

Session 18-14, a Regular Meeting of the Homer Advisory Planning Commission was called to order by Chair Venuti at 6:30 p.m. on September 19, 2018 at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

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

ABSENT: COMMISSIONER BOS (EXCUSED)

STAFF: CITY PLANNER ABBOUD  
DEPUTY CITY CLERK KRAUSE

#### APPROVAL OF THE AGENDA

Chair Venuti called for a motion to approve the agenda.

HIGHLAND/BENTZ - SO MOVED.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

#### PUBLIC COMMENT

#### RECONSIDERATION

#### ADOPTION OF CONSENT AGENDA

A. Approval of minutes of September 5, 2018, 2018

Chair Venuti requested a motion to approve the consent agenda.

Commissioner Bentz noted that there was a request to amend the minutes so the minutes needed to be pulled from the consent agenda and moved to New Business, Item B.

There were no additional items on the Consent Agenda for approval.

#### PRESENTATIONS

#### REPORTS

A. Staff Report 18-56, City Planner's Report

City Planner Abboud provided a summary of his report included in the packet. He additionally noted that the Storm Water Master Plan was number three on the CIP list.

## PUBLIC HEARINGS

A. Staff Report 18-57, Conditional Use Permit (CUP) 18-11, for a phased expansion of the Pratt Museum

Chair Venuti introduced the item into the record.

City Planner Abboud provided a summary of Staff Report 18-57 for the commission.

Laurie Stuart, Executive Director for the Pratt Museum and John Mortensen, Project Manager for the Project provided a brief synopsis presentation of the planned improvements to the museum and advised the commission of a subtle color change from a Spruce Green to a Sage Green color palate.

Chair Venuti opened the Public Hearing. Seeing no one in the audience coming forward to testify Chair Venuti closed the Public Hearing.

HIGHLAND/SMITH MOVED TO ADOPT STAFF REPORT 18-57 AND APPROVE CONDITIONAL USE PERMIT 2018-11 FOR PHASED EXPANSION OF THE PRATT MUSEUM WITH FINDINGS 1-11.

There was a brief discussion on the proposed improvements that are well deserved, important facet of the community and the Commission expressed compliments on the completeness of the application and the inclusion of drawings and technical information on the proposed project.

Chair Venuti requested a motion for the proposed color change.

SMITH/BENTZ MOVED TO ACCEPT THE ADJUSTMENT TO THE COLOR PALATE FROM DARK SPRUCE TO A SAGE GREEN COLOR.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Ms. Stuart expressed her appreciation to the Commission from the floor.

B. Staff Report 18-58, Conditional Use Permit (CUP) 18-09, for a medical clinic containing more than 8,000 square feet of building area at 267 Cityview Avenue

Chair Venuti requested declarations of Ex Parte communications since the last meeting.

City Planner Abboud provided a clarification on what Ex Parte communication was and the procedure that should be followed by the commission at the request of Commissioner Bentz.

Commissioner Highland disclosed that she attended a South Peninsula Hospital Service Area Board meeting and this action was on their agenda and she recused herself and left the room.

She requested the commission to determine if she has a conflict of interest.

BENTZ/BERNARD MOVED THAT COMMISSIONER HIGHLAND HAS A CONFLICT OF INTEREST.

The Commission briefly questioned Commissioner Highland on her ability to review and consider the matter before the objectively.

Commissioner Highland responded that she viewed this as a zoning matter and nothing else.

VOTE. NO. BENTZ, BERNARD, SMITH, BANKS, VENUTI

Motion failed.

Chair Venuti declared that he has been contacted by various members of the community, he has listened and did not respond. He stated that the public expressed opposition to this matter moving forward for the same reasons stated at the earlier meeting.

Commissioner Bentz inquired if he felt that the public comments he heard would impact his objectivity on this action.

Chair Venuti responded that he looks at this issue as a Conditional Use Permit the same as Commissioner Highland.

BENTZ/HIGHLAND MOVED THAT COMMISSIONER VENUTI HAS A CONFLICT OF INTEREST.

There was a brief comment that it appeared Commissioner Venuti did not have any additional information that the rest of the commission did not have.

VOTE. NO. HIGHLAND, BERNARD, BENTZ, SMITH, BANKS

Motion failed.

Commissioner Bernard declared that she has had members of the public approach her and she immediately stopped their comments and invited them to attend the meeting. She requested that they not speak about the matter to her.

BENTZ/HIGHLAND MOVED THAT COMMISSIONER BERNARD HAS A CONFLICT OF INTEREST.

There was a brief discussion on the comments received were similar to what was spoken at the meeting.

VOTE. NO. BANKS, SMITH, VENUTI, BENTZ, HIGHLAND

Motion failed.

Chair Venuti called for a five minute break at 7:02 p.m. The meeting was called back to order at 7:05 p.m.

Chair Venuti requested City Planner Abboud to provide his report to the Commission.

City Planner Abboud provided a summary of his supplemental report for Conditional Use Permit 2018-09. There are no additional staff recommendations and his report addressed the three issues commented on by the public that were applicable to the zoning code:

Storm water and drainage – During the zoning permit process a Storm Water Plan under Homer City Code 21.50.030 is required. This is a tool to address long term drainage and storm water concerns. He noted that Bartlett and Hohe have storm drains that were installed in 2004/2005 by the State. He provided a brief synopsis of the requirements.

Traffic Impact Study – The proposed project does not trigger the requirements. He referenced the included analysis

Size of the project – The Residential Office (RO) district does not have architectural standards in the form of the Community Design Manual or Homer City Code. There is not a defensible argument to require a reduction in the size and scale when there is such a disparity in building size in the immediate neighborhood. **This limits staff's ability to findings or to place conditions on the proposed clinic.**

City Planner Abboud noted all Public Comments received have been included for the review of the Commission.

Chair Venuti noted that he was going to open the floor for continued testimony on the Public Hearing that was postponed at the September 5, 2018 regular meeting noting the allowance to provide testimony on a subject is limited to once per person.

Lane Chesley requested clarification from audience on the number of times a person can provide testimony and if they were allowed to testify to the new information provided.

Chair Venuti responded that if the audience desired to comment on the new information they could provide testimony for the record on the new information.

Nubia Upres, member of the community, business owner, patient at Kachemak Bay Medical clinic and currently working towards becoming a nurse, so a student in the community who hopes to serve the medical community in the future as well, commented on the benefit of opening up another building for more services, stated that having choice is vital to a community. As a business owner it is part of the financial responsibility to be aware and adjust for competition and the best defense is providing the best service. This project will provide additional opportunities for employment too and that if the city is going to limit business then it should be across the board for all types of businesses.

Joseph Hurley, former President, Kenai Surgery Center, commented on their efforts to build the surgery center in Kenai, noting if they intended to build a surgery center in Homer they would have approached South Peninsula Hospital first, things are being said that are not true, the article that was submitted was incorrect and redacted on multiple points, the information provided by Central Peninsula employee was inaccurate and caused a stir which was their intention. It makes him think of fruit from a poisonous tree, and he feels that it was misleading to the public to cause a big stir in the community.

Laura Hansen, Director of Physician and Provider Practices, resident of Anchor Point commented on the size of the project not being right sized for the neighborhood, the impact to the neighborhood and to traffic, safety, parking, noise and lighting and comparing the proposed project to Homer Medical Center and medical offices in the Kachemak Bay Medical building.

Jason Friend, Director of Finance, MediCenter, parent company for Kachemak Bay Medical Center, commented on their impact to the community and the services that they will and are bringing to the community and that this project will provide the spaces they need to conduct current business and provide options for growth.

Sharon Stewart, Financial Counselor at South Peninsula Hospital, resident commented on the vote to approve bonds for upgrades to the surgical rooms at the hospital, and the expansion of Homer Medical Center, there is plenty of shell space to bring any additional providers but she believes they need the Certificate of Need to do so.

Carol Klamser, Nurse Practitioner, Kachemak Medical Clinic, resident, commented on the number of providers, the number of patients and types of insurances that they take. She also expressed the misconception and misunderstanding by the community on the use of the proposed building and what existing conditions they are currently dealing with.

Keri Ann Baker, commented on the characterization of the concerns expressed by South Peninsula Hospital, stating she is not against the project, her concerns were the timing and planning that has gone into the project, she is excited to see people having this level of investment

in their community but mere investment without collaboration with the community is not the kind of community they want to live in; South Peninsula Hospital works and collaborates with many organizations in the community and expansion without collaboration is not going to give the community the type of services that they want; she believes that a 21000 square foot building conceived in a vacuum, without outreach, without collaboration is a missed opportunity for a community for a building of this size; she further stated that duplication of resources in a town this small is not the best approach and encouraged the applicant to work collaboratively; to render this as South Peninsula Hospital being anti-competitive is not the case, they have worked with groups to provide services that do not duplicate those services already being provided in the community. They need more information on this project.

Mesille (May) Mershon, resident, nurse at Kachemak Bay Medical Center, is having a hard time understanding why this is causing such a big issue, stating that they are just moving to across the street and traffic will be the same. It is disheartening to hear the negativity and politics involved in opening up another facility that will offer a choice. She works with everyone in the community. She is disappointed in the lack of respect and the rumors that are being spread about their Clinic. They will have more space which may mean more jobs. They provide caring services and hopes that they approve this permit.

Rob Lund, resident, lives next door to the proposed project read from excerpts of the Comprehensive Plan that are relevant to the discussion: “supports diverse economy that including many small independent home based businesses” he did not think a 21,000 square foot, two story medical center was a home based business; “where natural landscaping and a **comfortable natural fit with the land**” he believed this project contrasts with the building and parking areas in many Alaskan communities such as Wasilla, where development is “pleasing to the eye.” The Pratt museum is a good example of the standards that are supposed to be met and this project does not; Mr. Lund then read the description of RO and stated that the project does not fit in his opinion. He believes that the Comp Plan is a dog-gone good document.

Faith Schade, non-resident, born in the original Homer hospital, she also had her daughter in that building and Dr. Raymond was her doctor, fast forward 27 years ago and that building is now a parking lot. The Clinic needs more space and a positive work environment does not hurt the community; it is the job of the commission to determine if the project is appropriate to build in this location not to base decision on emotions.

Maria Victoria Soto, resident and employee of the hospital, commented that she approves of the Pratt Museum color change and appreciated the clarification provided by the gentleman from MediCenter on a surgery center. She believes that they owe a debt of gratitude to Dr. Raymond and does not want to dissuade him from practicing here and he needs to move his clinic. She opposed the project based on the size and compared it to Homer Medical. She still believes its size is overkill and will not fit the neighborhood and encouraged him to be more collaborative. She also acknowledged the benefit of additional employment opportunities.

Phil Needham, resident, related a bit of history on the small town in Wisconsin where he lived in his youth, **that in the early 60's there were two brothers who wanted to build a large clinic and** they were run out town. The Mayo Brothers were welcomed in Rochester, New York and you know what happened after that.

Derotha Ferraro, Director of Public Relations, South Peninsula Hospital, non-resident, wanted to provide full disclosure that she and her family were **previous patients at Dr. Raymond's clinic** and South Peninsula Hospital. Ms. Ferraro stated she did reach out to the Peninsula Clarion today and confirmed with them that the article she submitted was the final version, it was not redacted, she also spoke personally with the Central Peninsula Hospital employee who was quoted in that article who assured her that all the facts related in the article were accurate. Tonight she sees and hears reference to South Peninsula Hospital being compared as just another building on Bartlett Street, that the Hospital is a big building, they have traffic, they have lights, they are a **vast structure, they, they, them, them...** Ms. Ferraro went on to comment that South Peninsula Hospital cannot be used as reference in this conversation; they have been grandfathered in **as it's** been around longer than statehood. Ms. Ferraro cited historical information on the formation and creation of the Hospital, funding sources, actions by former Homer City Council regarding ownership and working with the Borough. Ms. Ferraro stated that the Hospital is owned by the people with intention and cannot be compared to other scope, size or parking lot, it is a corner stone and keystone to the community.

Shawn Keef, Chief Financial Officer, South Peninsula Hospital, commended the museum on their application and cited comments expressed by **the Commission and compared the museum's** application to this application and what they do not have; Mr. Keef then cited various comments expressed by the public in support of the project but stated that they do not have the information to know what is actually going to be in that building and the concern is what is really going to go on in that building besides the clinic and he believed that the commission should have all the facts like the museum's application.

David Groesbeck, non-resident, business owner, commented on the development of the existing parking lot without permit; the potential to re-zone the area to a hospital or health care zone. He encouraged the commission to not do "de facto zoning" and to follow the process. When the property was first cleared the surrounding property owners were told by the Planning Office that the developer was making a walking path this manifested into a driveway, then a very large parking lot; he then cited code requirements on landscaping and vegetation. He stated he was taught to follow the rules. This process for the project has been flawed from the beginning and encouraged the commission to test the integrity of the process and insisted that the integrity of **Homer's City Code be maintained.**

Lee Yale, Chief Nursing Officer, South Peninsula Hospital and Director of Surgical Services, resident, related a similar situation she experience while in Fairbanks and the ensuing redundancy that divided the services which ended in both units struggling. She stated that it is

extremely difficult to get skilled nursing personnel in Homer let alone Alaska. She then encouraged the commission to reconsider approving this request.

Ralph Broshe, resident, commented on when the ordinance passed creating the Residential Office District it was designed to allow offices in the area but had limits on the size and felt it would be a disservice to the residents who lived there if they allowed this project. If they intend to allow that then they should change the zoning.

Joe Woodin, Administrator, South Peninsula Hospital, resident, stated the Hospital is very concerned and opposed to this project. The commission is in possession of some documents he has submitted and from Laura Heideman, as well as Steven Rose and wanted to reference a few points; we think that it will be detrimental to the health, safety and general welfare of the community. A large privately owned medical clinic will create excessive capacity for providing health care in Homer, causing competition with the publically owned South Peninsula Hospital. We talk about competition or opening up a new business and health care is very regulated and a **little bit more complicated, you can't just open up a new hospital. There are a lot of choices** with providers in the community, there may be a few choices of general surgeons and other providers but when you look at hospital and hospital based services such as emergency department, Operating Room (OR), Birthing Center or Med-Surg floor there is only one out of this list that people like to pursue and that is an OR because you can make a lot of money. That is why Surgery Centers are being built across America. He continued on the size of the facility, the undetermined space, the size of parking of the proposed project overall. It should be considered on how this will affect the Hospital since they took on those bonds.

Doug Schade, non-resident, lived in the area all his life, has listened to the comments today and it is striking that you have a public entity using public funds to try to hold back private enterprise, that is not what they are supposed to do. Simple fact is if it meets the regulations then they should let him do it.

Deborah Brown, city resident, commented that as a business person and with a little bit of knowledge of the law, seconded the comments of the previous person and that the Commissioners should look at this as a planning project and not what the hospital is doing.

Barbara Kennedy, volunteer at the hospital, commented that it should be reviewed as a zoning issue, and remarked on the size of the project and questioned the intent of use of the proposed **building and the information they provided comparing it to the Pratt's project. She demanded** that they make the applicant show the community what they plan to do with the building.

Steven Rose, Attorney for South Peninsula Hospital, provided his experience and expertise on certificate of need, commented on the ease to get around the certificate of need program, Residential Office district and the creation of the district and requirements of adhering to the established regulations.



Lane Chesley, resident, member of the South Peninsula Hospital Board of Directors, acknowledged the work of the Planning Department and materials, time and money expended by the applicant. He believes that the issues raised by the testimony provided by the public proves that further analysis and design work is required by the applicant. He further encouraged the Commission to request the applicant waive the 45 day rule to allow the Commission, staff and applicant to continue to work on this CUP to find a more appropriate scale to fit in the RO district. He distributed the first page of Chapter 21.71 for the Conditional Use Permit process. He further stated that each CUP must stand on its own merits and it does not matter if there were 10 or 15 CUP's for Medical offices before this one and then read the highlighted portion in City Code that reflected that sentiment.

Seeing no further public coming forward Chair Venuti closed the public hearing and requested rebuttal from City Planner Abboud if any.

City Planner Abboud stated that he will address the zoning related issues, he wished that all these people would have showed up for the Comp Plan to recommend something to protect the viability of the hospital. City Planner Abboud then stated the definition of medical clinic as **defined in code noting that he does not have any other level to separate the issue until the state's** definition of hospital. The scale it could be many things, additional information would be useful such as the number of employees, hours of operation, he is less concerned with who is a tenant of the building, and in code it does address primary uses noting that they do have the hospital in the district. He did state that they could subdivide the property into 8 lots which could hold 25 single family homes. He further noted that this is in the area that the commission has determined for further work and the area is changing from a residential area noting the reduction in single family residences.

Chair Venuti invited the applicant forward for rebuttal.

Dr. Paul Raymond provided rebuttal and commentary to the following:

- Certificate of Need Program for existing and new construction
- Performance of specific procedures in office does not make a surgery center and the cost differentials for performance of a procedure in office and in an operating room
- Reimbursement comparison by insurances for in office procedures versus hospital
- Services provided by his practice, acceptance policies for insurances and payments, personal patient care versus corporate patient care approach
- Percentages of his patients served with regard to the type of insurances
- Testimony provided by the public that he believed were in conflict due to their involvement or position with the hospital.
- The level/number of patients taken to court for non-payment by the hospital versus Kachemak Bay Medical Clinic
- The benefit to the city by the property taxes that will be paid
- The objections made by South Peninsula Hospital regarding financial impacts his new medical facility will have to their bottom line and the possible layoffs that may ensue

- Provided comparison data for budgets of the hospital, the Kenai Peninsula School District for 2019 and the City of Homer Budget for 2018
- Reported the amounts paid to half time personnel that reside in Oregon and Ohio and the amounts paid to an orthopedist, anesthesiologist, nurse anesthetist, and two family physicians
- Emergency Room visits declining since 2012 and the increase in Medivacs north
- Economic Credentialing
- The need for competition in Homer using the example of imaging citing the charges by the Hospital compared to MediCenter in Kenai
- **His project may prevent services, physicians and specialists from going “up the road”**
- Provided screen shot of cell phone with message regarding sale of the property or lease agreement with the administrator at the hospital.
- Provided overview of SVT Clinic building location on parcel from Kenai Peninsula Borough website for size relationship comparison for the record
- Design for a four story parking/clinic facility for the hospital providing a copy from the Capital Projects Department with the Kenai Peninsula Borough for the record for the same property
- Encouragement by hospital officials to employees to approach the commissioners directly and provided copies of those notifications for the record
- Increased traffic, noise and light citing as a comparison the hospital 450 employees, emergency vehicle traffic of approximately 12-14 vehicles per 24 hours, 170 Medivacs in 2017
- The additional parking lot that was created without going through Planning department for proper permitting and regulations by the hospital
- The uses for the proposed project and square footages comparing existing offices to proposed office spaces
- Specialty services that will be provided and services that are presently being offered will continue to be offered in the new facility
- The upstairs of the proposed project is projected for a Sleep Medicine Clinic for 2500 sf due to increased demand for services, Human Resources and Billing Department 2500 sf and 5000 sf will be used to house visiting providers or staff and storage
- Ingress and egress on to Danview and Hohe streets
- Due to the nature of the slope there will be no impacts to the viewshed from the hospital and there are other two story buildings in the area.

Chair Venuti requested a recess at 8:37 p.m. The meeting was called back to order at 8:42 p.m. and opened the floor for questions from the Commission.

City Planner Abboud responded to Commissioner Bernard by providing the best possible and using the number provided by the applicant of patients seen does not reach the required minimum of 100 per hour or 500 per day with regards to requiring a Traffic Impact Analysis.

Chair Venuti asked the applicant on the potential to downsizing the project in response to the concern expressed for the scale of the project.

Dr. Raymond responded that there is always potential, but he figured that it was the best use for the space, as far the costs, it is always cheaper to build up than out since he gets more square footage for the price. He proceeded to elaborate on the first floor being used by the existing clinic since it would provide easier access for patients and the upstairs would be additional office space.

Chair Venuti then commented on receiving detailed drawings for other CUP applications and they did not have a set of construction plans for this project and asked if the applicant had those available.

Dr. Raymond responded that he actually did not plan to build out the second floor since he was not sure if he had the funds to complete it. This was a fairly expensive project.

Mr. Lawrence Peek, architect, stated that he advised Dr. Raymond to wait and see if he can get this project permitted first before expending the funds, they have structural and foundation information plus landscaping.

Chair Venuti asked if there was a Certificate of Need.

Dr. Raymond provided again the requirements for the Certificate of Need program and stated emphatically that he is not a surgeon, and they do not plan to put in a surgery center.

Mr. Peek forcefully responded that they submitted for **a B Occupancy with the State and he can't** give them anything beyond that due to the structural and system requirements of a building that is going to be used as a surgery center because of seismic requirements and if he did not follow the regulations he could lose his license.

**Commissioner Smith asked for clarification on Dr. Raymond's estimate of patients** seen in a year is approximately 11000 which breaks down to the number of patients seen in a day and is about 30.

Dr. Raymond agreed with his estimate.

Commissioner Bentz requested clarification on the clearing of the land and use as a parking lot.

Dr. Raymond explained that he did not own the land he was a partner and was not involved. He does not believe it was ever used as a parking lot, it was cleared and gravel was placed. Raymond Property Management was not involved with that property until the partnership was dissolved and it acquired the property in April 2018.

Commissioner Bentz asked City Planner Abboud about the status of existing violations on property.

City Planner Abboud stated that they spoke with the people who came in to complain and that this action will correct that violation.

Dr. Raymond stated that he purchased the property as is.

Commissioner Banks inquired if Dr. Raymond would be willing to share the costs of improvement on the roads involved.

Dr. Raymond said that he would not foot the bill since they are city roads but he would be willing to share some of the costs.

Commissioner Banks then requested clarification on completion of the exterior and if he would acceptable to a time limit.

Dr. Raymond was agreeable to a time limit because he plans to complete and finish the exterior but the interior would be incomplete until he finalizes his plans as he stated before he is considering a Sleep Clinic since that is what he does.

Commissioner Banks commented that it would have assisted the commission if that was stated in the application.

Mr. Peek and Dr. Raymond provided a few more details on the choice to build two stories, utilities location determines the location of the building on the lot.

Commissioner Bernard requested clarification from City Planner Abboud on the Comprehensive Plan description of the Residential Office district reading the description, the required standards to maintain the scale and if those requirements have been met or more details have been met.

City Planner Abboud explained that is why they have the Commission which is comprised of members of the public, that there is only five single family residences left in the area.

Commissioner Bentz asked about the draft storm water plan which is really nice to see and confirmed that the actual footprint is 11,000 sf which is similar to the other medical building in the area and asked if there was any additional information on the Stormwater drainage.

John Bishop, civil engineer, addressed the concerns and questions regarding the proposed Stormwater drainage plan and city requirements.

BENTZ/SMITH MOVED TO ADOPT STAFF REPORT PL 18-50 AND 18-58 AND APPROVE CUP 2018-09 FOR A MEDICAL CLINIC WITH FINDINGS 1-10 AND CONDITIONS 1 AND 2

The commission commented, questioned and discussed the following points:

- Draft Comprehensive Plan proposed changes to the area for medical services, Residential Office District still applicable, Medical District is new
- Applying the Comp Plan as it exists with the ideal to directing city growth is already expressed with the stated desire for infill and clustering
- Some legitimate points made on scale and character but the criteria outlines the conditional use of a medical clinic as well as a hospital
- Add additional conditions for a time deadline to complete the exterior and including applicant willingness to share costs for road improvements
- Landscaping and vegetation of the property
- The size of the building is large but only because it is two stories and that is allowed
- Having a rendering of the project to accommodate the grade of the parcel would have been nice for the commission to have during their review
- Schedule for the presentation of the Draft Comp Plan to City Council
- Inclusion of any additional requirements for the applicant by the Commission

HIGHLAND BENTZ MOVE TO EXTEND THE MEETING TIME TO 10:00 P.M.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

The commission continued discussion on the following:

- The commission would have to list reasons for denial and there was really no findings that they could list to deny based on the current city code requirements
- The overall size of the project and keeping within scale and nature of the area
- Comparison of SVT and Homer Medical Clinics to this project the footprints are similar, there is no height impact
- Application is compliant based on the criteria

BANKS/BENTZ MOVED TO AMEND THE MOTION TO ADD CONDITION NO. 3 APPLICANT WILL COMPLETE THE EXTERIOR WITHIN ONE YEAR OF ISSUING THE CONDITIONAL USE PERMIT.

Discussion ensued on a recent CUP that was approved for a much smaller project and the Commission gave 18 months to complete the exterior.

Commissioner Banks asked if he could amend his motion.

Chair Venuti requested input from the Clerk.

Deputy City Clerk Krause requested the commission to vote this motion down and make another motion.

VOTE. NO. HIGHLAND, BERNARD, BENTZ, VENUTI, SMITH, BANKS

Motion failed.

BANKS/SMITH MOVED TO AMEND THE MOTION TO ADD CONDITION NO. 3 APPLICANT SHALL COMPLETE THE EXTERIOR OF THE BUILDING WITHIN 18 MONTHS OF ISSUING THE CONDITIONAL USE PERMIT.

There was no discussion.

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

Motion carried.

The commission expressed comments on receiving as much information as possible when submitting applications for conditional use permits and that there has been no clear evidence presented to not approve this application.

Chair Venuti inquired if there were any further discussion on the motion.

Commissioner Banks wanted to address the road issues and make an amendment but requested to hear input from the other commissioners. He noted that the conditions of the road and the entrances to the parcel.

Discussion ensued on the length of roads to be improved are very small, existing collector streets, improvement standards that would be required for fire safety, the commission cannot require off-site improvements unless it is determined that the level of service is unacceptable then the commission would have to mitigate for that, requesting the applicant to willingly make those improvements, conditions of the roads once the construction starts would deteriorate, the level of existing improvements in place currently.

BANKS/BENTZ MOVED TO ADD A FINDING BUT DEFINED AS A RECOMMENDATION THAT THE APPLICANT WORK ACTIVELY WITH THE CITY OF HOMER TO SHARE COSTS OF IMPROVING THE ROADS SO THAT ACCESS IS ADEQUATE.

Discussion ensued on the authority of the Commission to make this Finding.

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

Motion carried.

HIGHLAND/BENTZ MOVED TO HOLD DELIBERATIONS AT A TIME TO BE DETERMINE.

Discussion on what would be gained to delay the decision that deliberation would be conducted in a separate meeting of the commissioners, that there is enough information before the commission to make a decision and further delay may hold up the project unnecessarily.

VOTE. NO. SMITH, HIGHLAND, BENTZ, VENUTI, BANKS, BERNARD

Motion failed.

Discussion then was conducted on what circumstances that would trigger the Conditional Use Permit process other than expansion in size, turning it into a hospital, mortuary, outdoor recreational facility, or a day care center would bring the applicant back before the Commission. It was clarified that as defined a surgery center would not trigger the Conditional Use Permit process since it is defined as medical clinic unless the state changed the definition.

VOTE. (Main as Amended) YES. HIGHLAND, BENTZ, VENUTI, BANKS, BERNARD, SMITH

Motion carried.

#### PLAT CONSIDERATION

A. Staff Report 18-59, Stream Hill Park 2018 Replat Preliminary Plat

City Planner Abboud provided a summary of Staff Report 18-59.

Peter Crimp and Steve Smith provided a brief synopsis of actions taken since the previous meeting when the Commission directed them to find a resolution on the access issue. Mr. Smith provided some details on the actions required by the Borough in dealing with property called **“stranded property”** and provided details on discussions they had regarding creating legal access to the parcel in question.

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

A brief discussion on the parcels that were dedicated to parkland being held in perpetuity and clarification on which parcels were which and where the access for the one parcel was located ensued.

BENTZ/HIGHLAND MOVE TO ADOPT STAFF REPORT PL 18-59 AND APPROVE STREAM HILL PARK 2018 REPLAT PRELIMINARY PLAT WITH COMMENTS 1 & 2

There was a brief discussion on the ability to come to a resolution on the issues by the property owners.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PENDING BUSINESS

A. Staff Report 18-60, Amending HCC 21.18.040 to Reduce the Setback Permitted from 20 Feet to 10 Feet in the Central Business District

BENTZ/BANKS MOVED TO POSTPONE PENDING BUSINESS ITEM A TO THE NEXT REGULAR MEETING AND MOVE NEW BUSINESS ITEM A.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

NEW BUSINESS

A. Staff Report 18-62, **Amending HCC 21.61.040(b) to codify the City Council's Role as the local regulatory authority.**

City Planner Abboud provided a brief explanation on the reason to bring this change forward and what it will provide.

BENTZ/HIGHLAND MOVED TO FORWARD DRAFT ORDINANCE AMENDING HOMER CITY CODE **21.61.040(B) CODIFYING THE CITY COUNCIL'S ROLE AS THE LOCAL REGULATORY AUTHORITY TO PUBLIC HEARING AT THE NEXT REGULAR MEETING OF THE COMMISSION.**

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

HIGHLAND/BENTZ MOVED TO RECOMMEND EXTENDING THE MEETING UNTIL 10:10 P.M. TO ALLOW FOR COMMENTS.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.



B. Minutes for the September 5, 2018 Regular Meeting.

There was a brief clarification that this item was not postponed just the pending Business item was postponed.

BENTZ/HIGHLAND MOVED TO AMEND THE MINUTES ON PAGE 6 SECOND LINE OF THE SPEAKERS COMMENTS TO REMOVE THE WORDS COMMENTED IN OPPOSITION OF THE PROJECT ON THE SEPTEMBER 5TH MEETING MINUTES.

There was no discussion.

VOTE. NON-OBJECTION. UNANIMOUS CONSENT.

Motion carried.

#### INFORMATIONAL MATERIALS

- A. City Manager's Report for the September 10, 2018 Homer City Council meeting
- B. Appointments

#### COMMENTS OF THE AUDIENCE

Heath Smith, city resident, commented that from a historical perspective details matter, and he will charge Rick with making sure that the commission has better details that make their job much easier at the end of the day. There are a couple of interesting things in Chapter 21 under the Conditional Use Permit that he would like the commission to consider defining going forward to help go through the process, he has his own personal opinion on the process but will reserve that for another day. In the first section, 21.71.010(c) Nothing in the zoning code shall be construed to require granting of a conditional use permit, nothing, so, what does that mean and why is it there? The other part that he feels would be beneficial for the Commission to understand and maybe **defines what it means is, "The proposal will not be unduly detrimental to health, safety or welfare of the surrounding area or the city as a whole"** What does that mean? **The City as a whole? Unduly?** Some points were made tonight that reached towards the welfare and what that really means and so if these are part of the code how are they defined, how did they get interpreted, and then **enacted in the commission's decisions. Another part goes on and talks about the effect to the welfare of the persons not only residing but working in that very area. The Commission has a very difficult job, it is very important to the community and to the Council but...**

Chair Venuti asked if Mr. Smith felt the Commission was remiss in their decision.

Mr. Smith responded that he did not have an opinion **on the Commission's decision. He is not in** a position to have an opinion on that yet but he thinks that when he stated that details matter he did not believe it was detailed enough to help the Commission make a good decision in a timely matter and when it talks about conditions and recommendations that the Commission can make

they can tell Rick, who is your city liaison, the one that the Commission relies on for good information, that you need more information and that those conditions that you put on those permits can be as such that as to say what is your second option when it comes to the size, the roads, I think it's fully benefitted to what they are doing and in order for the city to take them on and maintain them they need to be to standard so he believed Dale was on the right track

Kelly Cooper, speaking as the city representative on the Kenai Peninsula Borough Assembly, thanked the Commission for their hard work, diligence in doing what you are required to do based on the Code in front of you, so Thank you for that. We do not always get to vote on what we want but what we are allowed and you all did that tonight. It is always important to her through the public meeting or somewhere in the public record that those records are accurate and correct so for the last two meetings that there have been comments about tax payer dollars paying the salaries of the people coming to testify to you, please know that all salaries at the hospital are paid for by the Operating Board Inc and those salaries are paid for through revenue generated by the hospital, the service area tax dollars do not pay for the salaries and it is important to her that people understand that. The service area has an operating board, and the taxes pay for Capital projects and those things done through the Service Board, the Operating Board spends money on the services, doctors, staff and all those things that they provide. She also wanted to clarify on the plan to build a 48000 sf as with any administration they were looking at consolidating all the little buildings into one convenient location prior to the approval of the expansion to Homer Medical and they were unable to do that so that is why they did Homer Medical.

#### COMMENTS OF THE STAFF

#### COMMENTS OF THE COMMISSION

Commissioner Highland stated it was a most assuredly interesting and challenging meeting tonight thank you everyone.

Commissioner Bernard commented that if nothing else she hopes this meeting generated some, ah, nothing like controversy to generate public participation and hopefully whenever they have the public hearing scheduled on the comp plan it generates some good public input that will be finalized in the future.

Commissioner Bentz commented on the challenge being on the commission for only a couple of years to hear issues that they commonly do not think of as planning issues being aired in testimony so she felt the commission did a good job understanding their role and what their capacity was considering the large amount of public comment and that they see this at the Borough level too.

Commissioner Smith thanked the commission for their incredible thoroughness, no question he is on a steep learning curve transitioning from an historical document to a new document the

questions and comments that the commissioners brought forth were very helpful and teaching him a lot. He is very grateful.

Commissioner Banks commented that it definitely was an interesting meeting and they knew it would be and he thought that they mentioned some of the things that Heath mentioned when they were commenting on the Pratt's application and presentation and all the materials provided to the Commission he thought it was great, it was all right there and they knew what they were going to do, unfortunately the second one which he felt was not as well presented but he felt they found, in any case he felt the commission did their best to find findings of fact and supported what they did, he felt there were a lot of arguments that did not have enough traction to vote down the project. It was interesting and he believes that there is some work that they can do on the whole process, they would like more detail but he understood and Dr. Raymond made a good point on spending \$1000's of dollars and it being unknown if they would get the thing approved. They have their work cut out for them this winter looking at some of these zoning things and the Transportation Plan and he hopes that the Comp Plan gets adopted as is with the Medical zone.

Commissioner Bentz added that they have issues around every item on their worklist which seems pretty relevant to things they have seen day to day here. The only thing they did not have tonight was Coastal Bluff Erosion

Commissioner Venuti it has been an interesting evening and he is hoping that they made the best decision in the interest of the public, that was a rule he learned early in the game, Homer has changed a lot over the years, the neighborhood has changed a lot since he has owned a home there 30 years ago, medical services have literally come down the hill. It is nice to have a full house and thank you to everyone who came tonight.

Commissioner Bernard asked if anyone could attend the meeting on Monday as she had a conflict in her schedule.

A brief discussion by Commissioners determined that no one was available to attend.

#### ADJOURN

There being no further business to come before the Commission, the meeting adjourned at 10:15 p.m. The next regular meeting is scheduled for Wednesday, October 3, 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.

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RENEE KRAUSE, CMC, DEPUTY CITY CLERK

Approved: \_\_\_\_\_