

CHAPTER 7 ECONOMIC VITALITY

Overview

Palmer's diversified economy reflects the community's different roles in the state and region. Palmer is the institutional center for the Matanuska-Susitna Borough, a focus of commercial services for residents of the City and surrounding areas, a growing tourism destination, and an important agricultural center. The State Fair and Palmer's agricultural heritage are important economic resources with cultural significance for the state and nation. Each of these roles influences Palmer's overall economic vitality.



This chapter presents goals and objectives for strengthening the local economy. While the private sector ultimately drives most economic development, the public sector plays a key supporting role, through its land use and infrastructure policies and projects.

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 the land use chapter. Where a topic is addressed in another chapter, this chapter makes references to these other sections, rather than repeating those policies here.

Summary of Goals

GOAL 1: Strengthen Palmer's competitiveness as the region's institutional center.

GOAL 2: Encourage expansion of technology and research-related economic sector and other well-paid professional jobs in the Palmer area.

GOAL 3: Strengthen Palmer's role as a place to shop for residents of Palmer, residents of surrounding areas, and visitors.

GOAL 4: Strengthen Palmer as a tourism destination and stopping point for travel through the southern Matanuska-Susitna area.

GOAL 5: Support efforts to promote Palmer as a travel destination and place to live and do business.

Goals and Objectives for Economic Vitality

GOAL 1: Strengthen Palmer’s competitiveness as the region’s institutional center.

Greater Palmer plays a key role in housing federal, state, regional government and non-profit institutions including the U.S. Department of Agriculture Rural Development state office, the Alaska Job Corps campus, the Matanuska-Susitna State Troopers headquarters, the Mat-Su Borough headquarters, the State Courthouse, the District Attorney’s offices, State Forestry firefighting, the Department of Motor Vehicles area office, the district State Recorder’s Office, the University of Alaska’s Agriculture & Forestry Experiment Station office, the University’s district Cooperative Extension Service office, the University Matanuska Research Farm, and the University of Alaska’s Mat-Su Campus. The community is also the home base for important private entities such as the Mat Valley Federal Credit Union.



The City of Palmer strongly supports the community’s role as an institutional center. It is City policy to coordinate its essential city services, land use policies, and amenities to encourage institutions to remain and expand in Palmer. The *Land Use* chapter, under Goal 3, sets out specific strategies to reach this goal. These strategies include understanding the needs of institutions in Palmer, helping the institutions secure space for growth where possible, and continuing to enhance Palmer as an attractive setting.

GOAL 2: Encourage expansion of technology and research-related economic sectors and other well-paid professional jobs in the Palmer area.

The City of Palmer wants to encourage more well paid professional jobs in the community, including, for example, work in the legal, medical, engineering and design fields. Community members expressed a particular hope that Palmer can attract new businesses and entrepreneurs in “high tech” and research-based economic sectors. These sectors have a reputation for providing low impact, well paid jobs for communities. Compared to the many communities competing for this type of businesses, Palmer has many of the key ingredients likely to attract this footloose sector. These attributes include good quality of life, access to recreation amenities, a good regional airport, and easy access to a major international airport (in Anchorage). In addition, a number of research and educational institutions are located in the area, including the three mentioned above regarding agriculture, and the University of Alaska’s Mat-Su campus. City actions to promote this economic sector include those listed below:

- Continue to work to maintain and improve Palmer’s quality of life (trails, parks, health care, downtown, etc.).

- Work with the University of Alaska and Alaska Pacific University to determine what new programs might be developed in the Palmer area, and how the City might help these institutions to expand in the community.
- Work with the Chamber to market the community to desired businesses, including high tech and research-based businesses, and well paid professional businesses such as law, medicine and veterinary science.

GOAL 3: Strengthen Palmer’s role as a place to shop for residents of Palmer, residents of surrounding areas, and visitors.

Objective A: Provide space for commercial expansion; set high standards to ensure quality development.



Commercial growth is essential to Palmer’s quality of life and economic health. The City encourages commercial development so that Palmer residents and visitors can find more of the goods and services they need in Palmer, and help generate tax revenues to pay for needed City services. Plan policies are intended to ensure appropriate and sufficient land is zoned to encourage developers and business owners to make investments that will expand the commercial products and services available in town.

The Land Use chapter sets out strategies to encourage commercial development in Palmer, including establishing a preferred, overall development pattern; encouraging expansion of commercial uses downtown and on the Palmer-Wasilla and Glenn Highways. These policies also include standards so commercial development helps maintain and enhance community character and avoids highway sprawl. *See Land Use chapter, Goals 4, 5 and 6.*

Objective B: Make downtown a more competitive retail destination.

Policies to help Palmer’s downtown be a more economically vital area are addressed in the Land Use chapter. Strategies include improving parking, pedestrian and vehicular circulation; establishing design guidelines; and helping establish new attractions. *See Land Use chapter, Goals 5 and 6.*

Objective C: Support efforts to establish a local Business Improvement District (BID).

A Business Improvement District (BID) is a designated geographic area within a city, within which an association of businesses uses a BID tax to raise funds for downtown projects. The revenue generated can be used to supplement City services, for example, to develop new attractions, keep downtown clean and safe, hold special events and activities, or maintain outdoor spaces. A BID is organized by local property and business owners, and empowers the local business community to plan and carry out downtown improvement projects, to support existing businesses and attract new businesses to the area.

A group of property owners is working to establish a downtown Palmer BID. The City recognizes the value of a BID, and is working with these businesses to establish the improvement district.

GOAL 4: Strengthen Palmer as a tourism destination and stopping point for travel through the southern Matanuska-Susitna area.



Palmer has a solid base of attractions and excellent potential to expand this base to attract both Alaska residents and visitors from out-of-state. Palmer is the only community in Alaska that was originally established as an agricultural colony. Giant cabbages are an icon recognized statewide and around the world. Residents today celebrate the community’s agricultural heritage through several Colony festivals, parades, and events, as well as the State Fair. Palmer is a destination for travelers and a gateway to outdoor and cultural activities in the surrounding area, including the planned Hatcher Pass ski area. Palmer attracts people for a range of sporting events, including watching or participating in golf, baseball, hockey, and youth sports.

This section describes options for the community to improve attractions and marketing of Palmer’s events, history, recreation and other attractions, including the option to establish Palmer as a National Heritage Area. More about Palmer’s unique identity is presented in the *Community Vision* chapter.

Objective A: Preserve, improve and celebrate Palmer’s historic character; develop design guidelines for the historic district and explore designation of Palmer as a National Heritage Area.

Palmer’s distinct character is a real economic asset derived from the community’s unique natural setting, buildings, views, history, people, and stories. The *Land Use* chapter outlines strategies to protect and enhance these resources, including establishing standards and guidelines to protect and enhance the built environment, and improving circulation and marketing. Taking advantage of the area’s designation as a National Historic District is a particular priority.



One additional option to retain and profit from Palmer’s historic character is to establish Palmer as a National Heritage Area. There are currently 27 National Heritage Areas in the nation with most located in the eastern states. Congressional designation as a National Heritage Area would strengthen and promote the area’s image, and help provide funding for projects. The focus of Heritage Area designation is to tell the story of the creativity and energy of America’s economic life – its industry, transportation and commerce¹. Palmer’s history, including original Native residents,

¹ *From the National Heritage Areas Website* “Heritage Areas are places federally designated to preserve an important aspect of America’s past and share it with visitors. Generally, these areas were started at the grassroots. Community members envisioned places where the best of the past becomes part of a sustainable future. National Heritage Areas are not living

homestead ingenuity, agriculture, mid-century commercial and residential buildings, mining and railroad development, is an excellent match for the goals of this national program.

Objective B: Support efforts to improve community attractions, including cultural facilities, trails and access to open space. Improve linkages between attractions.

Palmer and the surrounding area already offer a diverse set of natural and cultural activities. Outdoor recreation opportunities in the immediate Palmer area include horseback riding, golfing, fishing, hiking, and walking. The musk ox farm, the Colony House Museum, and the State Fair are important cultural attractions within or adjoining the City. Nearby outdoor attractions and activities include Hatcher Pass, the Matanuska River, Knik Glacier, Matanuska Peak, and Pioneer Peak. These natural features support a range of outdoor activities including glacier trekking, flight-seeing, air boat rides, hiking, white-water rafting, horseback riding, and sightseeing.

While this is a solid base, work is needed to expand and improve attractions for Palmer. The community, particularly the downtown, lacks an anchor attraction to draw more visitors. The *Land Use, Parks, Recreation & Culture*; and *Transportation* chapters outline recommendations for expanding Palmer's attractions, focused on downtown. Highlights on this list include:

- Palmer Urban Revitalization Plan projects including a greenway trail along the rail corridor and depot improvements
- Increased number and range of downtown shops and restaurants
- Improved events and event venues, including an expanded downtown farmers market
- Improved sidewalks; better linkages between different Palmer attractions
- Improved opportunities to experience of farming life and history, such more downtown gardens and restorations to the original downtown park "quad"

Objective C: Build on the success of existing community events, including the State Fair.



Palmer currently celebrates its history through special events such as Colony Days and Colony Christmas. In 2005, Palmer celebrated the 70th Anniversary Colony Reunion. These events are important to the community's identity, quality of life, and economic health.

More could be done to strengthen the economic benefits of these and future events. This is largely the responsibility of community organizations; however, the City recognizes the value of Palmer-area events, and the importance of City support for this objective.

theme parks seeking to freeze places in time. They instead seek to conserve their special natural spaces and historic places as part of their communities' social and economic futures. The successful melding of past and future is the National Heritage Area challenge".

The State Fair in particular is a huge part of local life. The Fair provides facilities for a wide range of activities in the community beyond just those that occur at summer's end, including hosting many events, and providing recreational facilities. The City and the State Fair organization should further explore opportunities to ensure the continued success of the Fair, and to further expand the community benefits of the Fair. Specific strategies to explore include:

- Improve physical linkages, including the proposed Downtown Revitalization Trail and bike path between downtown and the Fairgrounds.
- Find ways to better extend the activities (and spending) of fair visitors into local businesses.
- Work with the State Fair to continue to expand facilities on the Fairgrounds to be used year round. The baseball field and more recently competitive soccer fields are excellent examples.
- Explore options for partnering with the Fair organization to preserve agricultural lands, and provide visitors a chance to better understand rural traditions, e.g., through tours of demonstration farms, and/or original pioneer farm homes.

Other recommendations to improve events include:

- Expand scope of the Friday Fling, to attract more visitors to downtown.
- As part of the Friday Fling or separately, establish the best Farmer's Market in Alaska

GOAL 5: Support efforts to better promote Palmer as a travel destination and place to live and do business.

Palmer's distinctive character and attractions should be actively promoted, to attract visitors, and new residents and businesses. Specific tourism targets include Alaska residents from Anchorage and beyond, as well as out-of-state independent and package travelers.

Objective A: Collaborate with Chamber, the future BID and other organizations to actively promote Palmer.

Primary responsibility for promoting Palmer properly lies with groups like the Greater Palmer Chamber of Commerce and through partnerships with the Mat-Su Convention and Visitors Bureau. The City can support these efforts through its work to maintain and enhance community tourism attractions, sports and cultural facilities, residential neighborhoods, event venues and the community's business environment. These issues are each addressed in other policy chapters of this plan.

Objective B: Support efforts to attract more team sports activities, sporting events and outdoor activities in and around Palmer.

Palmer is a popular destination for team sport competitions, including hockey, soccer, baseball, football and cross-country running. The community should actively encourage continuation and expansion of these activities.

A new opportunity on the horizon is the planned development of the Hatcher Pass ski area. The first phase of this project is intended to be a world class Nordic ski trail system, to support national

level cross-country skiing competitions. Palmer is the logical base for accommodations and support services for competitors and spectators coming to the planned downhill and Nordic ski area.

Another important partner tied to this objective is Alaska Pacific University. APU has a large parcel of land and a major facility just north of Palmer off the Palmer Fishhook road. APU, in partnership with the National Outdoor Leadership School (NOLS) conducts a range of outdoor education programs, many based out of this facility. The City should explore options for partnerships with APU for marketing and improving local parks and trails.

Objective C: Support efforts to sell Palmer’s agricultural products both statewide and locally.

Palmer is Alaska’s best known agricultural area. Palmer is the agricultural trading and supply center for the Matanuska Valley. The Valley’s farms and dairy herds yield two-thirds of Alaska’s agricultural products. Major crops grown in the Valley include potatoes, lettuce, carrots, peas, squash, radishes, cauliflower, broccoli, and cabbage. Hay is another common agricultural product grown in Palmer and throughout the Valley.



The city supports the effort of the Mat-Su Borough to construct an Agricultural Processing and Product Development Center with commercial kitchens for rent. The commercial kitchens would help support expansion of “value-added” agricultural products in the community and serve as an incubator for small agricultural businesses. For example farmers with small agricultural plots could use this facility to produce niche agricultural goods such as pickled beans or peas.

Palmer’s agricultural products include selling qiviut (musk ox wool) to Alaska Native women in rural villages throughout the state. The qiviut is made into approximately 2,700 garments which are sold by an Anchorage Cooperative to tourists. The musk oxen are raised on the 75-acre musk ox farm in Palmer which also serves as a tourist attraction for visitors to Palmer.

The community should encourage events that celebrate and promote local products and expand the Farmer’s Market at Friday Fling to attract more visitors to Palmer for fresh locally-grown produce. The City recognizes the value of promoting agricultural products and agricultural heritage as one way to increase the economic health of the community.

Objective D: Support continued efforts of the University of Alaska in agricultural research in Palmer.

Three important agricultural research facilities – the University of Alaska’s Agriculture & Forestry Experiment Station office, the University’s district Cooperative Extension Service office, and the University Matanuska Research Farm – are located in Palmer. The City of Palmer supports the role of the University and will continue to encourage the institution to remain in Palmer.

