

Session 22-07 a Special Meeting of the Economic Development Advisory Commission was called to order by Chair Karin Marks at 6:01 p.m. on August 23, 2022 at the Cowles Council Chambers, City Hall located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar, and opened with the Pledge of Allegiance.

PRESENT: COMMISSIONERS MARKS, BROWN, AREVALO, PERSON, GAMBLE, PEREZ, CHEROK
(arrived at 6:39 p.m.)

ABSENT: STUDENT REPRESENTATIVE PEARSON

STAFF: ECONOMIC DEVELOPMENT MANAGER ENGBRETSSEN
DEPUTY CITY CLERK TUSSEY

AGENDA APPROVAL

PERSON/AREVALO MOVED TO APPROVE THE AGENDA.

There was no discussion.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS ON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA (Items listed below are considered routine and non-controversial by the Commission and are approved in one motion. If a separate discussion is desired on an item, a Commissioner may request that item be removed from the Consent Agenda and placed on the Regular Agenda under New Business.)

A. June 14, 2022 Regular Meeting Minutes

Chair Marks read the Consent Agenda and requested a motion.

At the request of Commissioner Brown, Consent Agenda Item A was moved to New Business Item D for discussion.

VISITORS/PRESENTATIONS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS

A. EDC Staff Report

Economic Development Manager Engebretsen summarized her written staff report and facilitated questions from the commission.

B. Homer Chamber of Commerce Report

Economic Development Manager Engebretsen and Chair Marks provided verbal reports on current Chamber of Commerce events, including their work on a new visitor guide, new dates for next year's peony celebration, and how the farm tours have been going.

C. Homer Marine Trades Association (HMTA) Report

Chair Marks noted the HMTA's meeting minutes and flyer for their 2022 Membership Drive event, which is taking place August 26th at Northern Enterprises Boat Yard.

D. Kenai Peninsula Economic Development District (KPEDD) Report
i. KPEDD Broadband Service & Infrastructure Flyer

Chair Marks provided a verbal report on the large maritime culture federal grant requests that are proceeding, the current work for the Resiliency Program, and the Broadband Service and Infrastructure survey flyer she provided as a supplemental item.

PUBLIC HEARING

PENDING BUSINESS

A. Housing Staff Report

Chair Marks introduced the agenda item by reading the title and deferred to Economic Development Manager Engebretsen.

Ms. Engebretsen reported that a newly-hired part-time Special Projects Coordinator has been working on this issue and is expected to have a report and presentation to City Council at their October 10th meeting. EDC will be the first ones to see the information in September as part of getting the word out. She explained how he is looking at census data, zoning, short-term rental statistics, and business licenses to try and quantify the number of seasonal rentals in Homer and how many of them are licensed or registered to collect sales tax, how other communities comparable to Homer handle and/or regulate short-term rentals, and will be incorporating all of the findings into a comprehensive report.

In response to questions, Ms. Engebretsen explained how the EDC can weigh in on the topic and facilitate discussion in the community. More information will be expected at the EDC September meeting.

B. Balance of Quality of Life, Change, & Community Growth Discussion
i. Draft SWOT Plan & Graphic

Chair Marks introduced the agenda item by reading the title and deferred to Economic Development Manager Engebretsen.

Ms. Engebretsen explained the plan for finalizing the Homer Quality of Life SWOT analysis. She recapped how each commissioner was asked to proofread different sections and provide their feedback, either directly to her over the next few days or at the meeting together.

Commissioner Brown requested to add additional "threats" to the analysis, specifically 1) nonprofits and 2) risk of overregulation of businesses. Discussion ensued on the suggested changes and the overall direction of the final SWOT analysis.

Commissioner Cherok arrived at 6:39 p.m.

At the request of Chair Marks, Ms. Engebretsen agreed to email out the draft SWOT spreadsheet to commissioners interested in having it. Ms. Engebretsen facilitated further discussion on amending the

assigned pages/sections and concerns about not making the SWOT analysis too detailed; its purpose is intended to be a launching point for bigger planning projects. She took in feedback from commissioners on the following sections:

- Business Climate
- Built Environment – Town Buildings and Infrastructure
- Natural Environment
- Social Climate

Chair Marks requested their September meeting be the last meeting to review and finalize this document and reminded commissioners to submit their remaining comments to Ms. Engebretsen. Chair Marks spoke to giving presentations on this subject to other commissions; Ms. Engebretsen will ensure these materials are on the agenda, and requested commissioners be ready to volunteer to show up at those other meetings to support EDC's project.

NEW BUSINESS

- A. City of Homer Draft 2023-28 Capital Improvement Plan (CIP)
- i. DRAFT 2023-2028 CIP
 - ii. Everything You Always Wanted to Know About the CIP Info Sheet
 - iii. CIP Project Nomination Form
 - iv. DRAFT CIP Project Sheet for Wayfinding & Streetscape Implementation

Chair Marks introduced the agenda item by reading the title and deferred to Economic Development Manager Engebretsen.

Ms. Engebretsen explained the purpose of the Capital Improvement Plan and the importance of making sure City projects are on the list so they can be eligible for federal or state funding. She spoke to and facilitated discussion on the draft CIP project sheet for Wayfinding and Streetscape Implementation project, how she came up with the estimated project costs, and her request to the commission to nominate it to be added to the list.

Chair Marks requested a motion to make that nomination.

PERSON/GAMBLE MOVED TO NOMINATE THE WAYFINDING AND STREETScape IMPLEMENTATION PROJECT AND RECOMMEND CITY COUNCIL CONSIDER ADDING IT TO THE CIP.

There was no discussion.

VOTE: YES: MARKS, CHEROK, AREVALO, BROWN, PEREZ, PERSON, GAMBLE

Motion carried.

Ms. Engebretsen explained the process for selecting the commission's CIP legislative priorities and spoke to the recommended changes from staff that were described in Special Projects and Communications Coordinator Carroll's memo. Chair Marks requested the commission to share their priority selections.

Commissioner Arevalo: 1) Green Infrastructure Storm Water Management and Erosion Mitigation System; 2) Steel Grid Repair; 3) Pioneer Avenue Gateway Redevelopment: Multi-Use Community Center; 4) Raw Water Transmission Main Replacement; 5) Ice Plant Upgrades.

Chair Marks: 1) Port of Homer: New Large Vessel Harbor; 2) Pioneer Avenue Gateway Redevelopment: Multi-Use Community Center; 3) Green Infrastructure Storm Water Management and Erosion Mitigation System; 4) New Public Works Facility; 5) Fire Hall Expansion, Phase 1.

Commissioner Person: 1) Green Infrastructure Storm Water Management and Erosion Mitigation System; 2) Homer Spit Erosion Mitigation.

Commissioner Gamble: 1) Port of Homer: New Large Vessel Harbor; 2) Green Infrastructure Storm Water Management and Erosion Mitigation System; 3) Homer Spit Erosion Mitigation; 4) New Public Works Facility.

Commissioner Cherok: 1) Green Infrastructure Storm Water Management and Erosion Mitigation System; 2) Pioneer Avenue Gateway Redevelopment: Multi-Use Community Center; 3) City of Homer Radio Communication System Upgrades; 4) Raw Water Transmission Main Replacement.

Commissioner Perez: 1) Green Infrastructure Storm Water Management and Erosion Mitigation System; 2) Homer Spit Erosion Mitigation; 3) Pioneer Avenue Gateway Redevelopment: Multi-Use Community Center; 4) Raw Water Transmission Main Replacement.

Commissioner Brown: 1) Green Infrastructure Storm Water Management and Erosion Mitigation System; 2) Harbor Ramp 8 Public Restroom.

There was discussion on the projects selected and which of the choices would be prioritized by the commission in their motion.

AREVALO/PERSON MOVED TO RECOMMEND THE FOLLOWING FOUR CITY PROJECTS FOR CITY COUNCIL TO CONSIDER FOR INCLUSION IN THE LEGISLATIVE PRIORITY SECTION:

- #1. PRIORITY IS THE GREEN INFRASTRUCTURE STORM WATER MANAGEMENT AND EROSION MITIGATION SYSTEM PROJECT;
- #2. PRIORITY IS THE PIONEER AVENUE GATEWAY REDEVELOPMENT MULTI-USE COMMUNITY CENTER PROJECT; AND
- #3. PRIORITY IS THE HOMER SPIT COASTAL EROSION MITIGATION PROJECT; AND
- #4. PRIORITY IS THE RAW WATER TRANSMISSION MAIN REPLACEMENT PROJECT.

There was no further discussion.

VOTE: YES: PERSON, GAMBLE, MARKS, PEREZ, BROWN, AREVALO, CHEROK

Motion carried.

Commissioner Person commented on the Beluga Slough Trail Extension Project and suggestion of its removal from the CIP.

PERSON/GAMBLE MOVED TO RECOMMEND TO CITY COUNCIL THAT THEY REMOVE THE BELUGA SLOUGH TRAIL EXTENSION PROJECT FROM THE CIP.

Commissioner Person commented on how the project's description explains all the issues with the project, that there is no specific champion or nonprofit supporting it, and while she isn't saying it's not important she thinks the CIP is filled with high-priority projects with passionate champions behind them, and this project in particular does not seem to meet that level of interest.

Chair Marks inquired on the intentions of Aspen Hotels using the Beluga Trail, and whether the lack of having it would impact visitors. Ms. Engebretsen shared her professional opinion on the project from a planning perspective and has strong reservations against it. She agreed with Commissioner Person that there isn't really a community advocate for it.

Discussion ensued on the motion on the floor and if there were any negative impacts from removing the project.

VOTE: YES: GAMBLE, PERSON, MARKS, BROWN
NO: CHEROK, PEREZ, AREVALO

Motion carried.

- B. Funding Request for the Alaska Small Business Development Center (AK SBDC) Homer Office
 - i. July 12, 2022 Letter from Jon Bittner, Executive Director AK SBDC
 - ii. AK SBDC Presentation from Fall 2021

Chair Marks introduced the agenda item by reading the title. She spoke to the previous request approved by City Council that helped fund the part-time position for Robert Green to work as the Homer representative. This request is to cover additional costs for the position after the University of Alaska, where this position falls under per this arrangement, discovered the initial budget did not cover the full wages per the University's wage requirements. She noted a presentation by Mr. Green would be possible if more information is needed.

GAMBLE/PEREZ MOVED TO RECOMMEND TO CITY COUNCIL TO APPROVE THE FUNDING REQUEST FOR \$10,000 TO SUPPORT A PART-TIME EMPLOYEE IN HOMER FOR THE ALASKA SMALL BUSINESS DEVELOPMENT CENTER.

Commissioner Brown requested clarification on what City Council's thoughts were when this was before them earlier this year, and where the SBDC offices were located. Economic Development Manager Engebretsen summarized how those councilmembers who had a hand in economic development understood that supporting small business development was very important for our Homer economy, and that Council should support that development. She noted there was a kind of ideological split about what the government's role is in that. Ms. Engebretsen further explained how the main office is located in Kenai, which is largely paid by the Borough. The office in Seward is funded significantly by the City of Seward. Homer pays the least amount on the peninsula towards their office.

Chair Marks explained how these funds are applied to operating the SBDC in Homer. She clarified what she considered a misunderstanding during Council's discussion on the subject; there is in fact other assistance coming from other government bodies: the Borough was providing income. And the Chamber of Commerce was providing assistance through free office rent and essentially a receptionist, phone service, and internet. Chair Marks commented that when this goes before Council, she will be emphasizing these clarifying points, and how this funding is for salary.

Commissioner Person noted that at the Council meeting, some councilmembers did not want to support the funding request as they already offered nonprofit funding through the Homer Foundation. Chair Marks responded by noting that the SBDC is not a nonprofit and while some may think going up to the Central Peninsula office or reaching out virtually may not be difficult for some, there are others and some situations that greatly benefit from having a live person locally.

Commissioner Perez commented on the statistical information provided in the SBDC's letter and proposal. He voiced his hesitancy to support the additional funding but acknowledged we are a small community, the growth and dollar amounts are relatively small, but it would be nice to see what those numbers look like a year out before determining if we have to commit more.

Commissioner Arevalo clarified with Ms. Engebretsen on the previous monies allocated, and what portion of that was from COVID-related funds. Commissioner Arevalo commented on her reasons for supporting the initial funding request. It's not subsidizing a private business or normal nonprofits, it's subsidizing a service that the City can't provide based on its own infrastructure regarding economic development. That ties into their SWOT analysis and a good reason to invest in it.

VOTE: YES: PEREZ, AREVALO, CHEROK, GAMBLE, MARKS
NO: PERSON, BROWN

Motion carried.

C. June 14, 2022 Regular Meeting Minutes

Commissioner Brown requested Consent Agenda Item A be moved to New Business for discussion.

Chair Marks requested a motion.

AREVALO/PERSON MOVED TO APPROVE THE JUNE 14TH MEETING MINUTES.

Commissioner Brown requested clarification on the last sentence under the Housing Staff Report that read "Aspen was constructing employee housing units..." It was clarified by Economic Development Manager Engebretsen that it was in relation to the Aspen Hotel.

Commissioner Brown Engebretsen inquired if the commission had discussed plans to have much larger community input, in reference to a statement made under the agenda item Balance of Quality of Life, Change, and Community Growth Discussion. Ms. Engebretsen clarified that Commissioner Perez had asked if they could use a survey to get the SWOT analysis out to the larger public for more input, and she had responded saying it's a great idea but it's a Comprehensive Plan-level of effort and how that impacts staff's and the commission's time.

VOTE: NON OBJECTION: UNANIMOUS CONSENT.

Motion carried.

INFORMATIONAL MATERIALS

- A. EDC 2021-2022 Strategic Plan/Goals
- B. City Manager's Report for August 8, 2022
- C. EDC 2022 Calendar

Chair Marks spoke to the informational materials. She noted the update from Public Works Director Keiser has been moved to the EDC's September meeting.

Discussion ensued on selecting volunteers for giving Council reports. Feedback was provided to Deputy City Clerk Tussey to update the EDC's meeting calendar.

COMMENTS OF THE AUDIENCE

COMMENTS OF THE CITY STAFF

Deputy City Clerk Tussey shared her personal news of getting married.

Economic Development Manager Engebretsen thanked everyone for a great meeting; the Capital Improvement Plan and their other agenda items each take a chunk of time so she thanked the commission for sticking with it and getting all done.

COMMENTS OF THE COMMISSION

Commissioner Gamble had no further comments and wished everyone a good night.

Commissioner Cherok commented good night.

Commissioner Perez had no comments and wished everyone a good evening.

Commissioner Arevalo acknowledged Ms. Tussey's marriage news.

Commissioner Brown congratulated Ms. Tussey.

Commissioner Person commented on upcoming gallery, art installation, and cultural events that are taking place this fall. She noted how nice it is to see everyone come back from summer activities to these wonderful art/culture events. She thanked the commission.

Chair Marks commented on the Pier One play that's currently going on and thanked the commission for working through a long meeting.

ADJOURN

There being no further business to come before the Commission, Chair Marks adjourned the meeting at 8:30 p.m. The next regular meeting is Tuesday, September 13, 2022 at 6:00 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers and via Zoom Webinar.



RACHEL TUSSEY, CMC, DEPUTY CITY CLERK II

Approved: September 13, 2022