**PLANNING & ZONING COMMISSION**
**CITY OF PALMER, ALASKA**
**SPECIAL MEETING**
**THURSDAY, APRIL 14, 2016**
**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 Lucas at 7:00 p.m.

B. ROLL CALL:
Present and constituting a full board quorum were Commissioners:
Dan Lucas, Chairman
David Petty, Vice Chairman
William Kerslake, Sr.
Michael Kircher
Merry Maxwell
Douglas Cruthers
David Fuller
Also present were:
Nathan Wallace, City Manager
Michael Gatti, City Attorney
Sandra S. Garley, Community Development Director
Kimberly A. McClure, Planning and Code Compliance Technician
Pam Whitehead, Recording Secretary

C. PLEDGE OF ALLEGIANCE: The Pledge was led by Commissioner Fuller.

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

E. PERSONS TO BE HEARD:
There were no persons wishing to speak on a topic not on the agenda.

F. PUBLIC HEARING(s):

**Resolution 16-002:** A Resolution of the Palmer Planning and Zoning Commission reconsidering three issues remanded to the Commission by the Hearing Officer following an appeal regarding the preliminary approval of a Planned Unit Development application for Tax Parcel C8 in Section 4, Township 17 North, Range 2 East, Seward Meridian, located inside Palmer city limits, initiated by Ron Bateman of Lumen Design, LLC on behalf of the property owner.

The three items remanded to the Planning and Zoning Commission:
1) *Drainage* – This aspect of the Commission's decision is reversed and remanded for further consideration;

2) *The PUD must be shown to not overload the street system or result in unsafe access or danger to pedestrians and must be in conformance with the City Traffic Study* – This aspect of the Commission's decision is reversed and remanded for further consideration; and
3) *Consistency with the City Comprehensive Development Plan* – This aspect of the Commission's decision is reversed and remanded for further consideration.

**Attorney Gatti** explained the procedure for conducting the public hearing on the remanded items, emphasizing that these three points are the only items that may come before the Commission during this hearing. And by way of clarification, he pointed out that the final decision on this PUD application rests solely with the Planning and Zoning Commission, subject to any rights of appeal on either side. The decision does not move to the City Council.

[Chairman Lucas opened the public hearing at 7:04 p.m.]

Staff Report: Director Garley reported that all notice and publishing requirements on the appeal remand relating to this parcel have been met. As of the beginning of this hearing, a total of four written comments have been received. She briefly recapped the property in question consisting of 9.30 acres. Comments by the Public Works Director on the remanded items are contained in a memorandum [packet pages 9-11] addressing traffic and drainage issues provided in supplemental information by the applicant and additional information by the project engineer Alaska Rim Engineering dated March 15, 2016. Ms. Garley read the Public Works Director's comments in full for the record and benefit of the audience.

Staff offered the following findings on the three remanded items for the Commission's consideration:

Remanded Item #1)
The PUD must be integrated with surrounding land uses and minimize any negative impacts on them – Drainage.

*Finding:* The additional drainage information provided by Alaska Rim Engineering, Inc. shows the design concept to include specifics on rain gardens, infiltration trenches, and sub-basins. The information provided contains sufficient information on the drainage plan, including a description of the proposed drainage system, hydraulic calculations, a plan view of the drainage system and typical section drawings of rain garden and infiltration trench structures to show the proposed drainage plan is designed to contain a 100-year 24-hour event onsite without negative impacts to the adjoining neighbors. The drainage plan combined with the recommendations from the Public Works Director will adequately address the plan's ability to contain storm water onsite.

Remanded Item #2)
The PUD must be shown not to overload the street system or result in unsafe access or danger to pedestrians and must be in conformance with the most recently adopted city

traffic study.

*Finding*: The trip generation report by Alaska Rim Engineering does provide estimates of how many trips would be generated by the proposed PUD. Based on said trip generation information, the estimated daily trips during the peak hour of the day generated by the proposed PUD, falls under the threshold guideline that would require a Traffic Impact Study.

At the time the City of Palmer Traffic Study was prepared in 1984, the property of the proposed PUD was not inside city limits. According to the 1984 study, both South Chugach Street and the portion of Cope Industrial Way inside city limits were designated as collector streets. Based on the information provided by the Public Works Director, the designation of these streets as collector streets continues to be consistent with their function today.

Both Cope Industrial Way or South Chugach Street would provide safe access to pedestrians and would be able to absorb the traffic generated by the PUD. Based on the detailed information provided by Alaska Rim Engineering and the Public Works Director regarding the larger width of the road, availability of paved sidewalks, existing street lights, curb and gutter, since both South Chugach Street and E. Cope Industrial Way function as collector roads, either is appropriately designed to accommodate the traffic generated by the proposed PUD.

Remanded Item #3)
Consistency with the City Comprehensive Development Plan.

*Finding*: Listed in Chapter 3, City of Palmer Comprehensive Plan, dealing with Community Vision, are broad goals to achieve community vision. One goal states: "Encourage High Quality, Attractive Development with Ready Access to Parks and Green Space" [page 3-3] and mentions the desire to provide ready access to parks, trails, and open space and preserve sense of views. The proposed PUD addresses the need to preserve the mountain views and arranges the housing units and positions the primary street on an axis to maximize the views of the surrounding mountains.

The housing units are divided among 21 buildings with varying roof lines to produce an attractive development and promote a neighborhood experience. A characteristic listed under Chapter 6, Land Use, of the Comprehensive Plan in Objective A of Goal 1 [page 6-7] refers to guiding growth so there is "Space for new residential neighborhoods, primarily around the outer portions of the community, but also within mixed use areas in the downtown core. Residential areas include internal open space, parks and connecting trails. "Consistent with the Comprehensive Plan," the proposed PUD will provide approximately 3.8 acres of open outdoor space, pocket parks, and playground, and will have trails connecting internally and to existing adjacent sidewalks. Interior trails and walkways will connect the residential units to each other and will connect to existing sidewalks to help ensure Palmer remains a pedestrian friendly town as referred to in the Comprehensive Plan.

Goal 2, Chapter 6, Land Use, of the Comprehensive Plan states: "Maintain high quality residential neighborhoods; promote development of a range of desirable new places to live in Palmer" [page 6-8] and speaks to the many assets of Palmer that will attract residential development. Water and sewer connections which permit higher density housing are one of those assets listed in Goal 2. Another asset mentioned in Goal 2 is the opportunity to live within walking distance of stores, restaurants and places to work. The proposed PUD will consist of 1, 2, and 3-bedroom multi-level townhouse units, each unit with a garage to produce a neighborhood appearance and environment. The PUD will have an onsite office with management and security to ensure standards are maintained to produce a safe, high quality residential environment.

Objective A, Goal 2, Chapter 6, Land Use, of the Comprehensive Plan states: "Promote a diverse range of quality housing, from attractive higher density housing in or near downtown, to outlying housing in more rural settings." The proposed PUD is consistent with this objective by offering quality high density housing near downtown. The planning concepts presented in the proposed PUD speaks to providing a variety of unit heights so the proposed PUD becomes smaller, more residential in appearance, with private garages as opposed to a large parking lot and landscaping throughout the PUD that will be required and maintained. The location of the proposed PUD is within walking or biking distance to the downtown area.

The Comprehensive Plan under Objective C, Goal 2, Chapter 6, Land Use, states: "Around the country, a growing body of experience shows that higher density housing can offer very desirable places to live, if this housing is well designed and constructed and has pedestrian access to amenities like open space, parks, and shopping." [pages 6-9]. The proposed PUD will consist of 1, 2, and 3-bedroom multi-level townhouse units, each unit with a garage to produce a neighborhood appearance and environment. The PUD will have onsite gardens, open space, and walking trails. The PUD will have an onsite office with management and security to ensure standards are maintained to produce a safe, high quality residential environment, and the location of the proposed PUD is within walking or biking distance to the downtown area.

Staff recommends that based on the information reviewed at the time of this report, there is sufficient information to support finding that the criteria for the three remanded items has been met and would support a Commission decision to grant preliminary approval of the proposed PUD for Tax Parcel C8, Section 4, Township 17 North, Range 2 East, Seward Meridian, and that it is consistent with and in conformance with the Palmer Comprehensive Plan with the following conditions:

1. All subsequent development shall comply with all State, Federal and local laws, statutes, regulations and ordinances.
2. The applicant shall, within one year of the date of commission approval of the preliminary PUD plan, submit a final PUD plan of the proposed development to the zoning administrator, which must incorporate all of the changes and conditions required by the commission.
3. The 12.5' greenbelt easement along the boundary of this parcel and C9 be

maintained.

4. Construction must comply with the approved site plan.
5. Construction of primary access to the development must meet City standards for new road construction.
6. The development will be responsible for all street, sidewalk, drainage and street lighting improvements within the development.
7. Consolidate the public gardens on the southern border of the property adjacent to the southwest corner of the PUD.
8. Use Cope Industrial Way as main entrance to the PUD.
9. Once the final PUD is approved, the City shall require an agreement and a bond or surety to guarantee construction of proposed improvements in accordance with PMC 17.84.090(C).
10. Once approved by the City Council, the Zoning Map will be amended to reflect the granting of the Planned Unit Development status for Tax Parcel C8 in Section 4, Township 17 North, Range 2 East, Seward Meridian.

Chairman Lucas called for the motion –

**Commissioner Fuller** moved, seconded by **Commissioner Kircher**, for approval of **Resolution 16-002**, upon reconsideration of the three issues more particularly described in the Resolution, remanded to the Commission by the Hearing Officer following appeal of the preliminary approval of the requested VRS/VOA Planned Unit Development on Tax Parcel C8, Section 4, Township 17 North, Range 2 East, Seward Meridian.

**PUBLIC HEARING:**

**For the Applicant**:

**Norman Gutcher,** P.E., Alaska Rim Engineering, spoke specifically to the traffic and drainage issues.

*Traffic*: Noting comments by Public Works that the traffic expected to be generated by 88 dwelling units, even during the peak hour of trip generation, would be less than the 100 vehicles an hour, he added that the only information he was able to find in his own research on the surrounding streets was from a DOT most recent traffic report which showed total average daily traffic on Chugach at approximately 3500 cars a day, on Springer east of Chugach less than 2000 a day, and there was no data from the Borough or the City on Cope Industrial, although he would estimate it about 1000 vehicles a day. Regardless of which access is ultimately used, the majority of the traffic will go out onto Chugach either directly through an extension of Commercial or via Cope Industrial. Either Chugach or Cope Industrial can handle the traffic from this project.

*Drainage*: In response to the request for additional information, detailed analysis has been provided of the runoff for the 100-year 24-hour storm, which is pretty much the standard adopted across the country for keeping drainage onsite [see packet, pages 57-82]. ARE has suggested some grading on the site that would facilitate keeping the water on site. The Public Works Director's request to reposition the rain gardens at the parking areas has been done [drawing provided]. Mr. Gutcher further detailed the rain gardens and infiltration systems designed to keep drainage onsite.

Brief questions ensued inquiring about grading and test holes for depth of silt.

**Petra Sattler-Smith**, Architect, Lumen Design, LLC, offered to answer any commissioner questions on the architectural side of the project. She emphasized that as planners and architects their goal is to create a neighborhood that is safe and creates diversity in terms of architecture that is attractive. She further described details of the design and noted that they are creating "homes" and neighborhoods with sidewalks, pathways, and green space throughout the development. Landscaping is a large part of the budget for this project. There is a community center and an onsite manager to address any issues that may arise.
There were no questions by the Commission.

**[Chairman Lucas opened the hearing to public testimony at 7:35 p.m.]**

**Allan Linn**, resident of Mountain Rose Estates, spoke in opposition, and in particular to drainage and street accesses. With regard to drainage, Mr. Linn described in detail the winter/thaw conditions that have occurred in subject area during the existence of MRE, resulting in major flooding crossing over into Mountain Rose Estates despite the existence of the dry wells along the north border of MRE which was commented on by the Alaska Rim engineer. Any drainage features such as garden drains and surface trenches are temporary in nature due to the fact that they eventually bind up due to accumulations of silt, sand, leaves, twigs, etc. and require periodic refurbishment investments in order to maintain their effectiveness whether the ground surface is frozen or not. He believes a surface conduit ditch leading to S. Chugach Street drainage should be incorporated as a safety feature. Regarding traffic, even though staff comments seem to infer the Commission erred in establishing Cope Industrial Way as the property primary access, he believes the Commission made the correct decision. Both Cope Industrial and Commercial at Chugach Street are 4-way intersections. As such both have the opportunity for up to 32 different types of accidents involving both vehicles and pedestrians. Both locations have three sidewalks at the intersections. The difference is Commercial is a 45-mph speed zone while Cope Industrial is a 25-mph speed zone which has the ability to reduce the speed to 20 mph for safety concerns to protect student pedestrians.

**Robert Nilsen**, MRE resident, spoke in opposition to the PUD for many reasons, but which include the drainage problem and the extension of E. Commercial Drive. He submitted seven pictures taken February 21, 2016 which demonstrate the existing drainage problem after only one day of heavy rainfall. He believes that the suggested drainage fix of a 100-year flood onsite plan and rain gardens won't work as long as frost is in the ground; that what is needed is a drainage plan that addresses normal drainage needs. Construction of these housing units may exacerbate the existing problem. He also opposes the proposed extension of E. Commercial Drive noting it fails to consider the impact of travel on the local neighborhood. Will it be an emergency exit only? Where will school buses pick up the children? Even though the extension would be legal, it will impact the value and quiet enjoyment of the seniors residing within a few feet of the proposed roadway.

**Keith Morberg**, MRE resident, spoke in opposition, in particular relating to compatibility with the Palmer Comprehensive Plan. Directing attention to page 6-2 of the Comp Plan, he noted

noncompliance with the Palmer Municipal Code. He believes that Palmer staff erred in finding the PUD consistent with the Comp Plan especially relating to density. PMC 17.84.010(B) limits a PUD to only slightly higher density than the underlying zoning, which in this case is R-1. This parcel is 9.3 acres. A minimum dwelling lot size of 7200 sf allows for about 56 dwelling units. The proposed PUD calls for 88 dwelling units, is over 45 percent more than allowed by the R-1 zoning. No reasonable person would consider this only slightly higher density. It is not opinion, but a matter of fact and law. This issue must be resolved before the Commission takes affirmative action. The proposed PUD is not in accordance with city code and must be rejected.

**Verda Lewis**, 1438 S. Denali St., Palmer, spoke in opposition, voicing concern about the flooding and standing water problem on the west side of the soccer field and in the area. If a dike is built on the south and east sides, what will be done about the water coming across the soccer field? She is not opposed to housing being built there, but does object to the number of units they want to build – 88 units is way too many (averaging 4 per unit equals 352 people plus an average of 2 cars per unit equals 176 vehicles added to the traffic flow). She spoke to the impact of 2 to 3 children per unit on our school system which is already overloaded. She also raised concern if there was no onsite maintenance/management.

**Casey Adney**, corner of S. Denali and E. Kinnikinik, Palmer, spoke in opposition and is not convinced that what is built attractive in the beginning will stay attractive, referencing Mountain View in Anchorage as an example. He works in law enforcement and cautioned against such a high density development in a small space, that it begs for crime and will highly impact the Palmer Police Department. He also spoke to the impact on our schools adding an average of two per unit or 176 children to an already crowded system. As for the drainage issue, referring to his own backyard, there is a swamp every summer thaw.

**B. Jean Krause**, MRE resident, spoke in opposition, noting confusion over whether there would or would not be onsite management. She referenced one of the points in the Palmer Comprehensive Plan is to retain what is best about Palmer's history and tradition. She doesn't think that high density housing is part of Palmer's history or its tradition, but the thrust may be to make a new history and tradition. Another objective is to maintain the quality of existing neighborhoods. Mountain Rose Estates is not high density nor is it low income or adds a lot to the traffic flow. She spoke to the all the new development along Chugach Street since the last traffic study was done 30 years ago and suggested a new traffic study should be a duty of the City of Palmer to perform and not rely on Alaska Rim estimates which she believes has a financial interest in the outcome of this decision.

**[There being no others coming forward to testify, the public testimony portion of the hearing was closed at 7:56 p.m.]**

**Rebuttal by Applicant:**
**John Weaver**, President and CEO of Valley Residential Services (VRS) working with Volunteers of America (VOA) on the project, responded to the question concerning onsite management, confirming that there *is* onsite management planned for this development. There will be a manager's office and resident manager spending the night in one of the units.

**Debate/Discussion on Motion:**

**Commissioner Fuller**, maker of the motion, spoke in appreciation of the testimony and concerns expressed in the public testimony; understands the drainage concerns stating he thinks everyone in Palmer experiences drainage problems every year and that it is hard to predict from year to year; spoke to his review of the PUD plans and additional materials submitted and he believes they appear to be sound.

**Commissioner Kircher**, second on the motion, spoke in favor of affirming the three remanded issues; argued that they have been adequately addressed in detail; that based on the testimony today plus the additional information and documentation, the issues of drainage, traffic, and consistency with Comp Plan have more than adequately been addressed; that this development is one of the best that he has seen – well done, well maintained, well landscaped; doesn't think there could be a better use of this property; reminded that the City will not allow occupancy unless all the issues are resolved; encouraged the Commission to vote in favor of adoption of Resolution 16-002.

> **Amendment #1** to Main Motion:
> **Commissioner Kircher** moved, seconded by **Commissioner Kerslake**, to amend the Main Motion to strike staff-recommended Condition #8, mandating use of Cope Industrial Way as the main entrance to the PUD.

Commissioner Kircher reiterated the reasons for originally applying Condition #8 at the previous hearing, however, based on the additional information received since that time, a good case might be made for using Chugach Street as an entrance. He argued this decision might be better left to the developer and engineering firm. Further debate followed. Chairman Lucas argued that both entrances should be equally part of the access with emphasis perhaps on Commercial Drive based on Public Works comments. Commissioner Cruthers commented in agreement that both streets should have equal access. Commissioner Maxwell asked, based on the discussion tonight, if it wouldn't be prudent to consider updating the traffic study if the PUD is approved. Director Garley referenced the zoning code and concurs with the Public Works Director that DOT and Borough standards are adequate thresholds and that this development does not meet those thresholds to require a traffic impact study.

Further discussion ensued regarding road construction standards for emergency access and standards for primary versus secondary access. Public Works Director Tom Healy answered questions regarding city standards for public streets. Debate continued on Cope Industrial versus Chugach Street as the main or equal access.

> **VOTE on Amendment #1: DEFEATED** [6 opposed; 1 in favor (Cruthers)]

Further Debate/Discussion on Main Motion:

**Commissioner Maxwell** addressed the issue concerning consistency with the Palmer Comprehensive Plan and while she appreciates that two different sides have brought out valid points, it is important to remember that the Comp Plan is an envisioning document with public

input and important to bracketing the decisions that the Commission makes. She talked about the conflicting desire to control what will happen in the future, but still keep intact the existing communities if we can. She thinks the proposed PUD is a fabulous design and wonderfully done, but also thinks it is too high density for this area; that in keeping with the community that is already established at Mountain Rose Estates, it needs to go somewhere else.

Somewhat lengthy discussion ensued debating whether the proposed PUD is consistent with the Palmer Comprehensive Plan especially as relates to density. **Commissioner Kircher** expounded on the need for new growth in Palmer and good quality affordable housing; that this development is exactly what is needed in the core area. **Commissioner Kerslake** asked if there was a mechanism in place to protect Mountain Rose Estates if drainage from the development were to ever create a problem. Director Garley and Attorney Gatti addressed the question discussing performance bonds and insurance. **Commissioner Kerslake** commented, whether you agree or disagree about the density, development is coming and Palmer will have no better chance of quality design and neighborhood incorporated into our community. The information in the packet and the findings of staff support approval of this PUD. **Commissioner Cruthers** spoke in favor and to the aesthetic nature of the development; commented that when the Palmer Comprehensive Plan was written, we knew that growth was coming; the question is how we manage that growth. This PUD isn't just a good idea, it is an exciting idea. His only reservation is that 50 percent isn't offered up for private ownership. He agrees with Commissioners Kircher and Kerslake that if this doesn't go through, someone could go in there and slap up a bunch of rectangular boxes with no onsite management where the owner lives in Anchorage or out of state.

[Main Motion repeated for ease of reference:
**Commissioner Fuller** moved, seconded by **Commissioner Kircher**, for approval of **Resolution 16-002**, upon reconsideration of the three issues more particularly described in the Resolution, remanded to the Commission by the Hearing Officer following appeal of the preliminary approval of the requested VRS/VOA Planned Unit Development on Tax Parcel C8, Section 4, Township 17 North, Range 2 East, Seward Meridian.]

**VOTE on Main Motion by Voice Vote: CARRIED.**
[In favor: Cruthers, Fuller, Kircher, Lucas, Kerslake]
[Opposed: Maxwell, Petty]

*Amendment:*
**Commissioner Fuller** moved, seconded by **Commissioner Cruthers**, to amend **Resolution 16-002** to include adoption of staff-recommended Conditions 1-10.

**VOTE ON MAIN MOTION AS AMENDED: CARRIED UNANIMOUSLY**.

G. PUBLIC COMMENTS: None.

H. COMMISSION MEMBER COMMENTS: None.

I. ADJOURNMENT:
There being no further business, the meeting was adjourned at 8:56 p.m.

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Dan Lucas, Chairman

_____
Kimberly A. McClure
Planning and Code Compliance Technician