

CALL TO ORDER

Session 24-01 a Regular Meeting of the Economic Development Advisory Commission was called to order by Chair Karin Marks at 6:00 p.m. on January 9, 2024 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska and via Zoom Webinar, and opened with the Pledge of Allegiance.

PRESENT: COMMISSIONERS MARKS, AREVALO, BRENNAN, BROWN, HASCHE & KIM

ABSENT: COMMISSIONER PITZMAN (EXCUSED) & STUDENT REPRESENTATIVE PEARSON

STAFF: ECONOMIC DEVELOPMENT MANAGER ENGBRETSSEN & DEPUTY CITY CLERK PETTIT

CONSULTING: MAYOR CASTNER

AGENDA APPROVAL

Chair Marks read the supplemental items into the agenda: **Under Pending Business Item A Short Term Rentals – Public Comment Received on Short Term Rentals.** She requested a motion and second to approve the agenda as amended.

AREVALO/BROWN MOVED TO APPROVE THE AGENDA AS AMENDED.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

RECONSIDERATION

CONSENT AGENDA

A. Unapproved Minutes for the Regular Meeting on November 14, 2023

BROWN/BRENNAN MOVED TO APPROVE THE MINUTES FOR THE REGULAR MEETING ON NOVEMBER 14, 2023.

There was no discussion.

VOTE: NON-OBJECTION: UNANIMOUS CONSENT.

VISITORS/PRESENTATIONS

STAFF & COUNCIL REPORT/COMMITTEE REPORTS

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

Economic Development Manager Engebretsen noted that there is a new staff member in the Planning Office.

B. Chamber Director Report

Economic Development Manager Engebretsen stated that the Chamber of Commerce is celebrating its 75th Anniversary on Friday, January 26th at Land's End.

C. Homer Marine Trades Association Report

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

D. Kenai Peninsula Economic Development District Report

Chair Marks noted that KPEDD's meeting is scheduled for January 18th, and further that she would report back at the Commission's February meeting.

E. Port Expansion Project

Mayor Castner stated that the only update is that the Council is halfway through an ordinance to approve the additional studies that the Corps has requested the City to do.

F. Guiding Homer's Growth Group

Ms. Engebretsen informed the Commission about the potential of the group hosting a movie called "Cruise Boom."

G. HERC Update

Ms. Engebretsen shared her excitement about the new special projects/City engineer coming on board in the next month or so who has experience with Brownfield Grants.

PUBLIC HEARING

PENDING BUSINESS

A. Short Term Rentals

The Commission reached a general consensus to host the February 13th Work Session at 4:30 p.m.

The Commissioners went on to discuss short term rentals and the proposed ordinance. Discussion points included:

- The purpose of the ordinance
- Registration requirements and tax compliance of short term rental owners
- Enforcement and implementation
- Potential future regulations
- Housing and zoning issues
- Data and evidence of perceived issues
- Call for transparency and clarity in the ordinance's wording
- Nuisances and complaints

The Commission agreed that there was a need for further discussion regarding the proposed ordinance.

B. Strategic Plan

Chair Marks suggested calling the plan the “2024-25 Strategic Plan and Goals” given that many of them will fall into next year.

The Commission reviewed its strategic plan, making the following changes:

- Near Term Goals
 - Goal #5: remove this goal as this is a duty that Commissioners are required to fulfill given that it’s built into their positions with the Commission.
- Mid Term Goals
 - Goal #1: add “attend the KPEDD industry outlook forum in Soldotna in April” as an **opportunity**.
 - Goal #2: add to the **tasks** that the EDC will also monitor the work being done in the wayfinding and streetscape implementation.
 - Goal #4: have a speaker from the college and additional people who will speak on specific topics (example: someone from the hospital who discusses housing and child care).

Mayor Castner recommended that the EDC adopt a long-term land planning goal for the City due to the fact that the City has multiple items on the horizon. He pointed to the Comprehensive Plan and the Land Allocation Plan specifically, and spoke on potential land swaps and getting assistance for local businesses so they have room to grow, in addition to green infrastructure and other protections.

C. Housing

Chair Marks suggested moving the “Housing” item into the reports segment of the agenda from here on out as this is a topic that is regularly covered at meetings. There was consensus among the Commissioners to move “Housing” under “**Reports**.”

D. Winter Survey

Memorandum from Commissioner Kim as backup

Commissioner Kim spoke to the intent of the survey, noting that its purpose is to build relationships between the City and the various businesses in the City.

The Commission agreed to move this item to pending business for the February 13th Regular Meeting.

NEW BUSINESS

INFORMATIONAL MATERIALS

- A. City Manager’s Report for January 8, 2024
- B. City of Homer Newsletter for January 2024
- C. EDC 2024 Meeting Calendar & Commissioner Attendance at Council Meetings

Chair Marks noted the informational materials in the packet. She added that a change needed to be made to the Commission's calendar, explaining that the KPEDD Industry Outlook forum has moved from January to April.

Chair Marks then asked for Commissioners to start volunteering themselves for the monthly reports to City Council. Commissioner Kim volunteered to deliver the January report, and Chair Marks volunteered herself for the February report. Commissioner Arevalo tentatively volunteered herself for the March report.

COMMENTS OF THE AUDIENCE

Marcia Kuszmaul stated that she agreed with Commissioner Brown regarding her comment about the problems and the provisions of the ordinance not matching one another. She added that she felt the ordinance is a little premature, voicing that she doesn't think people are non-compliant intentionally, but rather that it's a lack of public education.

Jay Baker, city resident and owner of the Bayview Inn, spoke to the wording of the ordinance, suggesting that the language is ominous. He briefly mentioned the use of third parties to collect the proposed tax instead of implementing an ordinance, but was subsequently informed that Homer would not qualify for "out-of-area sales tax collections."

COMMENTS OF THE CITY STAFF

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

Economic Development Manager Engebretsen thanked the audience for attending and thanked the Commission for the good discussions.

COMMENTS OF THE MAYOR

Mayor Castner commended the ability of the City to effectively manage its various priorities. He briefly spoke to the resilience of the City over the past 4-5 years, stating that no other municipality in Alaska handled the implications of COVID as well as Homer.

COMMENTS OF THE COMMISSION

Commissioner Kim thanked the public for attending and sharing their perspectives. He then thanked the Commission and the City Staff for a good meeting.

Commissioner Arevalo shared a public announcement regarding a free workshop at the college about growing food and stewarding land.

Commissioner Brown referred back to the joint work session last summer with the Planning Commission, stating that she felt it was a good thing to do.

Commissioner Hasche said that lots of communities around the U.S. are going through the same struggles in regards to short-term housing. He suggested cherry picking what certain communities have done right and done wrong, and to stay away from the latter. He also brought forth the idea of incorporating Homer Bucks into the tax collection of these B&B's to help soften the blow for local businesses as opposed to giving the money to the City.

Commissioner Brennan thanked the public for attending, and added that she felt the Commission made a lot of progress tonight.

Chair Marks thanked the Commission for working hard on the short-term rentals and thanked the Mayor for attending.

ADJOURNMENT

There being no further business to come before the Commission, Chair Marks adjourned the meeting at 7:50 p.m. The next regular meeting is Tuesday, February 13, 2024 at 6:00 p.m., with a work session scheduled to start at 4:30 p.m. All meetings are scheduled to be held in the City Hall Cowles Council Chambers and via Zoom Webinar.

ZACH PETTIT, DEPUTY CITY CLERK I

Approved: _____