



KENAI PENINSULA BOROUGH

PLANNING DEPARTMENT

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JOHN J. WILLIAMS
BOROUGH MAYOR

M E M O R A N D U M

TO: Grace Merkes, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: John J. Williams, Borough Mayor

FROM: *mb* Max J. Best, Planning Director

DATE: December 11, 2007

SUBJECT: Ordinance 2007-19-30; appropriating \$50,000 from the general fund to be used in developing a new comprehensive plan for the City of Homer

The Planning Commission reviewed the subject ordinance during their regularly scheduled December 10, 2007 meeting. A motion to recommend enactment of the ordinance passed by majority consent. (Bryson, Yes; Carluccio, Yes; Collins, Yes; Foster, Yes; Gross, Yes; Heimbuch, Absent; Isham, No; Johnson, No; Lockwood, No; Martin, Yes; Petersen, Yes; Tauriainen, Absent)

Draft, unapproved minutes of the subject portion of the meeting are attached.

AGENDA ITEM F. PUBLIC HEARINGS

1. Ordinance 2007-19-30; appropriating \$50,000 from the general fund to be used in developing a new comprehensive plan for the City of Homer

STAFF MEMORANDUM

PC Meeting: 11/26/2007

The City of Homer has requested that the Kenai Peninsula Borough provide 50 percent matching funds to assist in the development of a revised Homer Comprehensive Plan. The City has contracted with the consulting firm Agnew: Beck for \$100,000 to prepare a complete update and revision of Homer's comprehensive plan.

Pursuant to AS 29.40.010, the Kenai Peninsula Borough provides for planning on an area wide basis. Therefore, the comprehensive plan prepared by the City of Homer will ultimately be forwarded to the borough assembly for approval and become the comprehensive plan for that portion of the borough within the boundaries of the City of Homer. The last Homer comprehensive plan was adopted by the Kenai Peninsula Borough Assembly through Ordinance 99-64.

Goal 1.1, Objective 7, of the 2005 Kenai Peninsula Borough Comprehensive Plan is to regularly update the Comprehensive Plan to reflect changing conditions, trends, laws, regulations and policies within the borough. The Kenai Peninsula Borough has, in the past, made grant funds available to cities within the borough for comprehensive plan development. Fulfilling this grant request will enable the City of Homer and the Kenai Peninsula Borough to keep current with changing planning needs.

END OF MEMORANDUM

VERBAL STAFF REPORT ADDENDUM

Verbal Staff Report Addendum given by Mary Toll

PC Meeting: 12/10/07

Ordinance 2007-19-30 is before the Assembly who will take action on it at their January 8, 2008 meeting. The ordinance will grant a \$50,000 matching fund to give the City of Homer \$100,000 to do a complete update and revision of their Comprehensive Plan.

The Borough Planning Commission postponed action at their November 26, 2007 meeting so that Commissioner Foster could provide clarification as to whether the Homer Spit would be included in the revised plan.

END OF STAFF REPORT ADDENDUM

Chairman Bryson read the rules by which public hearings are conducted.

Chairman Bryson opened the meeting for public comment. Seeing and hearing no one wishing to speak, Chairman Bryson closed the public comment period and opened discussion among the Commission.

MOTION: Commissioner Foster moved, seconded by Commissioner Johnson to recommend enactment of Ordinance 2007-19-30.

Commissioner Foster spoke with the Comprehensive Plan Committee and the consultants who assured him that the concerns and issues would be addressed when it came before the Planning Commission and then onto the Assembly.

Commissioner Johnson felt there was inequity given in the amount of funding provided to the different cities in that one city did not receive any funding, one city was given \$25,000 and now Homer would receive \$50,000 to revise their comprehensive plan. He stated he might vote against the motion to recommend adoption of the ordinance.

There being no further discussion or comments, Chairman Bryson called for a roll call vote.

VOTE: The motion passed by majority consent.

BRYSON YES	CARLUCCIO YES	COLLINS YES	FOSTER YES	GROSS YES	HEIMBUCH ABSENT	ISHAM NO
JOHNSON NO	LOCKWOOD NO	MARTIN YES	PETERSEN YES	TAURIAINEN ABSENT		7 YES 3 NO 2 ABSENT

AGENDA ITEM F. PUBLIC HEARINGS

2. Ordinance 2007-40 Authorizing a One-Year Extension of the Option to Lease Ladd Landing Between the Kenai Peninsula Borough and Richard D. Bass, William Herbert Hunt, and William Herbert Hunt Trust Estate

Memorandum reviewed by Marcus Mueller

PC Meeting: 12/10/07

The Borough is over 20 years into an option to lease Ladd Landing, which is proposed for use as an export terminal facility for low-sulfur sub-bituminous coal products produced in the Beluga Coal Fields.

As the Borough administration reviewed the content of the 20-year old option and lease documents, it was identified that the language and elements of the documents should be revisited by both the Borough and the Optionee. A one-year extension of the Option was authorized by the Assembly through Ordinance 2007-09 to provide the Land Management Division time to work through the Option.

The Land Management Division does require more time to work on this issue. The circumstances surrounding this option are essentially the same as they were last spring. The administration has been in consultation with the Optionee and there is mutual agreement between the parties that an additional one-year extension of the current option is advantageous.

The ordinance would authorize a 5th addendum to the Option, which would extend the term of the Option for one additional year. The Administration respectfully requests the Assembly support this extension.

As you know, once a reworked option and lease documents have been prepared, the Administration will then be bringing those changes back to the Assembly for approval.

END OF MEMORANDUM

Chairman Bryson opened the meeting for public comment. Seeing and hearing no one wishing to speak, Chairman Bryson closed the public comment period and opened discussion among the Commission.

MOTION: Commissioner Gross moved, seconded by Commissioner Isham to recommend enactment of Ordinance 2007-40

Commissioner Johnson asked how much the Borough makes on the yearly lease. Mr. Mueller replied the current option fee was \$40,000 a year. To date, the Borough has collected \$1.3 million in option fees.

VOTE: The motion passed by unanimous consent.

BRYSON YES	CARLUCCIO YES	COLLINS YES	FOSTER YES	GROSS YES	HEIMBUCH ABSENT	ISHAM YES
JOHNSON YES	LOCKWOOD YES	MARTIN YES	PETERSEN YES	TAURIAINEN ABSENT		10 YES 2 ABSENT

AGENDA ITEM G. ANADROMOUS STREAM HABITAT PROTECTION (KPB 21.18) - None

AGENDA ITEM H. VACATIONS NOT REQUIRING A PUBLIC HEARING - None

AGENDA ITEM I. SPECIAL CONSIDERATIONS