

**HOMER ADVISORY PLANNING COMMISSION
REGULAR MEETING
SEPTEMBER 5, 2018**

Session 18-13, a Regular Meeting of the Homer Advisory Planning Commission was called to order by Vice Chair Syverine Bentz at 6:30 p.m. on September 5, 2018 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

PRESENT: COMMISSIONERS BANKS, BENTZ, VENUTI, HIGHLAND, SMITH, BOS

ABSENT: COMMISSIONER BERNARD (EXCUSED)

STAFF: CITY PLANNER ABBOUD
DEPUTY CITY CLERK KRAUSE

APPROVAL OF THE AGENDA

Vice Chair Bentz called for a motion to approve the agenda.

BOS/HIGHLAND SO MOVED.

Vice Chair Bentz noted the request by Staff to conduct New Business, Item A. Elections after Approval of the Consent Agenda and requested a motion to amend the agenda.

HIGHLAND/BOS SO MOVED.

There was no discussion on the amendment.

Vice Chair Bentz inquired if there was any dissent to approve the agenda as amended.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENT

RECONSIDERATION

ADOPTION OF CONSENT AGENDA

A. Approval of minutes of August 1, 2018

Vice Chair Bentz requested a motion to approve the consent agenda.

HIGHLAND/BOS SO MOVED

There was no discussion.

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VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

A. Elections

Vice Chair Bentz requested input from the Commission on how they wish to conduct the voting – voice vote or secret ballot.

The Commission agreed by consensus to vote by secret ballot.

Vice Chair Bentz requested nominations for Chair.

Commissioners Venuti, Banks and Bentz were nominated. Commissioners Bentz and Banks declined the nominations for Chair.

Commissioner Venuti accepted the position of Chair and Commissioner Bentz turned the meeting over to Chair Venuti who opened the floor for nominations of Vice Chair.

Commissioners Bentz and Banks were nominated for the office of Vice Chair and accepted the nominations.

The Commission proceeded to conduct the vote by secret ballot.

Deputy City Clerk Krause collected the completed ballots from the Commission and announced a tie vote.

A coin toss was conducted with Commissioner Bentz calling “heads”. The resulting toss was tails.

Commissioner Banks was congratulated and Commissioner Bentz was thanked for her service as Vice Chair the past year by Chair Venuti.

PRESENTATIONS

REPORTS

A. Staff Report 18-49, **City Planner’s Report**

City Planner Abboud provided a summary of his report to the commission.

There was brief discussion on attendance for the upcoming Council meeting, City Planner Abboud noted that Commissioner Bernard was scheduled for the September 24, 2018 meeting.

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Commissioner Highland agreed to attend the September 10th meeting.
Commissioners Banks and Bos agreed to attend the October 8th and 22nd meetings respectively.

PUBLIC HEARINGS

- A. Staff Report 18-50, Conditional Use Permit (CUP) 18-09, for a medical clinic containing more than 8,000 square feet of building area at 267 Cityview Avenue

City Planner Abboud requested a 10 minute recess to allow the commission to review the public comments submitted late in the afternoon.

Chair Venuti called a 10 minute recess at 6:44 p.m. The meeting was called back to order at 6:54 p.m.

Chair Venuti requested if any of the Commissioners felt they had a conflict of interest.

Commissioner Highland declared that she is a member of the South Peninsula Hospital Service Area Board stating that this position is the liaison between the tax payers and the Kenai Peninsula Borough. They do not have input or authority with the hospital itself. She did not feel that it was a conflict but wanted to declare the relationship on the record.

Commissioner Highland further noted that it is a zoning issue and does not have any impact on South Peninsula Hospital at this time. She did not believe she had a conflict as it was described.

Chair Venuti requested a motion to determine if there is a conflict.

BOS/BENTZ MOVED THAT COMMISSIONER HIGHLAND DOES NOT HAVE A CONFLICT OF INTEREST.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Chair Venuti then declared that he may have a conflict of interest as the party that is proposing this project is his physician and he considers him a friend.

BENTZ/BOS MOVED THAT COMMISSIONER VENUTI DOES NOT HAVE A CONFLICT.

There was a brief discussion on if Commissioner Venuti felt he could impartially review and make decisions on the application; the nature of Commissioner Venuti relationship with the applicant and if there were any monetary involvement between the applicant and himself.

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VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

City Planner Abboud noted that the commission can respond to how the project impacts the neighborhood and complies with the established zoning requirements outlined in Homer City Code. How this projects affects the livelihood of the hospital is not under the auspices of the commission. He then reviewed the staff report citing the findings and conditions 1 and 2.

Lawrence Peek, Project Architect, presented the project and believed that it meets all requirements and conditions. He was available to answer any questions that the commission may have and assured them they were prepared to start work as soon as possible to get as much done before winter arrives.

Chair Venuti opened the Public Hearing.

Barbara Huff Tuckness, non-resident, Director of Governmental/Legislative Affairs, Teamsters Local 959, expressed her concerns on the impact of this project on the 425 members at South Peninsula Hospital that she represents with having another medical service provider in the community, citing the potential financial impacts to the hospital.

Dr. Paul Sayer, city resident, surgeon, property owner in the area, commented in favor of the project. He noted the rumors that are going on and some of them are not true, but on the rumor of a surgery center he certainly hopes that it will be as he believed a town this size would benefit from having a surgery center. He commented on the quality of the project, location and size and even encouraged Dr. Raymond to make it larger.

Rick Foster, non-resident, commented on his previous experience sitting on the commission and how the commission can respond and advising them that they do have some wiggle room. **Further noting that they could address the “spirit of the law.”** He then observed the Certificate of Need program and distributed materials to the Clerk for distribution. He recommended the commission add the requirement/condition that the project obtain a Certificate of Need and then proceeded to read the program summary.

Chair Venuti noted that he had exceeded his three minutes.

Mr. Foster continued his comment on the project developing into a surgery center and the avenue open to the public and city for commentary through the Certificate of Need program.

Lane Chesley, city resident and former planning commissioner, expressed his empathy for the commissioners sitting today to make decisions on matters like this and the time expended to do so. He then stated that he is a property owner in the area and has built a small medical facility for his wife who is an acupuncturist and three massage therapist and **clearly supports Dr. Raymond’s**

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interest in developing his property. His concerns relate to the scale of the project, the traffic impacts to the area and cited the Comprehensive Plan description and distributed a table that listed properties by parcel number in the two Residential Office Zoning Districts for comparing sizes.

Matthew Hambrick, city resident, representing the operating Board of South Peninsula Hospital commented in opposition of the project stating the difference between a for-profit business versus a not-for-profit business, and the negative financial impact of the project to the community.

Jonathon Young, city resident and business manager of Kachemak Bay Medical Clinic, commented on behalf of his spouse in support of the project with one request that appropriate signage be installed to direct traffic and add crosswalks; as the Business Manager, he commented in support of the project noting the sale of the existing facility to MediCenter, ability to relocate their burgeoning practice to a much needed larger facility and bringing in more specialty medical services that are needed by the community.

Helen McGaw, non-resident and employee at South Peninsula Hospital but not here in that aspect, she is a health facility planner, commented in opposition to the project based on the plan not stating what services will be provided, the square footage, traffic impacts and late notice to the public.

Kelly Cooper, assembly member representing Homer and speaking on behalf of the Borough Mayor, noted that the land is owned by the city and buildings are owned by the Borough, and further stated that the Borough did not receive notice of the action and requested a delay moving forward to be able to review the proposed project and that the project as presented is vague and minimal and would expect on a Conditional Use that there would be more specifics included and required.

Judith Lund, city resident, requested a delay in making a decision and commented in opposition of the project due to the traffic impacts, size of the development and lack of detail.

Robin Lund, city resident, commented in opposition of the project due to the short notice, concerns regarding traffic impacts, the size of the project and the impact to existing medical services.

Joey Kraszeski, city resident, commented in support of the project stating it was compatible with the surrounding area uses and that it brings increased choices in wellness and health care and encouraged the Commission to approve the project.

Kelly Cooper, as you know the Borough is a very large building and when she spoke with the Mayor this afternoon that was the direction given to her and she just spoke with the Borough Planning Manager and was advised that they did receive notice, she extended her apologies to City Planner

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Abboud, noting the notice was received by the Land Management Department. She wanted to correct the record.

Maria Victoria Soto, city resident and employee of the hospital, commented in opposition of the project on the short notice, lack of information and the for-profit versus non-profit and that if it is a surgery center then it will be only available to those who can afford the services or have insurance.

Derotha Ferraro, non-resident, Director of Public Relations for South Peninsula Hospital, spoke on the Certificate of Need process, submitting for the record an article printed in the Peninsula Clarion, June 12, 2017 on a clinic that was built in Kenai, Alaska; and noting that the agenda was available on the website but the packet was not available until yesterday.

Steve Haber, city resident, commented in support of the project relating a personal experience with the services of the hospital and did not see how anyone could not see the value in having private, for profit business, that takes Medicare, which will enhance services for everybody by offering more competition. He does not see the hospital offering the services that Dr. Raymond does. He should not have to travel to Palm Springs to receive that type of medical care because **you can't do it here.**

Tom Schrader, city resident, commented in support of the project but expressed concerns with regards to drainage from the property. He then related issues that developed with the expansion of the Homer Medical Clinic. He understood that the improvements of the roads could not be considered and related some the resulting drainage issues with the construction from past experience.

Joe Woodin, administrator at South Peninsula Hospital and new resident to Homer, commented on the various issues before them, stating that the hospital is going through a master facility process currently to plan for the future of South Peninsula Hospital. He has inherited a lot of history including the boundary issue and believes that a compromise has finally been reached and hopes that a compromise can be met with this issue. He expressed the concerns the hospital has with the size of the project.

Steven Rose, non-resident, attorney for South Peninsula Hospital, expressed opposition to the project based on the short time frame in order to respond on the project, he would like to request a continuance to evaluate the proposal and present additional testimony; non-conforming use already on the property that should be addressed prior to allowing this use; and stated the proposed use is not consistence with the Homer Comprehensive Plan, with regard to the scale of the project and is out of character for the neighborhood.

Bruce Wall, non-resident, Kenai Peninsula Borough Planner, commented that he agreed with City Planner Abboud that it is a zoning issue but it is also a planning issue and proposed to read into the record a section from the revised Comp Plan, noting that it will be up for Public Hearing later

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on this meeting, that he felt it was relevant to this issue, however as previously stated by the previous testifier and someone earlier this is not what the commission should be basing their decision on, but on the current Comp Plan, he further stated that the Borough would support postponement on the decision. He commented on the timing issue, he would like to see the Hospital, City and Borough work together on the neighborhood planning issue. He additionally provided personal comment on use of medical services provided in Homer.

Emma Schumann, city resident, commented in opposition of the project noting the lack of project details, traffic impact to the area, and storm water runoff.

Charlie Franz, city resident, commented in opposition to the project noting the lack of detail for the project and believed that it was to circumvent to Certificate of Need program and requested the commission to slow down the process and take a little more time for review.

Peggy Frazier, registered nurse, city resident, former employee of the hospital and Dr. Raymond but works now for MediCenter, commented in support of the project noting that this project will be the new home for Kachemak Bay Medical and people need to continue to have a choice, stating she did not believe that this project would increase the population of Homer, everybody already heads up the hill for all their health care, same traffic going to the same spot.

Hal Smith, city resident, former Medical Director for South Peninsula Hospital recently retired, commented in opposition to the project citing impacts to traffic, drainage, noise to the neighborhood and of greater concern the financial impact to the hospital.

Phil Needham, city resident, general contractor commented in support of the project based on his personal experience with Dr. Raymond, he understood that the hospital sent out an email and had meetings to get their employees to come here and protest this, he thought they lived in a free enterprise system, he finds that idea waning, but a facility that is owned by the borough and city and employees that are paid by government/tax payer dollars would contest someone who would come in and start a free enterprise business in our community that is going to pay taxes that contributes to our city seems to have turned something that our country was born on all around. He understands that they want to get something started here quick before winter sets in but he believes that there has been a lot of fear driven testimony here tonight and they should just focus on the planning and zoning issues.

Susan Shover, city resident and employee at South Peninsula Hospital, commented in opposition to the project noting the short notice, lack of details and intent and effects to the community of having a project of this size, and the impact to the viewshed to the residents of the Long Term Care Facility and the impacts of the lighting from the huge building in the winter.

Skip Hill, city resident, commented in support of the project but that more notice should have been given as he just received his notice 15 minutes ago. He stated that they needed this project.

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Mike Fell, city resident, commented in support of the project that it is being placed in an area that is appropriate, he believed that there were some valid concerns such as drainage but as far as aesthetics he believed Mr. Raymond would build a facility that would be appropriate and fully supported the project.

Commissioner Bentz requested a 5 minute break.

Chair Venuti recessed the meeting at 8:16 p.m. The meeting was called back to order at 8:21p.m.

Chair Venuti stated he would entertain a motion to postpone the public hearing.

BENTZ/BANKS MOVED TO POSTPONE THE PUBLIC HEARING ON CUP 18-09 TO A DATE CERTAIN AS DETERMINED BY THE COMMISSION.

Discussion ensued on the establishment of a date to continue the Public Hearing.

BENTZ/BOS MOVED TO AMEND THE MOTION TO REFLECT THE SEPTEMBER 19, 2018 PLANNING COMMISSION REGULARLY SCHEDULED MEETING.

There was no discussion.

VOTE. (Amendment)NON-OBJECTION. UNANIMOUS CONSENT.

Chair Venuti inquired if there was any additional discussion on the motion as amended.

There was none.

VOTE. (Main Motion as amended). NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Chair Venuti announced that the Public Hearing on CUP 18-09 has been postponed to the September 19, 2018 regular meeting.

B. Staff Report 18-51, Conditional Use Permit (CUP) 2018-10 for an additional fabrication building on a site with more than 8,000 square feet of building area at 3301 East End Road

City Planner Abboud provided a summary of Staff Report 18-51.

There was no applicant present.

Chair Venuti opened the Public Hearing, in the absence of public coming forward to provide testimony he closed the Public Hearing.

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BENTZ/BANKS MOVE TO ADOPT STAFF REPORT 18-51, CONDITIONAL USE PERMIT (CUP) 2018-10 WITH FINDINGS 1-10

There was a brief compliment on the submittal of a thorough application.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

C. Staff Report 18-52, An Ordinance of the Homer City Council Adopting the Homer Comprehensive Plan 2018 and Recommending Adoption by the Kenai Peninsula Borough.

City Planner Abboud reviewed his report for the commission.

Chair Venuti opened the Public Hearing, in the absence of public coming forward to provide testimony the Public Hearing was closed.

Commissioner Bentz stated that in discussions on Land Use the Commission discussed the terminology of “Medical District” not **“Hospital District”**. She also noted those changes on pages A4 and Land Use Recommendation Map on A10 and in Draft Ordinance 18-XX on page 63 of the **packet, Section 1, first line should read “2018” not “2008”**.

City Planner Abboud stated he will address those typographical errors.

Chair Venuti requested a motion.

BOS/HIGHLAND - MOVE TO ADOPT STAFF REPORT 18-52, AN ORDINANCE OF THE HOMER CITY COUNCIL ADOPTING THE HOMER COMPREHENSIVE PLAN 2018 AND RECOMMENDING ADOPTION BY THE KENAI PENINSULA BOROUGH

Brief discussion on the work accomplished by the commission and clarification on the changes from **“Hospital” to “Medical”**

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

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PLAT CONSIDERATION

A. Staff Report 18-53, Forest Glen Subdivision 2019 Preliminary Plat

City Planner Abboud provided a summary of Staff Report 18-53.

Gary Nelson, surveyor for the project did not have a presentation he was available for any questions the commission may have.

Chair Venuti opened the floor for public testimony on the issue, upon seeing no one in audience come forward he closed the public testimony period.

Commissioner Highland inquired about the naming of plat as 2019 versus 2018 and confirmation **that the date of “August 17, 2012” on the application was a typographical error.**

Mr. Nelson explained that he was informed by the Planning Department that there was already a Plat submitted entitled Forest Glen Subdivision 2018 so they changed it to 2019 and confirmed that the date was a typographical error.

BENTZ/HIGHLAND MOVED TO ADOPT STAFF REPORT 18-53, FOREST GLEN SUBDIVISION 2019 PRELIMINARY PLAT AND FORWARD RECOMMENDATION TO THE KENAI PENINSULA BOROUGH

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PENDING BUSINESS

NEW BUSINESS

B. Staff Report 18-55, Amending HCC 21.18.040 to Reduce the Setback Permitted from 20 Feet to 10 Feet in the Central Business District.

City Planner Abboud reviewed his report and noted that the City Clerk provided minutes from the Council discussion during Committee of the Whole. He then summarized Councilmembers concerns and comments.

City Planner noted that there were some things that the Commission did not review exactly, the City Attorney took away using exact names. He did not have a recommendation for an alternative at this time. He commented on the size of the setback and that the City of Homer was not

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developed in the standard method as it was a collection of homesteads instead of planned city center and streets configured from the main square.

City Planner Abboud commented on options that could be taken in the future, what has been changed in regards to utility easements, old easements, new easements that have been put in. He noted that there is a lot for the commission to consider. He has put in the information from the City Transportation Plan. He requested direction and input from the commission.

Chair Venuti requested a motion to bring the item to the floor for discussion.

BOS/BENTZ MOVED TO BRING STAFF REPORT 18-55 TO THE FLOOR FOR DISCUSSION.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Commissioner Highland requested clarification on the process and defining it.

City Planner Abboud provided clarification on the issues.

Commissioner Banks noted the different types of roads in this zone and the recommendation from the attorney not to reference by street but he feels that it would be a good idea on some streets to bring the business right up to the street to encourage walkability. He is not sure it is a great idea to do this by zone.

Commissioner Bos noted that there have only been 10 conditional use permits for setback reductions with one withdrawn and all have been approved. He preferred looking at each individual street.

Commissioner Bentz requested further clarification on the recommendation from the attorney on naming.

City Planner Abboud explained that the city attorney did not recommend using the name of the street but preferred descriptors.

Commissioner Bentz inquired if they should make a classification system before addressing this issue.

City Planner Abboud responded that was the issue, if they could set that out in the transportation plan, but to be exclusive is an issue and he would have to determine another quality to satisfy the legal review and the city attorney.

Further discussion ensued on the basis for requesting the change to the setback regulation, problems related to the changes, **responding to Council's request to provide a recommendation** and making this into code, the number of conditional use permits that were under or went to litigation, there were many challenges to institute a blanket setback in the district, requesting a worksession with the City Attorney to define the issue and forwarding that recommendation to City Council.

BENTZ/ MOVED TO FORWARD THIS BACK TO CITY COUNCIL FOR PUBLIC HEARING

There was a brief discussion on making a motion to take no action at the commission level and putting this back to City Council and that they could pass the ordinance as is if that is the intent of the Commission and the need to make a motion in the positive format.

Commissioner Bentz pulled her motion from the table for consideration.

BENTZ/ BANKS MOVED THAT THE PLANNING COMMISSION RECOMMEND NOT MOVING FORWARD TO PUBLIC HEARING AT THIS TIME BUT ENTERTAIN ADDITIONAL WORK ON THIS ORDINANCE.

A discussion on whether they can recommend a worksession since they are not ready to take this to Public Hearing ensued.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Commissioner Bentz requested for the worksession that they have legal available along with maps in front of them.

City Planner Abboud noted that was the difficulty since the City Attorney was not a Planner.

Commissioner Highland requested clarification for the report to council on Monday.

City Planner Abboud responded that she could tell them they will be having a worksession to do more work on this ordinance.

INFORMATIONAL MATERIALS

- A. **City Manager's Reports for the August 13 & 27, 2018 Homer City Council meetings**
- B. Reappointment to the Commission
- C. Decision on CUP 2018-02

COMMENTS OF THE AUDIENCE

Dr. Paul Raymond, resident, thanked the Commission, lots of emotion involved, he is not going anywhere, he has been here 30 years, he has lived up the road and been here 60 years total, I am very committed to the hospital but they are not as committed to me. But their concerns with a surgery center and certificate of need, they have no idea what certificate of needs are; the only way you can sneak under the cap that they described was to have a 30 year old building that had already been totally depreciated in order to build a surgery center that does not need a certificate of need. Obviously with a new building you are not going to fit that criteria. I would have a better chance of building that in the building I am leaving, because that is 18 years old and depreciated a fair amount. You have to fit under a \$1.5 million cap, I do know the rules. You could probably do that with the old AMSO building or laundromat on Main Street, but those are the rules. All this fear is absurd. I think that I have successfully brought better quality physicians to this area. This is my goal in the future. We have more medivacs out of this town today than any time in history, yet the number of persons presented to the ER are actually less than 2012. That is not good for the community and the community deserves options. Thank you for your time.

COMMENTS OF THE STAFF

COMMENTS OF THE COMMISSION

Commissioner Highland requested to add to the work list the transportation committee work, she would like to review the Transportation Plan. She welcomed Commissioner Smith.

Commissioner Bos thanked Commissioner Highland for signing back on **for another “5 years”** laughingly; congratulated Commissioners Venuti and Banks on their new offices, thanked Commissioner Bentz for her service and welcomed Commissioner Smith to the table.

Commissioner Smith thanked everyone for breaking him in easy.

Commissioner Bentz commented that she thought they would be meeting their deadline; reminded the commission of the free green infrastructure planning workshop on next Tuesday.

Commissioner Banks welcomed Commissioner Smith and hoped he enjoyed the meeting noting jokingly that it was one of the shorter meetings they have had; thought that if they considered well and it looks like they will have another interesting meeting in a couple of weeks.

Chair Venuti commented it was nice to have a full house present as most meetings there is no audience in attendance. It was really interesting meeting. He thanked Commissioner Highland for requesting to be reappointed, welcomed Commissioner Smith and thanked Commissioner Bentz for her service as the Chair. He did not expect to Chair a meeting tonight but they got through it well enough and he promised to be more prepared in the future.

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ADJOURN

There being no further business to come before the Commission, the meeting adjourned at 9:30 p.m. The next regular meeting is scheduled for Wednesday, SEPTEMBER 19, 2018 at 6:30 p.m. in the City Hall Cowles Council Chambers. There is a worksession scheduled at 5:30 p.m. prior to the meeting.

RENEE KRAUSE, CMC, DEPUTY CITY CLERK

Approved: _____