketing the Chamber is doing in magazines. She has also talked with Denali, the production company that does the cable stations to see how they can get video done to have on the cable stations. They said they would check with Ravn airlines to see if they could get some funding to promote a special fly to Homer type of experience. The Chamber working on a wellness tab on their website to see all the members and what services they offer.

Special Projects & Communications Coordinator Carroll commented the Commission's role is bringing recommendations to Council to tell them what they think is important. In looking at the energies being put toward marketing from an economic development perspective, it's important to look at the bigger picture of how in the near term are we going to provide the economics that keeps Homer thriving and healthy in the current Alaska fiscal condition. It may be that we're going to be a little more dependent on tourism and visitors bringing their dollars here. What she is hearing from Chair Marks and Commissioner Sansom is let's put some energy toward Pioneer Avenue and promoting small business and Homer as a place that would attract people to come for health and wellness. So the question becomes what the commission sends to council to promote these things to help the city. The commission is here as advisors to the council and tell them what they think could keep us economically stable.

Councilmember Smith agreed with Ms. Carroll and added that the volunteerism on the Commissions is awesome and Council really relies on the groups to flush out the ideas and things they see as a priority and what will do the most good. It's great to have good ideas, but as far as seeing how you put it in a vehicle and get it to its destination is where they take it to Council and explain why and how it will work.

C. Adoption of Action Plan

Special Projects & Communications Coordinator Carroll explained that this document came together through the Commissions work to put together a strategic plan that would define some goals and focus the group's efforts for the year. It is a working document that will be revised and updated as tasks are accomplished or revised throughout the year.

The group reviewed and talked briefly about the goals and objectives, and also how they might work through the objectives.

GUSTAFSON/RICHARDSON MOVED TO ADOPT THE ACTION PLAN.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

A. Appoint EDC Member to Pioneer Avenue Revitalization Task Force

Acting Chair Sansom noted in the staff report that Chair Marks willingness to serve as the Commission's representative on the task force. She asked for a motion to approve Chair Marks for the task force.

RICHARDSON/GUSTAFSON SO MOVED.

There was discussion that they aren't actually appointing her to the task force but supporting that she represents the commission as a member of the task force.

VOTE: NON OBJECTION: UNANIMOUS CONSENT

Motion carried.

B. Memorandum from Deputy City Clerk Re: Changing June meeting date to Tuesday, June 7th

Acting Chair Sansom asked if there was any discussion about changing the June meeting date. Commissioner Gustafson said it would be better for him because will be gone on June 14th.

PETERSON/GUSTAFSON MOVED TO APPROVE CHANGING THE DATES.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

C. Scheduling Worksession for June

Special Projects & Communications Coordinator Carroll commented that the Economic Development chapter of the Comprehensive Plan would be coming to the Commission and Chair Marks thought it could be helpful to have a worksession to talk about the plan before it comes before them as an action item.

There was discussion whether it would be better to try and meet before or after the June meeting and some members shared conflicts they have with meeting before June 7th. Staff offered to send out some potential dates and see what works best for the group.

INFORMATIONAL ITEMS

- A. City Manager's Report May 9, 2016
- B. Appointment of Heath Anders Gustafson and Sarah Richardson to the Economic Development Advisory Commission

COMMENTS OF THE AUDIENCE

None

COMMENTS OF CITY STAFF

None

COMMENTS OF THE COUNCILMEMBER

Councilmember Smith thanked the group for volunteering their time to the Commission. He said the Anchorage Economic Development Corp. has the vision to be the number one city in America to live, work, and play by the year 2025. He encouraged the group to check it out at <http://aedcweb.com> and that we should come up with something catchy to promote Homer. He thinks some great things came out of the meeting tonight.

COMMENTS OF THE CHAIR

Acting Chair Sansom said she will be glad for Karin to be back and thanked everyone. She looks forward to working with the group.

COMMENTS OF THE COMMISSION

Commissioner Gustafson asked if there is an economic analysis of Homer to review to show where the money in Homer is being spent, how much the marine industry brings in versus tourism and information like that. He thinks it would be helpful to have.

Commissioner Peterson agreed that information would be beneficial for the group to look at and thanked Councilmember Smith for the idea of the mission statement; she thinks it's pretty catchy. It gives a focus and feeling of unity and a lot of things spring from that statement.

Ms. Carroll said she would send out a link to the KPED statistics. There information is mainly borough wide but have some specifics on Homer. The Department of Labor may have some statistics, but she doesn't have those specific numbers.

ECONOMIC DEVELOPMENT ADVISORY COMMISSION
REGULAR MEETING
MAY 10, 2016

ADJOURN

There being no further business to come before the Commission the meeting adjourned at 8:35 p.m. The next regular meeting is scheduled for Tuesday, June 7, 2016 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: _____

**HOMER ECONOMIC DEVELOPMENT COMMISSION
2016-2017 Action Plan**

MISSION: As Chapter 8 of the Homer Comprehensive Plan, the Homer Comprehensive Economic Development Strategy and the City of Homer EDC Advisory Commission bylaws state in detail, our Mission is to advise the City Manager and City Council on the overall economic development planning for the city and promote interest in economic development and identify specific projects to accomplish this.

VISION: Economic well-being for all residents is an integral part of quality of life. Strategic planning to support that means attracting business growth, job creation and retention, income and tax base growth. By doing this, beneficial government services continue such as excellent schools, low crime and well-maintained parks and facilities for recreation and also non- profits continue their various services. Economic well-being, good government services and proactive non- profits means that the welfare and quality of life of all residents are served.

GOAL: Attract/encourage business as a significant component of the city’s economic mix

Short Term Objective: Establish a media marketing plan that would allow Homer to compete for and focus on businesses to consider us as a good place to settle and grow.

Action Plan:

Task	Completion Date	By Who
Develop Evidence of Why This is a Good Idea		
Economic cost/benefit		
Examples/studies from other towns?		
How Can it Work with other COH promotions (Pioneer/Marine Trades?)		
Discuss with Council Members initial idea; sponsor resolution?		
Frame Media Message to Promote		
Establish an understanding of Homer’s strengths and weaknesses		
Decide if want to focus media message on certain business sectors		
Identify components wanted in the media		
Research and set priorities of what media to use		
Options for producing and distributing media and budget numbers		
Present City Council budget request for production costs	August 2016	

Lead: Karin Marks

Working Committee:

GOAL: Enhance the attractiveness and vitality of Homer's business districts/sectors through ongoing improvement planning and action items:

Short Term Objective A: Market Homer as a Health and Wellness destination to attract a new set of tourists and bring business to Homer in the off season.

Action Plan:

Task	Completion Date	By Who
Create Action Plan		

Lead: Anna Rodriguez-Sansom **Working Committee:**

Short Term Objective B: Revitalize and Brand Downtown Homer/ Pioneer Avenue

Action Plan:

Task	Completion Date	By Who
Partner with Pioneer Avenue Revitalization Task Force	On-going	
Work with Homer Parks & Rec Advisory Commission for ways to connect Pioneer Avenue with Old Town	On-going	
Support DOT funding for Pioneer Avenue Rehabilitation	On-going	

Lead: **Working Committee:**

GOAL: Proactively and strategically plan for Homer’s economic development concerns and initiatives

Short Term Objective A: Support efforts of the City of Homer to update Comprehensive Planning document and annual Capital Improvement Plan.

Task	Completion Date	By Who
Review Comprehensive Plan Chapter 8: Economic Vitality	May 2016	
Comp Plan Chapter 8 Comment/Updates Request	June 7 meeting Planning Dept. Report to Commission	
Worksession on updates to Comp Plan Chapter 8?	June TBD	
Recommend Approval of Comp Plan Chapter 8 Updates	July 12 meeting	
Review City of Homer Capital Improvement Plan (CIP)	June 2016	
Advise City Manager on top Legislative Priorities for fy2018	July 12 meeting	

Lead: **Working Committee:**

Long Term Objective B: Update Homer’s Comprehensive Economic Development Strategy

Task	Completion Date	By Who
Review current CEDS in relation to new Economic Development Chapter for Comprehensive Plan Update		
Review Kenai Peninsula Borough CEDS when issued		
Strategize about how to accomplish CEDS update		

Lead: **Working Committee:**



City of Homer

www.cityofhomer-ak.gov

Office of the City Clerk

491 East Pioneer Avenue
Homer, Alaska 99603

clerk@cityofhomer-ak.gov

(p) 907-235-3130

(f) 907-235-3143

Memorandum

TO: ECONOMIC DEVELOPMENT ADVISORY COMMISSION
FROM: MELISSA JACOBSEN, CMC, DEPUTY CITY CLERK
DATE: JUNE 2, 2016
SUBJECT: ELECTION OF VICE CHAIR

In accordance with the Economic Development Advisory Commission Bylaws, Chair Marks, formerly Vice Chair, assumed the Chair when Commissioner Brown resigned. The Commission now needs to select a Vice Chair.

The Vice-Chair will perform all duties and be subject to all responsibilities of the Chair in his/her absence, disability or disqualification of office. The Vice-Chair will succeed the Chair if he/she vacates the office before the term is completed, to complete the unexpired term.

Action: Chair Marks opens the floor to nominations for Vice Chair Chair. Voting may be done by secret ballot if necessary.



City of Homer

www.cityofhomer-ak.gov

Planning

491 East Pioneer Avenue

Homer, Alaska 99603

Planning@ci.homer.ak.us

(p) 907-235-3106

(f) 907-235-3118

To: Economic Development Advisory Commission
Through: Rick Abboud, City Planner
From: Julie Engebretsen, Deputy City Planner
Date: June 1, 2016
Subject: Comprehensive Plan Update

Requested Action: Review the draft chapter and provide comments to staff. Staff plans on two meetings for this process. Are there missing ideas? Are things you'd like to ask the public during public meetings?

Staff comments: There are some differences between the current plan and this draft document. Staff removed items that were duplicated in other chapters, and also shifted many sections around. Hopefully the draft chapter now has a better flow of ideas. The entire plan is also being edited to clearly state what actions the city should take, vs ideas or policies that we would support but that another organization would make happen. For example, shuttle service between the Spit and downtown is a great idea. But that service is best handled by the private sector, not city staff. Another example might be marketing. The City might be better off collaborating with the Chamber for a targeted marketing campaign, rather than trying to stretch limited staff resources. If you think of new implementation items, think about the role of the city- what is within our government powers to do, what can we afford to do, what can we do well? Is there another organization that can do it better?

I have not completed the implementation table for this section. I will have that for the next meeting after the Commission has had some discussion.

FAQ's: Where did the old goals go? What changed?

- The maritime academy idea is gone, where did it go? Cut by staff. There are 5 maritime academies in the US. The East Coast has 2 schools, but otherwise the Great Lakes, Gulf of Mexico and West Coast regions each have one school. Homer is not likely to see a maritime academy. Instead, we have a college, and expansion of voc-tech and degree programs is much more likely.
- Encouraging tech business is like information science and software development has been cut. While this is a nice idea, Homer has slow, expensive bandwidth, limited to no local work, and we are a long way for a home-based consulting businesses to travel to outside clients, conventions and to network. Homer might see a few jobs created here, but in a very limited scale. We'd be better off talking about industries that have growth potential in Homer. Staff kept and added to the text talking about increasing bandwidth for Homer. It might not attract

new business, but that would benefit current businesses and residents alike. Who doesn't want faster cheaper internet?!

- Cut: create a tech/media person to promote tourism, using endowment and grant funds. Reality: City is not in a position to create a new staff person, nor are most organizations. Grant and endowment funds are not readily available. Instead, the City should collaborate more with existing partners like the Chamber and the Kenai Peninsula Tourism Marketing Council to promote Homer.
- Parks and Recreation related items: Some have been cut. P&R recently completed a Park Art Recreation and Culture Needs Assessment, so some ideas have been refined. This chapter has been amended to reflect the ideas in the needs assessment.
- Former goal 6: consider plans to develop unimproved rights of way...etc. The City has paved Freight Dock Road, and construction of Outer Dock Road is in the works. Additionally, the private sector is working to develop roads near the boat yard to support private sector boat building and industrial activities. This task is substantially completed.
- Former goal 8: item #13, "Create a community tourism plan." This is a great idea, but there has been no progress or interest, and its expensive and time consuming. Instead, this objective has been fine-tuned a bit to reflect where our community is today, and current problems/concerns.
- Former Goal 3 was incorporated into the existing Goal 2. (Goal 2 is all about year round higher wage jobs. Goal 2 was also expanded to talk about education opportunities for the work force. All education discussion for this chapter is in this one location.
- Former goals 4,5 &6 are now part of the new goal 3: identify and promote industries that show a capacity for growth. Former goals 4,5,6 are not objectives under goal 3. Health care and wellness also became an objective – its part of the EDC's current strategic plan, and its definitely a section of Homers economy that could use a little more attention in our comp plan...SPH is the largest employer, etc.
- Former goals 7, 8 & 9 became goals 4 ,5 6 with some editing.
- Former goal 10, "Maintain Homer's quality of life as a principle economic asset," had no strategies or implementation. So it has been moved up front to the overview portion of this chapter.

Background

The last major update of the Homer Comprehensive Plan was adopted in 2010. Most of the work was done between fall 2006 and spring 2008, right about the peak of the local and national economy prior to the recession. Much of the plan infers that there are unlimited financial and personal resources within the City and the community to expand services and regulation. This is clearly not the financial reality of the City and community today, or in the next 5-10 years. A new tax base could

evolve and change the fiscal environment, but in the meantime, our Comprehensive Plan should be realistic and help guide us on what is most important and how to make the most of what we have.

Between adoption and 2015, many of the goals and implementation items have been addressed. It is time to update the plan to reflect the work that has been accomplished, add new work items, possibly prioritize items within the plan, and change the character of the plan to reflect the City's fiscal reality.

Process

This work began in January 2016, with City Planner Rick Abboud communicating with department heads about their respective chapters of the plan. Next, the Commissions will review their portion of the plan, with the department head comments (Draft 1). After the Commissions have reviewed the first draft, a second draft with Commission recommendations will be released and public meetings will be held (fall 2016). Changes to the draft will be made based on public comment, and a public hearing draft will be presented to the Commissions. Eventually the Planning Commission will hold a hearing, passing the document to the City Council (2017).

Attachments

1. Draft Chapter 8, Economic Vitality
2. Existing/Current Chapter 8

CHAPTER 8 ECONOMIC VITALITY

Vision Statement: Homer’s economic industries including marine trades, commercial fishing, tourism, health care, education, arts and culture remain strong and show continued growth. Quality of life is preserved while Homer benefits from the creation of more year-round living wage jobs, a stronger local economy and an increased tax base to support desired government services and facilities.

Overview

This chapter presents goals and objectives related to economic development. While the private sector, along with state and federal spending, ultimately drives much of the economic activity, local government plays an important role in stimulating and guiding growth through its land use and infrastructure policies and projects.

The 1989 comprehensive plan stated:

Though it is generally recognized that fishing has been the backbone of the Homer economy for the past forty years, diversification of the Homer economy has taken place, especially in the last few years. Tourism, commercial and government services, retail trade, and a retirement population have been added in [the 1980s]...

These trends have continued and perhaps accelerated during the twenty-seven years since the 1989 plan. Additionally, as state and federal funding has changed, local and regional governments are bearing increased costs in providing services. Private sector economic health and growth are required to build the tax base if residents want to maintain existing government services and facilities.

Most of the economic development actions presented here are tied to topics addressed in other chapters. For example, recommendations regarding commercial development are included in Chapter 4 – Land Use. As a result, much of the value of this chapter is for those readers who are focused on economic issues and want to see a compilation of plan policies regarding economic development together in a single chapter. In 2011, the city adopted the Comprehensive Economic Development Strategy (CEDS). The CEDS document is a broad document covering many sectors of Homer’s economy.

Homer’s quality of life is a principal economic asset. Maintaining and improving the quality of life in Homer is crucial to keeping existing business and attracting new business and professional activity. Quality of life is challenging to define because it involves many different dimensions of a community and different people place different degrees of importance on these factors. The elements of quality of life that particularly contribute to economic development are those features that make the community especially attractive to residents, visitors, and small businesses. While there is room for further improvement, Homer currently possesses many such elements. These include:

- A strikingly beautiful natural setting.
- A clean, healthy, natural environment.
- A diverse, engaged, involved community and rich civic life.
- An active arts community, tradition of skill and interest in performing and visual arts.
- Access to education and lifelong learning;

- Multiple transportation and access options, a developing trail system, and road access to Anchorage.
- Eclectic neighborhoods such as Old Town and Pioneer Ave.
- Diverse culture and leisure activities, including ready access to parks and a wide range of year-round outdoor recreation.
- Good health services and shopping.
- A feeling of safety and freedom from crime.

Summary of Goals

GOAL 1: Define and encourage economic development that meets the desires and interests of Homer residents and positively supports the unique character of the community.

GOAL 2: Encourage the retention and creation of more year-round, higher wage jobs.

GOAL 3: Identify and promote industries that show a capacity for growth.

GOAL 4: Support regional renewable and non-renewable energy exploration and production.

GOAL 5: Strengthen Homer as a tourism destination.

GOAL 6: Support community efforts to establish affordable housing.

Goals and Objectives for Economic Vitality

GOAL 1: Define and encourage economic development that meets the desires and interests of Homer residents and positively supports the unique character of the community.

For many communities it is easy to identify the type of economic development that they dislike or are not in favor of encouraging. What is harder to define is the type of economic development a community wants to foster. The goal of this chapter is to frame economic development that Homer can support.

Currently, Homer would like to foster economic development in many of its existing sectors: education, sustainable tourism, health care, construction, commercial fishing and marine industries, arts and culture. These are the industries that Homer has been built upon. The industries are viable and stable today, and offer good prospects for growth. The remainder of this chapter looks in more detail at steps to further strengthen these economic sectors, and to do so in a manner which both provides economic opportunity and sustains Homer’s unique character.



Homer: Not just the Halibut Capital of the World

Economic development strategies include:

1. Continue the growth of local businesses by supporting a buy local campaign and continuing the local bidder's preference in city procurement policies.
2. Encouraging the production or sales of goods and services to better serve the local market.
3. Encourage "import substitution;" i.e., leakage control by producing locally what is otherwise imported. An example is the local farmer's market, which provides produce that would otherwise be trucked into the community with profits leaving the community.
4. Partner with and support the efforts of other organizations such as the Chamber of Commerce to plan for economic development.
5. Review the Comprehensive Economic Development Strategy periodically; consider creating a 5-year action plan.

6. Support efforts by the private and non-profit sectors to upgrade Homer's information technology infrastructure to provide low cost high bandwidth internet services.

GOAL 2: Encourage the retention and creation of more year-round, higher wage jobs.

Homer residents desire more year round, living wage jobs. This in turn will help support small businesses, and the tax base.

Objective A: Increase year-round employment that will enable local people to work, live, and raise their families in Homer.

While almost all city actions will ultimately affect the course of economic change and job growth, city actions to promote year-round jobs include those listed below:

Implementation Strategies

1. Ensure that zoning and land use regulations do not unduly restrict entrepreneurial development and new business formation. Also ensure that the value of adjacent property is not degraded through noise, odor or similarly negative impacts. For instance, provide flexible zoning to support home-based businesses. *See Land Use chapter.*
1. Continue to improve Homer's public infrastructure, including the port, airport and road systems and work with regional partners on public transit opportunities. *See Chapter 6, Public Services and Facilities.*
2. Promote and enable small-scale employers who may have different land use and infrastructure needs than one or two-person sole proprietorships.

3. Encourage science, information infrastructure, and technology-based business development that will help position Homer as a leader in responding to global challenges, including affordable health care and environmental sustainability.
4. Consider incentives for local business growth or relocations. This could be part of a broader business expansion and retention program in partnership with another organization, such as the Chamber of Commerce and economic development agencies.
5. Examine the benefits that could be gained by outsourcing government services.
6. Examine and replicate appropriate regional successes.

Objective B: Encourage retention of existing and the relocation of new Federal and State Government jobs and training programs to Homer.

Government jobs are an important part of the local and regional economy. Government employment, whether research, visitor or education related, comprises 17.5% of local jobs. (American Community Survey 2014). Some government employment is found in every community, such as local, borough and state jobs related to day to day activities (airports, roads, schools, etc). In addition, Homer has many residents who are employed through agencies such as state parks, the court system, public health, the university, the Kachemak Bay Research Reserve Fish and Game operations, and federal agencies such as the Coast Guard, Fish and Wildlife Service, , and the Alaska Maritime National Wildlife Refuge, which are headquartered in Homer. The Coast Guard also has a presence in the community. The City of Homer is also known as an important base for marine research and education activities.

Implementation Strategies

1. Lobby to retain state and federal jobs in Homer.
2. Support the retention of existing and expansion of future Coast Guard facilities and staff in Homer.
3. Promote the relocation of and sustain the existing government marine activities in Homer, such as the Coast Guard and ferry home porting of vessels, and scientific research vessels.

Objective C: Support efforts to increase the scale and scope of the education industry to support a skilled workforce.

Education is important to Homer’s economic vitality for two reasons. First, it provides residents with the ability to acquire the skills and knowledge (“human capital”) needed to succeed in the global economy, and find a local job. To the extent people can acquire these skills and knowledge without leaving home, they can earn higher incomes, create new businesses and jobs for others, keep their education expenditures circulating in the local economy, and provide the skilled workers needed for existing local jobs. Education is also an exportable product if people come to Homer to learn.

The existing KBC of the University of Alaska provides essential post-secondary and vocational education to Homer residents. The economic impact is broad and significant. Additional educational programs are provided by several nonprofit organizations operating in Homer and across Kachemak Bay. The unspoiled marine environment and spectacular setting of Homer and Kachemak Bay are a

significant asset that could be leveraged into growth of the education industry. The implementation strategies below apply not only to KBC, but to any other interested educational institution.

Implementation Strategies

1. Support the continuation and expansion of certificate, and two- and four-year degree programs offered through the KBC such as marine biology, art, construction, welding, allied health and marine technology.
2. Work toward expansion of KBC into a residential campus of the university by supporting the private development of student housing.
3. Support university efforts to establish a “Study in Homer” program for students enrolled at the Anchorage campus.
4. Support discussions about new collaborative educational programs that capitalize on Homer’s assets, including marine biology, coastal ecosystem management, outdoor leadership studies and medical care.
5. Encourage the development of vocational and technical training opportunities, including welding, construction, and industrial technology, through the university and/or other private or nonprofit institutions.
6. Encourage partnerships between major local and regional employers and education providers to train workers.
7. Continue to partner and work to support efforts of the Kenai Peninsula School District.

GOAL 3: Identify and promote industries that show a capacity for growth.

Objective A: Identify emerging industries.

Homer is a place of big ideas and entrepreneurial spirit. Examples include the fervor with which local agriculture has developed, particularly high tunnel cultivation and commercial peony growing. These are growing local and regional business opportunities. Over time, there will be new economic opportunities that arise; the city should be open to these new ideas and support those that show reasonable opportunities for growth.

Implementation Strategies

1. The City should continue participating on the Chamber of Commerce Board on Chamber activities and programs to maintain a presence in the local business community.
2. Periodically review land use regulations to ensure that new business activities fit within the zoning code.

Objective B: Strengthen the marine trades including mariculture and shipping industries.

Homer’s harbor and associated marine trade and services activities are an important component of the local and regional economy. Marine related activities could be expanded to increase the number of living wage, skilled jobs in the community. Local seafood processing, boat building, and fabrication services offer a chance for a local product to reach the local, state and national markets.

Homer's public and private port facilities also serve as a staging area for freight destined to more remote parts of the coast.

Implementation Strategies

3. Facilitate the year-round availability of ice for fish processing.
4. Support and encourage commercial fishing.
5. Support the expansion of the Deep Water Dock.
6. Support East Boat Harbor expansion studies.

Objective C: Promote recreation and the arts as a complement to tourism and as an export industry.

Recreation and the arts are key components of the Homer economy and support the tourism industry and Homer's quality of life. Actions to promote the arts include those listed below. Some of these objectives are best carried out by the City, while others are best undertaken by local arts groups and tourism marketing organizations with City cooperation and encouragement.

Implementation Strategies

1. Review zoning for opportunities that accommodates art studio, art education activities, and residential living. *See also Chapter 4.*
2. Investigate options for creating a new, multi-purpose cultural, performing arts and community center in Homer's town center. See the Town Center Plan and Park Art Recreation and Culture Needs Assessment.

Objective D: Support the health care and wellness industries.

Health care and wellness are a growing sector of Homer's economy. This is partially driven by an aging population, but also by resident's desire for improved health. Over the past decade, South Peninsula Hospital has completed a major expansion, several new dental clinics have been constructed, and the Seldovia Village Tribe constructed both a medical clinic and a wellness center. Specialized medical services such as surgeries, sleep studies, oncology and VA care are also available. As the health care industry continues to change, Homer can expect to see growth in the types of medical services available, and more jobs in this field.

Implementation Strategies

1. Support increased local educational programs that allow health care workers to earn, maintain and upgrade their credentials.

GOAL 4: Support regional renewable and non-renewable energy exploration and production.

Homer citizens support researching and pursuing renewable energy projects. Outside of the city, oil and gas exploration continues. Supporting the exploration, extraction and renewable energy industries does not necessarily have to compromise Homer's scenery or quality of life. There are many opportunities to benefit from the construction, research, and extraction activities, whether

through direct employment, or by providing services such as worker housing, catering, fuel, payroll and transportation to local and non local contractors who work on site. *See also Chapter 9, Energy.*

Implementation Strategies

2. Support staging areas for large development projects.
3. Encourage bioremediation, reclamation, decontamination, pollution control solutions at the local level.
4. Encourage utilities to provide lower cost electrical power to residential and industrial users
5. Promote renewable energy development locally and regionally.
6. Encourage business activities that provide support services to the energy, mining, oil and gas industries.

GOAL 5: Strengthen Homer as a tourism destination.

Homer is already one of Alaska’s premier tourist destinations and appears to be enjoying continuing growth in visitation and expenditures. Future tourism growth depends in large part on overall trends in visitation to Alaska, shifting demographics, fuel prices, and other global trends. However, City actions can have a significant impact on the economic importance of tourism by promoting longer stays, increased expenditures per person, and more repeat visitation. Equally important, City government plays a crucial role in guiding the growth of tourism to maximize its benefits and to minimize the costs imposed on the people of Homer.

Objective A: Invest in local infrastructure, parks, and civic improvements that will serve locals well as visitors by promoting longer stays, increased expenditures per person, and more repeat visitation as a form of economic development.

One economic development strategy is to find ways to encourage visitors to stay in the community longer during their visit, or to visit again in the future. The Farmer’s Market in downtown Anchorage is an example; visitors to the market also visit other downtown businesses. Even staying an hour or two longer in the community may result in visitors eating more meals in local restaurants or spending more money shopping. The City benefits through increased sales tax revenue. To keep Homer an attractive destination requires that the City and private business work in partnership to provide the basic services that visitors and locals expect. These improvements and public expenditures should also benefit local taxpayers.

Seasonally, the Spit is a huge draw and will continue to be. Effort should be made in the future to have more tourists visit downtown Homer to support year round businesses. Investment in tourist amenities should be equally focused on the Spit and downtown Homer.

Implementation Strategies

1. Support and fund beautification efforts on Pioneer Avenue.
2. Ensure that City facilities are sufficient to support events that draw visitors such as festivals and activities (e.g., restrooms on the Spit, RV dump stations, trash collection, park maintenance, etc).

Objective B: Support efforts to improve community attractions, including trails, and access to marine activities and the marine environment. Improve links between attractions.

Homer can be considered to have three main tourism destination areas: The downtown and Old Town area, the Spit, and the area across Kachemak Bay. While each of these areas currently attracts numerous visitors, it is likely that more tourists could be accommodated and more spending could be encouraged if the unique attributes of each area were further developed and if better connections were made among the three areas. Ideally, the enhancements that attract more tourists equally benefit local residents as well, resulting in a win-win for business activity, tax receipts, and quality of life.

Implementation Strategies

1. Encourage the continuation of private sector shuttle service between downtown and Spit areas.
2. Create a wayfinding system that includes the Spit, Pioneer Ave and Old Town.
3. Consider constructing ADA accessible sidewalk improvements, and installing benches and trashcans at central shuttle stops, such as the corner of Bunnell and Main.

Objective C: Increase the net benefits that tourism brings to Homer.

Homer’s distinctive character and attractions create substantial economic benefits to the community in terms of jobs, business opportunities and tax revenues. Tourism also helps the community to host greater diversity and number of businesses and services than what local spending could support on its own. While tourism creates a wide array of benefits, it can also be disruptive to local life. For example, tourism may exacerbate traffic congestion, transform commercial areas from local to visitor-serving, cause crowding at recreation destinations enjoyed by residents, and potentially adversely affect fish, wildlife and other elements of the natural environment. Community members have expressed a desire to encourage tourism activities that do not require extensive changes to the existing environment, but rather help to conserve Homer’s natural setting and improve the area.

As a result of this mix of positive and potential negative impacts, Homer should pursue a guided tourism growth policy. The community will promote tourism growth, but do so in a manner that helps sustain the qualities of the community that attract residents and visitors.

Implementation Strategies

1. Maintain attractions, services, and facilities that draw large numbers of visitors, in a clean and well-kept state.
2. When constructing new amenities, emphasize projects that benefit both residents and visitors (e.g., trails).
3. Promote environmentally friendly tourism or “eco-tourism.” Activities such as tidal pool exploration, bird watching, wildlife viewing, and educational activities, are examples of passive or quiet recreation with minimal impact to local residents.
4. Take advantage of opportunities to collaborate with or support private sector establishment of conference and convention capabilities.
5. Ensure that adequate basic infrastructure, such as water, sewer, and transportation capacity is available to meet peak demands of increasing summer tourism activity, as well as “shoulder season” activities.

6. Ensure that fiscal mechanisms are in place so that tourist spending covers the costs that tourism generates in the community (e.g., demand for water, sewer, public restrooms parking and other public services and facilities).
7. City efforts to guide the growth of tourism shall aim to maximize the benefits of tourism and to minimize the costs imposed on the people of Homer.
8. Support shoulder season activities. The private and non-profit sectors have extended the effective length of the tourism season by promoting “shoulder season” and year-round activities, which creates new jobs, sustains existing jobs, and adds revenue to city coffers through sales tax.
9. Actively promote Homer to identified target markets, including Alaska residents, out-of-state independent travelers, and small group package tour travelers. Specific actions include:
 - a. Collaborate with Chamber of Commerce, KPB, Kenai Peninsula Tourism Marketing Council, and other organizations to actively promote Homer.
 - b. Maintain and enhance Homer’s reputation as a welcoming and exciting destination by accommodating and encouraging events such as the Shorebird Festival and Kachemak Bay Writers’ Conference, and sporting tournaments.

GOAL 6: Support community efforts to establish affordable housing.

Many residents expressed the view that economic development depends, at least in part, on a balance between income and the cost of living. Specific strategies to promote a diverse range of housing options are discussed elsewhere in this plan. This goal is included as a component of economic vitality to explicitly reflect the connection between housing opportunities and the economic well-being of Homer.

City government has few tools to address the issue of affordable housing. The direct role of the City of Homer is limited by the fact the City is not a housing authority, and city taxation and development fees are relatively low. In recent years, the Economic Development Commission has studied Homer’s tax policies. The EDC found that the tax credits for housing that the city could institute do not significantly affect the cost of housing. The market demand is for homes that are more expensive, and the high cost of real estate and land development results in very few new ‘affordable’ housing units. However, the city can support the efforts of other groups in building new affordable housing units, which will free up units on the private rental market.

Implementation Strategies

1. Support efforts to build provide housing units for target populations such as seniors, low-income residents, and those with special needs. (Example: Homer Senior Citizens Inc, Kenai Peninsula Housing Initiatives, Habitat for Humanity)
2. Support housing units for older residents as they age within the community, such as assisted living, and long-term care.

Economic Vitality Implementation Table – will be added later

■ CHAPTER 8 ECONOMIC VITALITY

Vision Statement: Homer's economic industries including marine trades, commercial fishing, tourism, education, arts and culture remain strong and show continued growth. Quality of life is preserved while as Homer benefits from the creation of more year-round living wage jobs.

Overview

This chapter presents goals and objectives related to economic development. While the private sector, along with state and federal spending, ultimately drives much of the economic activity, local government plays an important role in stimulating and guiding growth through its land use and infrastructure policies and projects.

The 1989 comprehensive plan stated:

Though it is generally recognized that fishing has been the backbone of the Homer economy for the past forty years, diversification of the Homer economy has taken place, especially in the last few years. Tourism, commercial and government services, retail trade, and a retirement population have been added in [the 1980s]...

These trends have continued and perhaps accelerated during the nineteen years since the 1989 plan. Homer enjoys a relatively diverse economy with a growing population and increasing property values.

Most of the economic development actions presented here are tied to topics addressed in other chapters. For example, recommendations regarding commercial development are included in Chapter 4 – Land Use. As a result, much of the value of this chapter is for those readers who are focused on economic issues and want to see a compilation of plan policies regarding economic development together in a single chapter. It is also possible that the Homer Economic Development Commission may prepare a more detailed economic development plan.

Summary of Goals

GOAL 1: Define and encourage economic development that meets the desires and interests of Homer residents and positively supports the unique character of the community.

GOAL 2: Encourage the creation of more year-round, higher-wage jobs.

GOAL 3: Encourage the relocation of Federal and State Government jobs and training programs to Homer.

GOAL 4: Encourage technology related businesses such as information science, software development, and the entertainment industry.

GOAL 5: Strengthen the arts, education and entertainment industries.

GOAL 6: Strengthen the marine trade, mariculture, and shipping industries.

GOAL 7: Support regional renewable and non-renewable energy exploration and production.

GOAL 8: Strengthen Homer as a tourism destination.

GOAL 9: Provide affordable housing.

GOAL 10: Maintain Homer's quality of life as a principal economic asset.

Goals and Objectives for Economic Vitality

GOAL 1: Define and encourage economic development that meets the desires and interests of Homer residents and positively supports the unique character of the community.



Homer. Not just the Halibut Capital of the World

For many communities it is easy to identify the type of economic development that they dislike or are not in favor of encouraging. What is harder to define is the type of economic development a community wants to foster. The goal of this chapter is to frame economic development that Homer can support and of which residents can be proud. Homer residents should continuously re-examine what type of industries and economic development activities they want to attract.

Currently, Homer would like to foster economic development in many of its existing sectors: education, sustainable tourism, health care, construction, commercial fishing and marine industries, arts and culture. These are the industries that Homer has been built upon. The industries are viable and stable today, and offer good prospects for growth. The remainder of this chapter looks in more detail at steps to further strengthen these economic sectors, and to do so in a manner which both provides economic opportunity and sustains Homer's unique character.

Economic development strategies could include:

1. Continue the growth of local businesses by supporting a buy local campaign and local bidder's preference in city procurement policies.
2. Encouraging the production or sales of goods and services to better serve the local economy.
3. Amend land use and taxation regulations to encourage production of custom or unique products to sell locally and outside the community; such as art, technology, or value added seafood products.
4. Encourage "import substitution;" i.e., leakage control by producing locally what is otherwise imported. An example is the local farmer's market, which provides produce which would otherwise be trucked into the community with profits leaving the community.
5. Partner with and support the efforts of other organizations such as the Chamber of Commerce to plan for economic development.
6. Review the Comprehensive Economic Development Strategy periodically.

GOAL 2: Encourage the creation of more year-round, higher wage jobs.

Homer residents want to see more year-round employment that will enable local people to work, live, and raise their families in Homer. In discussing this goal, community members mentioned several specific outcomes consistent with this overall goal. These include:

1. Maintain all existing industries.
2. Increase the size and scope of Homer's educational and health care activities.
3. Promote entrepreneurial small business ventures and "footloose" professional activity, such as consulting, financial management, specialty manufacturing, and design.

"Footloose" activities are those businesses or skilled people that could live and produce their product or service anywhere, without specific geographic needs or constraints. Homer has several key attributes likely to attract the footloose economic sector. These include an exceptional quality of life, access to recreation amenities, a good regional airport, and an existing college campus. Obstacles to these types of development include distance from Anchorage, distance from the Lower 48 states, and a relatively small population base.

While almost all City actions will ultimately affect the course of economic change and job growth, City actions to promote year-round jobs include those listed below:

Implementation Strategies

1. Work with the University of Alaska and other educational institutions to determine what new programs might be developed, such as marine biology and/or adventure-based education.
2. Encourage opportunities for local residents to receive job training; e.g., through the University and vocational education opportunities in Homer.
3. Ensure that zoning and land use regulations do not unduly restrict entrepreneurial development and new business formation. Also ensure that the value of adjacent property is not degraded through noise, odor or similarly negative impacts. For instance, provide flexible zoning to support home-based businesses. *See Land Use chapter.*

4. Continue to work to maintain and improve Homer's quality of life (trails, parks, health care, downtown, etc.) capitalizing on and enhancing the area's attractive mix of amenities and natural, scenic beauty. *See below.*
5. Continue to improve Homer's public infrastructure, including the port, airport and road systems. *See Chapter 6, Public Services and Facilities.*
6. Promote and enable small-scale employers who may have different land use and infrastructure needs than one or two-person sole proprietorships.
7. Encourage science, information infrastructure, and technology-based business development that will help position Homer as a leader in responding to global challenges, including affordable health care and environmental sustainability.
8. Consider incentives for local business growth or relocations. This could be part of a broader business expansion and retention program in partnership with another organization, such as the Chamber of Commerce.
9. Remove unnecessary governmental barriers, focusing on simplification to ease transactions between business and government.
10. Establish and maintain consistent municipal standards and policies relating to the establishment and/or expansion of business activities on private and municipal lands.
11. Examine the benefits that could be gained by outsourcing government services.
12. Explore public transportation options.
13. Examine and replicate appropriate regional successes.

GOAL 3: Encourage the relocation of Federal and State Government jobs and training programs to Homer.

Government jobs are an important part of the local and regional economy. Government employment, whether research, visitor or education related, comprises 26% of local jobs (appendix A). Regionally, the Kenai Peninsula Borough averages 26% employment in the government sector, and all cities have a higher percentage of government employees, except for Kenai, which has 20% employment in this sector. (Kenai Peninsula Borough 2006 Situations and Prospects page 65). Some government employment is found in every community, such as local, borough and state jobs related to day to day activities (airports, roads, schools, etc). In addition, Homer has many residents who are employed through agencies such as state parks, the court system, the university, Fish and Game operations, and federal agencies such as Fish and Wildlife, the Kachemak Bay Research Reserve, and the Alaska Maritime National Wildlife Refuge, which are headquartered in Homer. The City of Homer is also known as an important base for marine research and education activities.

Implementation Strategies

1. Seek opportunities for naval/NOAA home port.
2. Encourage marine science education programs.

GOAL 4: Encourage technology related businesses such as information science, software development, and the entertainment industry.

Homer's beautiful scenery and quality of life can help attract technology related business ventures. Expanding this economic activity could create new skilled jobs, with few negative impacts.

Implementation Strategies

1. Solicit and encourage businesses to relocate to Homer.
2. Improve Homer's information technology infrastructure in order to provide opportunities for small business entrepreneurs to operate globally (low cost high bandwidth internet services).
3. Create a tech/media promoter person to work with the community to promote tourism, using endowment and grant funds to work independently. The city could partner with another organization.

GOAL 5: Strengthen the arts and education industries.

Arts and education are two key industries that can provide steady jobs, decent income, and future growth. Global demand for both arts and education is growing with increasing incomes and population. Homer, by virtue of its setting and tradition of enthusiasm for the arts, is well positioned to take advantage of these trends.

Education is important to Homer's economic vitality for two reasons. First, it provides residents with the ability to acquire the skills and knowledge ("human capital") needed to succeed in the global economy. To the extent people can acquire these skills and knowledge without leaving home, they can earn higher incomes, create new businesses and jobs for others, and keep their education expenditures circulating in the local economy. Education is also an exportable product if people come to Homer to learn.

Objective A: Promote the arts as a complement to tourism and as an export industry.

The arts are a key component of the Homer economy and support the tourism industry. Actions to promote the arts include those listed below. Some of these objectives are best carried out by the City, while others are best undertaken by local arts groups and tourism marketing organizations with City cooperation and encouragement.

Implementation Strategies

1. Establish mixed use zoning that accommodates art studio, art education activities, and residential living. *See also Chapter 4.*
2. Accommodate and promote arts events.
3. Investigate options for creating a new, multi-purpose cultural and community center in Homer's town center. *See also Chapter 7.*
4. Prepare a Homer Arts Plan, which includes inventorying facilities, documenting future needs, and setting priorities for action. The plan should also recommend strategies for fundraising, marketing and growth opportunities. *See also Chapter 7.*

Objective B: Support efforts to increase the scale and scope of the education industry.

The existing KBC of the University of Alaska provides essential post-secondary and vocational education to Homer residents. The economic impact is broad and significant. Additional educational programs are provided by several nonprofit organizations operating in Homer and across Kachemak Bay. The unspoiled marine environment and spectacular setting of Homer and Kachemak Bay are a significant asset that could be leveraged into growth of the education industry. In addition to the University of Alaska system, other educational institutions could create a branch campus or research facility in Homer. The implementation strategies below apply not only to KBC, but to any other interested educational institution.

Implementation Strategies

1. Support the consolidation of KBC in one centralized university district.
2. Support the expansion of two- and four-year degree programs offered through the KBC such as marine biology, art, construction, welding, allied health and marine technology.
3. Work toward expansion of KBC into a residential campus of the university by promoting the private development of student housing.
4. Work with the university to establish a “study in Homer” program for students enrolled at the Anchorage campus, particularly in natural sciences, art, and creative writing.
5. Facilitate discussions about new collaborative educational programs that capitalize on Homer’s assets, including marine biology, coastal ecosystem management, and outdoor leadership studies.
6. Encourage the development of vocational and technical training opportunities, including welding, construction, and industrial technology, through the university and/or other private or nonprofit institutions.

GOAL 6: Strengthen the marine trades including mariculture and shipping industries.

Homer’s harbor and associated marine trade and services activities are an important component of the local and regional economy. Marine related activities could be expanded to increase the number of living wage, skilled jobs in the community. Oyster growing, on the south side of Kachemak Bay, also offers a chance for a local product to reach the local, state and national markets. Homer’s port facilities could also serve as a staging area for freight destined to more remote parts of the coast.

Implementation Strategies

1. Facilitate the year-round availability of ice for fish processing.
2. Support and encourage commercial fishing.
3. Support the expansion of the Deep Water Dock.
4. Encourage competition in marine related retail and service entities on the Spit.
5. Consider plans to develop unimproved rights-of-way, for industrial lands that do not have road access, to support industrial activities.
6. Promote the relocation of and sustain the existing government marine facilities in Homer, such as the Coast Guard and ferry home porting of vessels, and scientific research vessels.

GOAL 7: Support regional renewable and non-renewable energy exploration and production.

Homer citizens support researching and pursuing renewable energy projects. Outside of the city, oil and gas exploration continues as the traditional sources of natural gas in Cook Inlet begin to decline, leaving the Anchorage market with a projected shortfall. Supporting the exploration, extraction and renewable energy industries does not necessarily have to compromise Homer’s scenery or quality of life. There are many opportunities to benefit from the construction, research, and extraction activities, whether through direct employment, or by providing services such as worker housing, catering, fuel, payroll and transportation to local and non local contractors who work on site.

Implementation Strategies

1. Support staging areas for large development projects.
2. Encourage bioremediation, reclamation, decontamination, pollution control solutions at the local level.
3. Encourage recycling and resource reutilization in addition to the use of raw material.
4. Support efforts to supply local energy needs with natural gas.
5. Encourage utilities to provide lower cost electrical power to residential and industrial users (research new COOP for energy resource).
6. Promote renewable energy development locally and regionally.
7. Encourage business activities that provide support services to the energy, mining, oil and gas industries.

GOAL 8: Strengthen Homer as a tourism destination.

Homer is already one of Alaska’s premier tourist destinations and appears to be enjoying continuing growth in visitation and expenditures. For example, there were more than 500 full-time equivalent jobs in the “accommodations and food services” subsector of the leisure and hospitality industry in 2005.

Future tourism growth depends in large part on overall trends in visitation to Alaska, shifting demographics, fuel prices, and other global trends. However, City actions can have a significant impact on the economic importance of tourism by promoting longer stays, increased expenditures per person, and more repeat visitation. Equally important, City government plays a crucial role in guiding the growth of tourism to maximize its benefits and to minimize the costs imposed on the people of Homer.

Objective A: Invest in local infrastructure, parks, and civic improvements that will serve locals well as visitors by promoting longer stays, increased expenditures per person, and more repeat visitation as a form of economic development.

One economic development strategy is to find ways to encourage visitors to stay in the community longer during their visit, or to visit again in the future. The Farmer’s Market in downtown

Anchorage is an example; visitors to the market also visit other downtown businesses. Even staying an hour or two longer in the community may result in visitors eating more meals in local restaurants or spending more money shopping. The City benefits through increased sales tax revenue. To keep Homer an attractive destination requires that the City and private business work in partnership to provide the basic services that visitors and locals expect. These improvements and public expenditures should also benefit local tax payers.

Implementation Strategies

1. Support and fund beautification efforts on Pioneer Avenue.
2. Partner with other community organizations to support local events that draw visitors such as festivals and art events. *See Chapter 7.*
3. Ensure that City facilities are sufficient to support these festivals and activities (e.g., restrooms on the Spit, RV dump stations, trash collection, park maintenance, etc).
4. Develop the Town Center as another draw for visitors in the City.
5. Support Pioneer Avenue/downtown businesses and other year-round businesses. The Spit is a huge draw and will continue to be. Effort should be made in the future to have more tourists visit downtown Homer to support year round businesses. Investment in tourist amenities should be equally focused on the Spit and downtown Homer.

Objective B: Support efforts to improve community attractions, including town center, trails, and access to marine activities and the marine environment. Improve links between attractions.

Homer can be considered to have three main tourism destination areas: The downtown and Old Town area, the Spit, and the area across Kachemak Bay. While each of these areas currently attracts numerous visitors, it is likely that more tourists could be accommodated and more spending could be encouraged if the unique attributes of each area were further developed and if better connections were made among the three areas. Ideally, the enhancements that attract more tourists equally benefit local residents as well, resulting in a win-win for business activity, tax receipts, and quality of life.

Implementation Strategies

1. Implement and/or revise the existing Homer Spit Plan to clarify which areas of the Spit are oriented toward tourism and to encourage more private sector investment in these areas.
2. Complete the Town Center to provide a destination for shopping and other attractions serving both local residents and tourists in the downtown area.
3. Provide adequate parking for Spit attractions and/or efficient shuttle service between downtown and Spit areas.

More on these topics is presented in the Land Use and Transportation chapters.

Objective C: Increase the net benefits that tourism brings to Homer.

Homer's distinctive character and attractions create substantial economic benefits to the community in terms of jobs, business opportunities and tax revenues. Tourism also helps the community to host greater diversity and number of businesses and services than what local spending could support on its own. While tourism creates a wide array of benefits, it can also be disruptive to local life.

For example, tourism may exacerbate traffic congestion, transform commercial areas from local to visitor-serving, cause crowding at recreation destinations enjoyed by residents, and potentially adversely affect fish, wildlife and other elements of the natural environment.

As a result of this mix of positive and potential negative impacts, Homer should pursue a guided tourism growth policy. The community will promote tourism growth, but do so in a manner that helps sustain the qualities of the community that attract residents and visitors.

Preparing a full tourism management plan is beyond the scope of this comprehensive plan. Below are general objectives regarding tourism. Over time the community should develop a more focused community tourism plan.

Implementation Strategies

1. Establish clear, community-supported goals for the preferred amount, character, and timing of tourism growth.
2. Identify specific target visitor groups by considering the relative benefits that different types of visitors bring. Some groups of visitors, such as independent travelers from Alaska or those who fly up and rent a car, may spend more money per person and stay longer in a location than another group of visitors, such as cruise ship passengers. Visitors with specific interests such as education, arts, culture, or attending specific events like sporting tournaments, may also bring more money into the community than others.
3. Emphasize Homer as a destination; those amenities that are valued during longer visits are likely to also improve the quality of life for residents.
4. Develop new attractions, services, and facilities that draw identified target markets. Emphasize projects that benefit both residents and visitors (e.g., trails).
5. Promote environmentally friendly tourism or “eco-tourism.” Community members have expressed a desire to encourage tourism activities that do not require extensive changes to the existing environment, but rather help to conserve Homer’s natural setting and improve the area. Activities such as tidal pool exploration, bird watching, wildlife viewing, educational activities, and other passive or quiet recreation could figure prominently in tourism planning for the City.
6. Actively promote Homer to identified target markets, including Alaska residents, out-of-state independent travelers, and small group package tour travelers. Specific actions include:
 - a. Collaborate with Chamber of Commerce, KPB, Kenai Peninsula Tourism Marketing Council, and other organizations to actively promote Homer.
 - b. Maintain and enhance Homer’s reputation as a welcoming and exciting destination by accommodating and encouraging events such as the Shorebird Festival and Kachemak Bay Writers’ Conference.
 - c. Take advantage of new sports facilities to host more regional or statewide sports events.
 - d. Continue to explore the establishment of conference and convention capabilities in existing and/or new facilities.
 - e. Ensure that adequate basic infrastructure, such as water, sewer, and transportation capacity is available to meet peak demands of increasing summer tourism activity, as well as “shoulder season” activities.

- f. Ensure that fiscal mechanisms are in place so that tourist spending covers the costs that tourism generates in the community (e.g., demand for water, sewer; parking and other public services and facilities).
 - g. City efforts to guide the growth of tourism shall aim to maximize the benefits of tourism and to minimize the costs imposed on the people of Homer.
 - h. Monitor tourism growth with attention to its specific impacts on the community. For example, compile an annual report on facts about number of visitors to specific locations (e.g., Chamber Visitor Center, Pratt Museum, Islands and Ocean Center), conduct periodic surveys showing use of city services by tourists, etc.
 - i. Extend the effective length of the tourism season by promoting “shoulder season” and year-round activities.
13. Create a community tourism plan, considering the items above.

GOAL 9: Encourage a range of sustainable housing options suitable for diverse income levels, age groups and tastes.

Many residents expressed the view that economic development depends, at least in part, on a balance between income and the cost of living. Specific strategies to promote a diverse range of housing options are discussed elsewhere in this plan. This goal is included as a component of economic vitality to explicitly reflect the connection between housing opportunities and the economic well-being of Homer. *See the Land Use Chapter for policies on housing.*

GOAL 10: Maintain and enhance Homer’s quality of life as a principal economic asset.

Quality of life is challenging to define because it involves many different dimensions of a community and different people place different degrees of importance on these factors. The elements of quality of life that particularly contribute to economic development are those features that make the community especially attractive to residents, visitors, and small businesses. While there is room for further improvement, Homer currently possesses many such elements. These include:

- A Strikingly beautiful natural setting.
- A clean, healthy, natural environment.
- A Diverse, engaged, involved community and rich civic life.
- An active arts community, tradition of skill and interest in performing and visual arts.
- Access to education and lifelong learning;
- The opportunity to live in high-quality housing, at a range of prices.
- Multiple transportation and access options, a developing trail system, and road access to Anchorage.
- A relatively concentrated mixed-use town center.
- Diverse culture and leisure activities, including ready access to parks and a wide range of year-round outdoor recreation.
- Good health services and shopping.
- A feeling of safety and freedom from crime.

Maintaining and improving the quality of life in Homer is crucial to keeping existing business and attracting new business and professional activity. It is also important for attracting tourists and keeping retirees and part-year residents in town, thus increasing the economic multiplier effects of spending by these people. Population growth can contribute to reduced quality of life if care is not taken to prevent unwelcome changes such as traffic congestion and loss of open space. On the other hand, cities much larger than Homer have managed to maintain and enhance quality of life through careful attention to development. Specific actions to maintain quality of life are discussed in other chapters of this plan. *See Chapters 4 through 9.*

Economic Vitality Implementation Table

Project	Timeframe			Primary Responsibility
	Near Term	Mid Term	Longer Term	
Increase education health care job activities.		x		Community, businesses
Improve technology infrastructure.		x		City, businesses
Work with the University, KBC to develop education and vocation programs for Homer residents.		x		City, University, Students
Research and implement strategies to provide for a range of housing options.		x		City, developers
Accommodate and promote arts and culture events.	x			City, nonprofits
<i>Tourism</i>				
▪ Implement / revise the existing Homer Spit Plan.	x			See land use
▪ Implement the Town Center Development Plan.	x			City, community
▪ Provide adequate parking for Spit attractions and or efficient shuttle service between downtown and Spit areas.	x			City/private
▪ Prepare a Tourism Management Plan.		x		City, Chamber
<i>Relocation of state and federal jobs</i>				
▪ Seek opportunities for naval/NOAA home port.			x	City
<i>Natural Resources</i>				
▪ Expand the Deep Water Dock.			x	City
▪ Support commercial fishing and fish processing.	x	x	x	City
▪ Support staging areas for large development projects.		x		City
▪ Support efforts to supply local energy needs with natural gas.	x			City, Private enterprise
▪ Encourage research development and production of renewable and nonrenewable resources.	x			City, Private enterprise

Continued on next page.

Partner with and support the efforts of other organizations, such as the Chamber of Commerce, to plan for economic development.		x		City, Chamber
Consider a business retention, expansion and relocation program in partnership with the Chamber of Commerce.			x	City, Chamber
Review and update the Comprehensive Economic Development Strategy as needed.		x		City



City of Homer

www.cityofhomer-ak.gov

Office of the City Manager

491 East Pioneer Avenue
Homer, Alaska 99603

citymanager@cityofhomer-ak.gov

(p) 907-235-8121 x2222

(f) 907-235-3148

City Manager's Report

TO: Mayor Wythe and Homer City Council
FROM: Katie Koester, City Manager
DATE: May 18, 2016
SUBJECT: City Manager's Report - May 23, 2016

Staff changes in the CM office

The executive assistant in the City Manager's office, Misty Worland, is moving to Anchorage. Misty is the voice that answers the phone when you call my office, the one who complies and organizes the monthly statistics and helps me research and respond to requests from Council. She has been a great help and we wish her well on her next adventure.

City Hall has come up with a creative solution to help cover the office that will increase collaboration. Dotti Harness in Planning will be spending M-W in the Office of the City Manager and Th-F in Planning. Planning will hire a temporary to help with clerical and coverage while we figure out the best long term solution for the department. I am looking forward to being more educated and in the know on planning issues with the job share. I want to thank the Planning Department staff for their flexibility and creativity. I suspect this arrangement will take some time to get used to, but I think it will provide good cross training and converge.

Final audited numbers for 2015 behind schedule

Final numbers for 2015 will be later than usual this year due to delays from the State. The audit cannot be finalized until the audit firm we contract with, BDO, receives a statement from the State of Alaska necessary to record City of Homer's PERS liability. This information has not yet been released. The PERS office has indicated that the final audited numbers should be made available approximately mid-June. Once we have final numbers, we will present them to Council along with midyear budget adjustments, hopefully at the July meeting.

Sod leveling on Pioneer

This week and next Public Works will be leveling sod that has grown up along Pioneer Avenue for safety and beautification. Over the years (many!) the grass has grown above the curb so there is sometimes a steep drop off between the grass and the pavement. This is a tripping hazard and is unsightly. Public Works will level those areas out and reseed them, bringing in extra topsoil when needed. Where they are sloping, they will slope the grade so there is no steep drop off. The second item they would like to accomplish is to remove boulders and other items that are within the reach of the snow plow blade. This is only 18-24 inches, even though the Right of Way where these items are is a full 4 feet. At 4 a.m. on a snowy and blustery dark

day, the plow blades can clip a frozen boulder and this is dangerous for our crew, hard on our equipment, and can damage what is in its path. A few dead bushes of mountain ash will also be removed in this process. Public Works has offered to move the boulders for land owners when they come through, but of course they would not do so without first talking with the lot owner. I would like to commend Public Works staff for reaching out to each one of the businesses along Pioneer to let them know about the improvements and what to expect. In turn, businesses have been great about agreeing to move obstructions. It will be nice to see Pioneer Avenue spruced up with the improvements. See the attached pictures.

Enc:

Pictures of sod along Pioneer Ave.

Memorandum 16-088 from Port and Harbor Director, RE: Emergency Expenditure

Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

View of raised sod
At Wildberry Products
Before sod removal

Pic taken March 2016



Pic of Wildberry Products
After sod removal

Still needs seeding



Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016



Pics of raised sod between curb and sidewalk on north side of Pioneer in front of Borough office (206 E. Pioneer)



Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

Pics of raised sod between
Curb and sidewalk in front
of 7th Day Adventist
Church at 210 E. Pioneer



Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

Timber encroachment
behind sidewalk at
190 E. Pioneer

Edge of ROW is 4'
behind sidewalk



Raised sod at Alice's to be removed

195 E. Pioneer

Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016



178 E. Pioneer Ave.

This wall is well into the ROW but is probably far enough away from sidewalk and tall enough to be seen and not hit. But, it does not allow for snow storage coming off the blade.

Large rocks in the ROW and out to edge of sidewalk and actually overlapping the sidewalk in places. This is in front of the Homer Theater.

I have spoken with the owner who will be in town in August and is very supportive about moving them as necessary.

The green paint marks represent the edge of the ROW / Property line



Pioneer Ave. Encroachment & Maintenance Pics



Pics of rock along the sidewalk in front of the Homer Theater



Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

Pics of rock adjacent to sidewalk at The Hair Gallery at the intersection of Main and Pioneer.



Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

Raised sod in front of and
west of Cups restaurant



Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

Raised sod to the west of
Cups Restaurant and east of
Frame Gallery

Edge of ROW
At stake



Raised sod in front of
Northwind

173 W. Pioneer

Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016



Pics of raised sod at lot
west of Cups and east of
Frame Gallery

Stake in lower pic is edge
of ROW / Property Line



Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

Raised sod west of Cups
Restaurant



View looking west on north
side of Pioneer at VBS
Heating

Stake is edge of ROW

Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

Rocks at edge of sidewalk
At VBS Heating

Intersection of Bartlett
And Pioneer

Recommend moving rocks
back 18" to 24"



Pioneer Ave. Encroachment & Maintenance Pics
May 6, 2016

Raised sod in front of
Homer Insurance

270 W. Pioneer



Raised sod between
Espresso Express
And Pratt House

2016 HOMER CITY COUNCIL MEETINGS
ECONOMIC DEVELOPMENT ADVISORY COMMISSION ATTENDANCE

There is a time on the City Council’s agenda for Commissions give a brief report on what the Commission is currently addressing, projects, events, etc. This agenda item comes fairly early in the agenda after public comments, visitors, and staff and Borough reports. If the Commissioners would like to take turns reporting to Council at one or both of their meetings, it is a good opportunity to keep them up to speed on what’s going on. The EDC is fortunate to have a Councilmember assigned as an advisory member who can relay information, but Commissioner face-time can be beneficial as well.

The remaining Meeting Dates for City Council for 2016 are:

- June 13, 27 _____
- July 25 _____
- August 8, 22 _____
- September 12, 26 _____
- October 10, 24 _____
- November 28 _____
- December 12 _____