

**PLANNING & ZONING COMMISSION
CITY OF PALMER, ALASKA**

**REGULAR MEETING
THURSDAY, November 18, 2010
7:00 P.M. - COUNCIL CHAMBERS**

A. CALL TO ORDER:

The regular meeting of the Planning and Zoning Commission was called to order by Chairman Kerslake at 7:00 p.m.

B. ROLL CALL, DETERMINATION OF QUORUM:

Present and constituting a quorum were Chairman Kerslake, Commissioners Madar, Kircher and Bower. Commissioners Preslar, Silva and Weir were not in attendance. Also present were Sandra Garley, Community Development Director, and Ron Anderson, Recording Secretary. A quorum was established.

C. PLEDGE OF ALLEGIANCE: The Pledge was omitted due to the lack of an American Flag.

D. APPROVAL OF AGENDA: The agenda was approved as presented.

E. MINUTES OF PREVIOUS MEETING(S):

The minutes of the Regular Meeting of October 21, 2010 were approved.

F. PERSONS TO BE HEARD: None.

G. PUBLIC HEARING:

1. Information Memorandum 10-022, considering a Recommendation to Approve a Conditional Use Permit to allow the Alaska State Fair 2010, to construct a gas-fired co-generation power plant.

Ms. Garley reported the following:

The Alaska State Fair, Inc. filed a Conditional Use Permit application on October 29, 2010, requesting permission to construct a gas-fired co-generation power plant.

On November 4, 2010, 75 public hearing notices were mailed to property owners within 1,200' of the site in accordance with 17.80.030. Notification of the public hearing was published in the Anchorage Daily News on November 10, 2010. Staff received one letter in opposition; a copy that letter has been provided for the Commission.

The lot is 5 acres in size and is currently designated a P, Public Use District. Currently, there is a rezone request before the City Council. The rezone request, if approved, will rezone the property to I, Industrial District. The Industrial District permits a power plant to be constructed after issuance of a conditional use permit. If granted, this conditional use permit would allow for both phases of construction for the power plant. For this permit to be approved the project must meet five conditions of fact.

Fact 1) The conditional use will preserve the value, spirit, character and integrity of the surrounding area:

Staff found that the proposed use will preserve the value, spirit, character and integrity of the surrounding area because the cogeneration plant will be located within a barn-style structure designed in two phases. The first phase will cover construction of a cogeneration plant of less than 16 MW by early 2012. The second phase will add up to 50 MW of generation by late 2014. The application covers construction of the entire facility.

Fact 2) The conditional use fulfills all other requirements of Title 17.72 pertaining to the conditional use in question.

Staff also found that the request fulfills all other requirements of Title 17.72 because:

- a) The rezone request, if approved, will rezone the property to I, Industrial District. The Industrial District permits a power plant to be constructed after issuance of a conditional use permit;
- b) The cogeneration plant will be limited to 50 feet in height;
- c) The lot size covered by the application is five acres; the minimum lot size permitted is 7,200 square feet (less than ¼ acre). The lot width is in excess of 400 feet; the minimum lot width permitted is 60 feet.
- d) At full capacity, the cogeneration plant will employ 10 workers. Ten parking spaces (9'x20' in size) will be provided along with one (13'x20') ADA compliant space. The parking spaces will be located as close as practical to the structure. It is not anticipated there will be heavy traffic at the plant and the location of the plant has not been finalized; therefore, a circulation plan has not been provided. When the application is submitted for a building permit, the circulation plan will be included.
- e) Landscaping will be provided along the plant perimeter where practical. A landscape buffer is not required in the Industrial District.
- f) All signage will comply with the requirements of PMC Title 14, Signs; the signage information is unknown at this time. Signage location and size will be submitted with the building permit application.

Fact 3) Granting the conditional use permit will not be harmful to the public health, safety, convenience and comfort of the neighborhood.

Granting the conditional use permit will not be harmful to the public health, safety, convenience and comfort of nearby property owners because there is no evidence of harmful emissions, odor, vibrations or glare, having been produced by cogeneration plants of this type. Co-generation plants are commonly located in hospital and university districts without harmful impacts. The applicant is aware of the noise ordinance (PMC

Title 8) and intends to comply with the requirements of the code. There will be minimal impact on traffic generated by the plant because the plant will only employ ten workers who will access the site from Rebarchek Road onto a private driveway to the plant location.

Fact 4) Sufficient setbacks, lot area, buffers, or other safeguards are being provided to meet the conditions.

Sufficient setbacks, lot area, buffers or other safeguards are being provided to meet the conditions as previously addressed in Item 2. It is the intent of the property owners and the developers to meet or exceed all requirements of PMC Title 17, Zoning.

Fact 5) If the permit is for a public use or structure, is the proposed use or structure located in a manner which will maximize public benefits.

Staff agrees that the cogeneration power plant is not a public facility or structure.

In summary, staff recommends approval of the requested Conditional Use Permit, contingent on the City Council approving the rezoning of the property from P-Public to I-Industrial; and with the following conditions:

- (1) Adequate screening shall be provided along the southern portion of the property.
- (2) Parking requirements shall meet the requirements of PMC 17.64.
- (2) The maximum building height shall be three stories or 50 feet above grade.
- (3) Project and site use must comply with all laws, statutes, and ordinances of Local, State, and Federal governments.

COMMISSIONER MADAR moved, seconded by COMMISSIONER KIRSLAKE, to open the meeting for public comments on the proposed Conditional Use Permit application to construct a gas-fired co-generation power plant.

The Public Hearing was opened at 7:10 p.m.

COMMISSIONER KERSLAKE reminded any person wishing to speak, that comments would be limited to 5 minutes.

Ray Ritari, General Manager, Alaska State Fair, spoke in support. He stated that the planned power plant project was ready to proceed upon approval. He also expressed his excitement and continued enthusiasm about the project. He was looking forward to the day they could actually start construction.

Rick Meyer, a resident near the proposed construction site, stated that he had two questions for the group. His first concern was would the power plant generate excess noise, air pollution or odor? He stated that there was a residential area near the site and these conditions, if present, would adversely affect him and his neighbors. His second question was why the Alaska State Fair wanted to build a power plant in the first place.

Sally Worledge, Palmer resident and owner of property adjoining to the south, spoke strongly in opposition to the proposed power plant, at first. She noted that she recently watched a documentary on HBO about this type of plant and what it has done to the environment; said she was sickened by it. She recommended everyone watch it before deciding to allow it. She spoke of all the poisonous chemicals that go into the ground with this type of plant; that it has the potential to mess up water and the finest farm land in the world. She spoke of her concern about the water table in the Springer area, and how methane production would harm these resources. She then learned methane production would not be allowed. She then stated that she was not against a power plant at all. She was concerned over methane production, if allowed.

Randy Kaer, one of the developers of the co-generation project, spoke in support. He stated that he worked for Alpine energy and would attempt to address the concerns mentioned earlier. Mr. Kaer stated that the noise issue was mitigated in the design of the plant. Hospital grade mufflers were used on all the generators. The noise level of these generators would be similar to that of a small pickup truck idling. Mr. Kaer described the power plant as small in nature. Co-generation or distributed generation plants reduce the carbon footprint in the area. He used the example of a town full of little boilers that are inefficient and actually add to the pollution in the air. The proposed co-gen plant meets the latest EPA regulations and displaces any other fuel that could be burned in the area which is other natural gas. For each 5 megawatts, it reduces the carbon footprint by about 5,000 tons per year. Mr. Kaer also spoke to the odor issue as well. The generators being used meet or exceed California standards for emissions. This would ensure that noxious gas emissions would not present a problem.

Mr. Kaer also informed the Commission that there would be no drilling at the site. All the natural gas required to operate the plant would be supplied by Enstar Natural Gas through an existing pipeline that ran near the property. He also stated that the excess heat developed during normal operation of the plant, would be made available to both the City of Palmer and to local residents. Local residents could realize an annual reduction in heating costs of 20% if they chose to use this feature. The City of Palmer would be offered the excess heat to operate the waste water treatment plant. This amount of heat would cost the city Two Million dollars if generated separately.

Commissioner Madar asked Mr. Kaer about lighting for the power plant. Mr. Kaer indicated that lighting would be minimal, meet all code requirements but not intrude on surrounding neighborhoods.

There were no further comments from the public. The public hearing portion of the meeting was concluded.

Discussion on Findings of Fact:

COMMISSIONER Kircher moved, seconded by COMMISSIONER MADAR, to approve all five findings of fact as submitted by staff.

Madar	Preslar	Weir	Kerslake	Bower	Kircher	Vacant
1. The proposed change is in accordance with the borough and city comprehensive plans.						
Y	Absent	Absent	Y	Y	Y	--
2. The proposed change is compatible with the surrounding zoning districts and the established land use pattern.						
Y	Absent	Absent	Y	Y	Y	--
3. Public facilities such as schools, utilities and streets are adequate to support the proposed change.						
Y	Absent	Absent	Y	Y	Y	--
4. Changed conditions affecting the subject parcel or the surrounding neighborhood support the proposed change.						
Y	Absent	Absent	Y	Y	Y	--
5. The proposed change is consistent with the public welfare and does not grant a special privilege to the owner(s).						
Y	Absent	Absent	Y	Y	Y	--

ROLL CALL VOTE ON MOTION [recommending approval of findings]: Carried Unanimously.

COMMISSIONER KIRCHER moved, seconded by COMMISSIONER MADAR, to approve the request to issue a Conditional Use Permit to the Alaska State Fair Inc., to permit the construction of a gas-fired co-generation power plant.

The Chair opened the discussion for comments from the commissioners.

Commissioner Kircher felt that enough information had been provided to allow for an informed decision to be made and supported this project. He felt that the new technology being incorporated into the design would minimize the environmental impact of the power plant and this plant would also prove to be beneficial to the community. Commissioner Kircher liked the idea that this power plant would add needed resources for the community to draw on during a natural disaster such as an earthquake. This added benefit would serve the community and increase overall public safety.

Commissioner Madar also concurred with allowing the project to proceed. He felt the power plant would have minimal impact on the surrounding communities and the environment. He felt that the city would benefit from these resources during a natural disaster as well.

Commissioner Bower acknowledged the fact that air pollution is always a genuine concern. The information provided during testimony would indicate that this power plant would actually reduce pollution through its design and technology included in the operation. Commissioner Bower supported the project, but cautioned that all conditions already mentioned would have to be met.

ROLL CALL VOTE ON MOTION [recommending approval]: Carried Unanimously.

H. NEW BUSINESS:

1. Election of Officers.

Mr. Anderson called for nominations for the position of Chair.
Commissioner Madar was nominated.

There were no additional nominations. A vote was taken and Commissioner Madar was elected by a unanimous vote.

Mr. Anderson next called for nominations for the position of Vice Chair.

Commissioner Kerslake was nominated.

There were no additional nominations. A vote was taken and Commissioner Kerslake was elected by a unanimous vote.

2. Planned Unit Development for Arbor Estates;

Mrs. Garley introduced the Planned Unit Development for Arbor Estates. She covered the time line for processing the application, the coordination the package had undergone and explained the final submittal package as well as the supporting information provided by Wolf Architects.

COMMISSIONER MADAR moved, seconded by COMMISSIONER KIRCHER, to approve the request for a Planned Unit Development (PUD).

The Chair opened the discussion for comments from the commissioners.

Commissioner Madar stated that he had used the services of Wolf Architecture for a separate project; He did not recuse himself from this discussion, though. Commission agreed.

Commissioner Madar felt that this project perfectly matched the intent of a Planned Unit Development. When developed properly, this type neighborhood will add to the community and be a valuable tool for future development. He also liked the idea the mix of residential and limited commercial uses.

Commissioner Kircher mentioned that he had been involved with this project since its inception. It has proven to be a very profession package and a very good looking project overall. Commissioner Kircher also felt that this project would greatly enhance that section of Palmer and certainly maintain the historical aspect of the town as well.

Gary Wolf, from Wolf Architecture, thanked the Planning and Zoning Commission for the consideration given this project. It is hoped that through this project, Arbor Estates will become an asset for the entire community and help to preserve the integrity and historical flavor of the town as well.

Commissioner Madar had once last question about the use of a geo-grid in Arbor Estates. Geo-grid was used instead of an alley, to allow emergency response vehicles to access the area. Geo-grid gives the appearance of grass but will stand up under vehicular traffic.

ROLL CALL VOTE ON MOTION [recommending approval of Planned Unit Development]: Carried Unanimously.

3. SCCA request for three RallyCross events at the Alaska State Fair Grounds under the Conditional Use Permit issued June 12, 2007.

Mrs. Garley introduced the request by SCCA to hold an additional three RallyCross events at the Alaska State Fair Grounds.

The RallyCross events are "non-spectator" events; no admission is charged to watch. The public may watch from a designated spectator area at a required safe distance of approximately 75' from the rally course, in this case the grandstands and the areas outside the fence will be designated as the spectator viewing area.

It is anticipated from 20 to 30 vehicles will participate in the event. The vehicles maneuver the course one at a time and are "timed" for the best time with penalties assessed (seconds taken of time) for knocking over pylons or traveling outside the limits of the course or unsportsmanlike conduct.

No evidence has been submitted to indicate the RallyCross events resulted in complaints being submitted to the Community Development Office; therefore, staff recommends the three RallyCross events scheduled for 2011, be permitted.

COMMISSIONER MADAR moved, seconded by COMMISSIONER KERSLAKE, to approve the request to conduct three RallyCross events at the Alaska State Fair Grounds.

The Chair opened the discussion for comments from the commissioners.

Commissioner Madar felt that it was both a financial burden and an administrative burden to process these permits every year. Staff found that there have been no problems reported from events held in the past. He also felt that these events benefited the town as well. Entrants must come from all over the state perhaps, and stay in our hotels, eat in our restaurants and buy automobile parts from local dealers. Commissioner Madar then introduced a proposed amendment to the original motion.

COMMISSIONER MADAR moved, seconded by COMMISSIONER KERSLAKE, to amend the request to conduct three RallyCross events at the Alaska State Fair Grounds, and allow these events to be held indefinitely.

The Chair opened the discussion for comments from the commissioners.

Commissioner Kircher suggested this might be better handled if this were to be resolved within the F-Fairground District.

ROLL CALL VOTE ON MOTION [recommending amending the request for three additional RallyCross events to allow these events to be permanent]: The Motion Failed Unanimously.

COMMISSIONER MADAR moved, seconded by COMMISSIONER KIRCHER, to amend the main motion to allow these events to occur for the next five years.

The Chair opened the discussion for comments from the commissioners.

Commissioner Madar felt this time period would be acceptable. This eliminates the added costs and burdens.

ROLL CALL VOTE ON MOTION [recommending amending the main motion to allow a five year extension for these events]: Carried Unanimously.

The Chair asked to return to the original motion. He asked if the commissioners understood the motion as stated. The discussion was opened for comments from the commissioners.

Commissioner Madar felt this should be approved. This eliminates the added costs and burdens with no burden or impact on the community.

There were no further comments.

ROLL CALL VOTE ON MOTION [recommending approval of the request for three additional RallyCross events]: Carried Unanimously.

4. Annual Review of all the Conditional Use Permits.

Mr. Anderson advised the commissioners of the current status of the permits. There were no violations noted.

5. Annual Review of the Beverage Dispensary License locations.

Mr. Anderson advised the commissioners of the current status of the permits. There were no violations noted.

6. Board of Economic Development Report

Mrs. Garley reported that there was no regularly scheduled meeting in November for the Board of Economic Development. Instead, the Board held an open forum at the Palmer Train Depot on November 8, 2010. The Board had established eight economic goals for the community. Eight tables were set up and a person knowledgeable about each particular goal manned the table to answer questions and gather public input or suggestions about that specific goal. Additionally, at each table, a high school student was present to act as a scribe.

Mrs. Garley commented that there was a very good turnout for the forum. She estimated that from 70 to 75 individuals attended the forum. All comments and written suggestions are being compiled and will be presented during the next regularly scheduled meeting.

I. UNFINISHED BUSINESS:

1. Discussion of the second draft of the proposed F-Fairgrounds Zoning District.

Mrs. Garley briefly explained to the Planning and Zoning Commission the option of entering into Committee of the Whole. This process is designed to afford a simplified way to consider an issue effectively. There are no motions and this allows for a thorough discussion by all parties. Also interested persons would be allowed to comment as well.

COMMISSIONER MADAR moved to enter into Committee of the Whole, and was seconded by COMMISSIONER KIRCHER.

The Commission entered into Committee of the Whole at 7:54 p.m.

Mrs. Garley briefly explained what work had been accomplished on the draft proposal. Changes suggested during the last meeting were included and high-lighted. Again this is a draft document and changes can be included.

While in Committee of the Whole, the commission reviewed the newest version of draft proposal for this F-Fairgrounds Zoning District.

Discussion focused on:

- Motorized racing should be a permitted use
- RallyCross permitted year round
- How best to encourage the Fair Board to expand operations in this new district, but how best to provide oversight as well.
- A way is needed to ensure the impact of noise on the surrounding community is reduced.

- Fireworks outside of normal Fair Time.

Mr. Ritari commented that establishing an F-Fairground District is a great idea. The public benefits from extended use granted to the Fair.

- Concerned about midweek concerts
- Noise
- Fair is not interested in oval track racing. Cost prohibitive
- How best to raise funds to accomplish large maintenance projects
- Signage (size does matter) ordinance may be too restrictive
- Historic renovation

A brief summary discussion ensued and ended with plans to address this draft proposal again at the next regularly scheduled Planning and Zoning Commission meeting for January, 2011.

COMMISSIONER MADAR moved, seconded by COMMISSIONER PRESLAR, to leave the Committee of the Whole. There were no objections.

The commission exited Committee of the Whole at 8:22 p.m.

J. PLAT REVIEWS:

There were no plat reviews for this meeting.

K. PUBLIC COMMENTS:

There were no public comments during this meeting.

L. STAFF REPORT:

Ms. Garley introduced a letter that staff had received from a Mr. Theodore D. M. Bartko. In this letter Mr. Bartko expressed his concern of the possible development of 'jumbo jet' air traffic into and out of the Palmer Air Port. Currently the airport is not equipped to handle aircraft of this size. Additionally there are no immediate plans to expand the airport to accommodate these aircraft.

A commissioner questioned whether the "Staff Report" section of a meeting was the proper place for inclusion. This section of the meeting allows for such letters to be introduced, as long as no action by the commission is required.

M. COMMISSIONER COMMENTS:

COMMISSIONER MADAR thanked his fellow Commissioners for electing him to the position of Commission Chair.

There were no additional comments.

N. ADJOURNMENT:

There being no further business, the meeting was adjourned at 8:27 p.m.

William B. Kerslake, Sr., Chairman

Ron Anderson, Recording Secretary