



MEMORANDUM

Item Type: Informational Memorandum
Prepared For: Mayor Castner and Homer City Council
Date: May 15, 2024
From: Economic Development Advisory Commission
Through: Julie Engebretsen, Community Development Director

Background

As part of the budget process for FY 24/25, Council voted down a \$15,000 annual request to fund the Homer Small Business Advisor of the Alaska Small Business Development Center (AKSBDC). Thereafter, the Kenai Peninsula Borough was able to increase funding to the AKSBDC, which helped close the budget gap for FY 24. The City Council subsequently approved \$10,000 via ordinance 23-50. The City Council provided financial support via budget amendment for FY 's 22, 23 and 24.

The AKSBDC funding is not a line item in the City budget; rather it has been requested and funded as a separate ordinance for each of the last 3 budget cycles. Funding initially was in the amount of \$25,000 (FY 22), but through increased Borough contributions, \$12,000 is now the amount needed to sustain this service in Homer.

The Economic Development Advisory Commission values having a local small business advisor, and recommends funding the AKSBDC in the amount of \$12,000.

RECOMMENDATION:

Include \$12,000 in the FY 25 budget to fund the Homer Business Advisor Position of the AKSBDC.

Attachments

EDC Staff Report, 4/9/24

EDC minutes excerpt 4/9/24 meeting



MEMORANDUM

Funding for Alaska Small Business Homer Business Advisor

Item Type: Action Memorandum
Prepared For: Economic Development Advisory Commission
Date: April 9, 2024
From: Julie Engebretsen, Community Development Director

Background

As part of the budget process for FY 24/25, Council voted down a \$15,000 annual request to fund the Homer Small Business Advisor position of the Alaska Small Business Development Center (AKSBDC). Council later approved \$10,000 for FY 24, which ends July 1.

The City has begun the process to amend the budget for any changes to FY 25. A City contribution of \$12,000 will support the continued presence of a part time business advisor in Homer.

RECOMMENDATION:

Recommend the City Council fund the AKSBDC Homer Business Advisory in the amount of \$12,000 for FY 25.

Commissioner Brown reiterated Commissioner Arevalo's previous comments about needing to know what this is going to accomplish for the City.

Commissioner Brennan stated that she didn't understand the purpose behind the City business license since realizing that there would be no means of enforcement. She added that she was on board with the idea of a business license at the previous meeting, but was a little disappointed to receive the direction from City Council without any foreseen benefits for businesses.

Commissioner Hasche provided that he had informally asked members of the community about the potential of a City business license after the last meeting, and stated that most people are surprised the City doesn't already require a business license. He added that the overall sentiment of the community seems to be "if it isn't broke, don't fix it."

Commissioners agreed that if they had a concise list of potential benefits to the City that the business license would create, they then would be more open to assessing the creation of such a license. Community Development Director Engebretsen suggested creating an outline with scheduled tasks for the Commission to work on at various future EDC meetings. There was general consensus from the Commission that more clarity was needed regarding why the City wants to implement a business license, and that further discussion was necessary regarding a business license.

B. Comprehensive Plan

Community Development Director Engebretsen noted that there was a great open house event two weeks ago. She added that Agnew::Beck will be launching a six-week survey within the coming weeks, and that the consultants will be making their second community visit during the second week of May. Visiting that week will enable the consultants to attend meetings with City Council, the EDC, the Planning Commission, and the Parks Art Recreation and Culture Advisory Commission, in addition to meeting with other user groups and City departments.

NEW BUSINESS

A. Alaska Small Business Development Center Small Business Advisory Funding

Community Development Director Engebretsen informed the Commission that she requested this in her budget request to the City Manager. She provided a brief background on the small business development center and how it is funded. She added that the request for this year is \$12,000, and that the City has funded anywhere from \$10,000-25,000 in the past.

HASCHE/KIM MOVED TO RECOMMEND THE CITY COUNCIL FUND THE ALASKA SMALL BUSINESS DEVELOPMENT CENTER HOMER BUSINESS ADVISORY IN THE AMOUNT OF \$12,000.

Commissioner Kim voiced his support for the funding, stating that every dollar the City invests pays tenfold. He inquired about the possibility of partnering with Robert Green at the Small Business Development Center to amplify Mr. Green's influence.

There was no further discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

- B. Land Allocation Plan
Memorandum from Community Development Director as backup

Community Development Director stated that the City reviews the land allocation plan annually to determine which properties should be out for lease. She added that there might be space at the airport this year, but with the runway construction taking place and other internal construction that the City is doing, she doesn't see space at the airport being feasible for leasing this year. She reviewed her staff report in conjunction with the land allocation plan for the Commission. There were in-depth discussions regarding the over slope areas on the land allocation plan.

BRENNAN/HASCHE MOVED TO REMOVE OVER SLOPE AREA 1 FROM THE LANDS AVAILABLE FOR LEASE PORTION OF THE LAND ALLOCATION PLAN.

There was no further discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

- A. City Manager's Report
- B. City of Homer Newsletter
- C. EDC Strategic Plan 2024-2025
- D. EDC Meeting Calendar

Chair Marks noted the informational materials and volunteered herself to deliver the report to City Council on April 22nd.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY STAFF

COMMENTS OF THE MAYOR/COUNCIL MEMBER (If Present)

COMMENTS OF THE COMMISSION

Commissioner Hasche said that this is his favorite time of year watching Homer wake up with all the action happening on the Spit.

Commissioner Brown thanked Community Development Director. She also thanked former Commissioner Pitzman for his analysis on the housing market at the previous EDC meeting.

Commissioner Arevalo mentioned that the Homer Soil and Water Conservation District has set up a meeting to offer the chance for public comment on the Fox River Flats RS 2477 right-of-way. She added that there will be flyers going around town on April 16th, and that the public comment period runs through April 26th. The meeting will take place at the Kachemak Bay Campus on Tuesday, April 16th.