

**PLANNING COMMISSION REGULAR MEETING
JANUARY 12, 2016 AT 6:30 PM
CORDOVA CENTER COMMUNITY ROOMS A & B
MINUTES**

1. CALL TO ORDER

Co-Chairman **Tom Bailer** called the Planning Commission Regular Meeting to order at 6:30 PM on January 12, 2016 in Cordova Center Community Rooms A & B.

2. ROLL CALL

Present for roll call were Co-Chairman **Tom Bailer** and Commissioners **Tom McGann, Scott Pegau, John Baenen, Allen Roemhildt, Mark Frohnapfel, and Heath Kocan.**

Also present was City Planner **Samantha Greenwood** and Assistant Planner **Leif Stavig.**

63 people were in the audience.

3. APPROVAL OF AGENDA

M/Pegau S/Baenen to approve the agenda.

Upon voice vote, motion passed 7-0.

Yea: **Bailer, McGann, Pegau, Baenen, Roemhildt, Frohnapfel, Kocan**

4. APPROVAL OF CONSENT CALENDAR

a. Minutes of November 10, 2015 Regular Meeting

b. Minutes of December 8, 2015 Public Hearing

c. Minutes of December 8, 2015 Regular Meeting

d. Record excused absences for John Baenen and Allen Roemhildt from the December 8, 2015 Regular Meeting

M/Pegau S/McGann to approve the consent calendar.

Upon voice vote, motion passed 7-0.

Yea: **Bailer, McGann, Pegau, Baenen, Roemhildt, Frohnapfel, Kocan**

5. DISCLOSURES OF CONFLICTS OF INTEREST

Roemhildt declared a conflict of interest on the review of proposals as he didn't believe he could make an unbiased decision since he is related to **David Roemhildt** of Facility Contractors. The commission concurred.

Baenen said he had a perceived conflict of interest on the Site Plan Review for Ocean Beauty Seafoods as he has been working with them. He said he also had a possible conflict with the disposal of the old City Hall building due to his uncle renting the space the Troopers are in. **Bailer** said the commission all agreed that there wasn't a conflict on the old City Hall agenda item, but that there was with Ocean Beauty.

Bailer said he had done subcontracting work for Far West Management which is which is related to Facility Contractors. He also does a lot of business at Seaman's Hardware and with some of the other proposers. The commission did not find **Bailer** had a conflict of interest.

6. CORRESPONDENCE

The commission received a copy of an email from **Bill** and **Diane Cobb** in support of Seaman's proposal.

7. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

a. Audience comments regarding agenda items

Randy Robertson, City Manager, said he and the Chief of Police, **Mike Hicks**, were there to discuss the disposal of the old City Hall building. In September he received a call from Colonel **Steve Bear** with the Alaska Wildlife Troopers, who heard there might be space available at the old City Hall. **Robertson** said contrary to rumors, they approached the city first and it is their intent to move. He thinks there is tremendous synergy in having the Troopers there. In December, the state sent a team down to look at the facility.

Hicks said the Troopers were very interested in moving to the old City Hall building. It makes sense tactically and operationally. A few years ago he was on the committee for a new police and fire building and their plan for the building includes space for the Troopers. Having them in the old City Hall building would help to offset costs and when they do build a new building they could move along with them.

Luke Borer, Mile 49 Copper River Highway, was there to support Seaman's proposal. It's one of the true mom and pop businesses in town.

Wendy Ranney was pleased to see the variety of proposals that came in as it is a prime piece of property and it would be a shame to see it as just a parking lot. She thinks Seaman's is the best choice. In the push to bring new businesses in Cordova they can't forget their infrastructure of existing businesses. Seaman's can't expand where they are at. She doesn't want the commission to be seduced by a quick decision and a high bid.

Clay Koplín, Cordova Electric, wanted to speak in support of Ocean Beauty's site plan. Cordova Electric has made improvements to their capacity and infrastructure to deliver the required loads and Ocean Beauty has given them warning to prepare for the added load.

D. Roemhildt, Mile 6 Copper River Highway, wanted to speak in favor of Ocean Beauty's and Alpine Diesel's site plan. It is exciting to go through the packet and see so many different proposals for different infrastructure improvements in Cordova. It has been a long time since they have seen a lot of private money being spent in Cordova.

Marvin Van Den Broek said he ran Seaman's for 34 and a half years. He's glad to see the proposals so they can save the building rather than tear it down. He thinks Seaman's proposal is a good one. It is an established building that has been paying sales tax for 50 years. It would give them a chance to expand with the help of the True Value Hardware system.

Dick Groff, 201 Whiskey Ridge Road, thinks it's almost a no-brainer to rent the unused portion of City Hall to the Troopers.

Tim Dillon, 607 Spruce Street, is there for Seaman's Hardware. They have been busting at the seams and there hasn't been an available building until now. If they move in, they will be there for another 50 years.

Dan Nichols, 607 Alder Street, supports Seaman's proposal. Parking is a problem up town and is one of the reasons he is giving up on the restaurant. It would be a good way to spread the businesses out.

Dixon Sherman, Davis Street, is in favor of the Troopers going to the old City Hall. He likes all of the proposals, but his concern is with people referring to competition as negative. He thinks competition is good; there are multiple bakeries, grocery stores, marine supply companies, banks, hair stylists, canneries, transporters, construction companies, and phone companies in town and they haven't put each other out of business. Competition is healthy and he hopes it's not a factor in determining which proposal to recommend.

Jesse Carter, 604 Council Ave, was present to support Seaman's. There is a parking issue during the summer and Seaman's could use an area for expansion. Competition is good and so is keeping money local.

Adrian Smith, 704 Second Street, was present to support Seaman's. If anyone has been to Yakutat, they have seen the miraculous hardware store there run by two old ladies and they have everything imaginable. Seaman's has not done incredibly well because of lack of floor space.

Mary Little, 608 First Street, was present to support Seaman's. She would like to see a current, thriving business be able to expand.

Dave O'Brien, owner of Cordova Drug, said the first public meetings regarding the Cordova Center led the First Street business owners to believe that the parking absorbed into the building would be replaced. Now the city is proposing the Library and Museum land be sold to private enterprise. Most of the proposals only address parking for their project.

Chris Bolin, 607 Birch Street, was present to support Seaman's proposal and the Blackler's site plan.

8. PLANNER'S REPORT

The commission agreed to have the 2016 Land Disposal Maps at the February Regular Meeting. *Greenwood* said the paving invitation to bid was out until the 5th of February. *McGann* requested something about odors be added to the nuisance code. *Roemhildt* verified that the Great Land Trust was looking to have land donated to the city.

9. UNFINISHED BUSINESS

a. Site Plan Review – Ocean Beauty Seafoods, LLC

M/McGann S/Frohnapfel to recommend to the City Council to approve the Site Plan Review requested by Ocean Beauty Seafoods, LLC to construct a facility to process fish waste on Lot 3A, Block 1, Cordova Industrial Park based on the findings and with the special conditions as contained in the staff report.

McGann said it looks like they have addressed all of the issues that were at the last meeting. *Pegau* verified that trucks coming into the building would be coming off Jim Poor Avenue so the parking on Breakwater Avenue adjacent to the building would still be available. *Jeff Backlund*, Ocean Beauty, explained to *Pegau* that the loading door on the south side of the building was a roll-up door to be used during construction.

Upon voice vote, motion passed 6-0.

Yea: *Bailer, McGann, Pegau, Roemhildt, Frohnapfel, Kocan*

COI: *Baenen*

10. NEW/MISCELLANEOUS BUSINESS

a. Site Plan Review – Alpine Diesel LLC

M/McGann S/Roemhildt to recommend to the City Council to approve the Site Plan Review requested by Alpine Diesel to construct a vessel maintenance facility on a portion of Tract 1A of the Ocean Dock Subdivision #2 based on the findings and with the special conditions as contained in the staff report.

Roemhildt said he was fully on board with the site plan. *Frohnapfel* verified with *Jerry Blackler*, Alpine Diesel, that there was no drainage for the polyurea liner and that water will evaporate out. *Pegau* said his understanding was that people would be driving out the backside which is not leased and that if the city was using that land people would only be able to use the front for access. The Waterfront Industrial District requires a 20 foot front setback. *Greenwood* said they interpreted the front of the lot to be facing New England Cannery Road. Since Alpine Diesel is only leasing a portion of the lot, the required front setback is not in their leased area. *Greenwood* said they could lease an additional 20 feet if the commission wanted. *Pegau*

asked **Tony Schinella**, Harbormaster, if the 50 foot road was wide enough for the boat lift to turn into the building. **Schinella** said there was enough room using the city's lots. While Alpine Diesel would be using the city's land, they would also be paying to use the boat lift. **Bailer** said that the area is big and wide-open with the boat lift going wherever it needs to go. **Pegau** said if Alpine Diesel leased an additional 20 feet on the east, it would allow them to move the building back 20 feet to meet the required setbacks. **Baenen** agreed that this addressed the issue.

M/Pegau S/McGann to amend the motion to add a special condition to establish the front setbacks as required by code.

Upon voice vote, motion to amend passed 7-0.

Yea: **Bailer, McGann, Pegau, Baenen, Roemhildt, Frohnappel, Kocan**

Upon voice vote, main motion passed 7-0.

Yea: **Bailer, McGann, Pegau, Baenen, Roemhildt, Frohnappel, Kocan**

b. Review of Proposals for the Existing Library/Museum Land and/or Building

Bailer said he would like to let the proposers come up to the commission to say what they want to say and if the commission has questions they can ask them. After that they can discuss the proposals and the criteria.

D. Roemhildt, Facility Contractors, verified that his proposal was for all seven lots. He said that he looked at the lots and tried to think of what the city's needs were. People have come to him with needs for small, affordable, well-located locations for businesses. He drew up a plan that eliminated the middle flat-roofed section and included a clock tower. Facility Contractors has been taking run-down assets in other communities and turning them into buildings that are like new, and they haven't had the opportunity to do anything like that in Cordova. He explained that there would be parking along the backs of lots 12 through 15. **D. Roemhildt** said there would be a complete interior and exterior remodel from the steel frame.

Dillon, Seaman's Hardware, commented that the proposal from Facility Contractors was already in the Frontier Building, but everyone got moved out. **Pegau** said that their proposal asked that all waste for the remodel be disposed for free which drives down the bid. **Bailer** said that would be addressed in council negotiating. The commission also can't grandfather codes. **McGann** said any new construction would have to meet current codes. **Greenwood** added that it would also need a Fire and Life Safety Plan Review. **Dillon** said they would have to clean the building out, put in new flooring, redo the roof over the flat portion, add on in the back and the front, and minor cosmetics. He thinks the building looks good as it is. **Baenen** verified with **Dillon** that there were no major architectural changes to the building. **Dillon** said the addition on the front would be flat-roofed. **Dillon** gave a petition to the commission with signatures supporting their proposal.

Blackler, Moose Lodge, said they put a proposal in because they didn't think anyone else would. The Moose Lodge has been in town for 100 years and they need a new home.

Greg Meyer, Cannery Row, said with the completion of the Cordova Center they see a need for 15-30 more rooms in town. They would like to put a restaurant in that would be open year-round and a gift shop. They would gut it and put in new windows and siding to complement the Cordova Center and Reluctant. Their proposal will bring more people to town and will create 10-12 new jobs.

O'Brien, Cordova Drug, said that the fact that there is no requirement for parking downtown doesn't mean there isn't a need. Seaman's is the best of the proposals other than his as it would alleviate the parking and spread it out. He put in the proposal to hold the city accountable for taking away the parking with the Cordova Center.

No one was present to represent Children's Pallas or the Native Village of Eyak.

Pegau asked if the commission would like to identify a top three from the proposals. The hard one to evaluate with the criteria is the proposal for a parking lot since the criteria is set up for selling a lot and building a

building. He believes parking is a city responsibility. **Bailer** asked to start with a discussion on that proposal. On his criteria he gave perfect scores for "Importance for Community" and "Consistency with the Comprehensive Plan." **McGann** said that for the parking lot to have any utility, they need to retain all of the lots.

M/McGann S/Kocan to recommend to City Council to approve the seven proposals for Lots 12-18, Block 6, Original Townsite and the improvements thereon.

Baenen said the proposal from Cordova Drug was one of his top proposals. He originally wanted to get rid of the Library and Museum buildings. At the Cordova Center Grand Opening there was no parking available. **Kocan** agreed that parking needed to be addressed. **McGann** said parking was an issue, but said it needed to be discussed whether that was the highest utility for that lot. **Pegau** said parking downtown was very tight. He wishes they had the opportunity to retain several of the lots for parking and to only put out three or four lots for disposal. **Frohnapfel** said he was a huge proponent for parking and economic development so he is torn. **Bailer** said they could move forward a recommendation to council that recommends to retain some of the lots for parking.

Baenen said the proposal from Cannery Row was also one of his top proposals. He said the value of improvements and proposal price were good. One thing he liked was the number of employees. **Kocan** said with the Cordova Center it would be good to have a hotel for close access for conferences and such. **McGann** said having a year-round restaurant would also be beneficial. **Bailer** said it was in his top three, however the purchase price was low compared to the others. The problem he has with all the proposals is the finished value. It is hard to put a value on remodeling. He is judging the proposals more on the buildings and what they are going to look like. He has always said he wants them tore down or when they are sold there has to be architectural features to spruce the buildings up. The buildings are an eyesore. **Baenen** said it needs to come down to architectural features, business plan, and what is best for Cordova; he doesn't think the difference in proposal price really matters. **Bailer** said as a councilmember he is looking at the price. His thought process is the price raises the stakes for the proposers.

Pegau said Seaman's was one of his top three. I regrets when Plumblin moved because he was able to go between Plumblin and Seaman's. Having Seaman's next to the lumber yard is a natural connection. He sees the hotel proposal connecting to the Cordova Center. With Facility Contractor's proposal he has always wondered if areas for small businesses would be beneficial. His main knock on Seaman's is the value of the improvements because the building is going to look the same. **McGann** agreed and said it would be nice to see the building get spruced up somehow. **Kocan** said it would be nice to see the building dramatically changed or gone altogether. **Frohnapfel** said he had Seaman's in the top. Unfortunately, the building needs a lot of work, and the value of the improvements is probably much lower than what it would cost. His other concern were the conditions of the proposal on refuse and building codes. **Baenen** said Seaman's was in his top three also. What lowered his rating was the value of improvements and the enhanced architectural design. **Bailer** agreed. **Pegau** said that one advantage of the Seaman's proposal was that they close at five or six so the evening events will have available parking.

Bailer said the last in his top proposals was Facility Contractors. He had a question on the number of employees since the independent operators would be employees. He appreciates the elevation drawings giving them a concept of what they were accomplishing. It was probably the most complete proposal compared to the others. **Kocan** said it took his wife a long time to find a small space to rent. **Bailer** said there probably isn't a more perfect location for any business. **McGann** said it was in his top three. He did not rank it very high for architectural design; he didn't know the significance of the clock tower. **Kocan** said his concern was that it would look too much like a strip mall. He would like to see more drawings to get a better idea of what the finished product would look like. **Pegau** said he ranked it high because of the architectural design. He liked how it looks; he thought it would provide a different kind of appearance in the town. He has questions about being able to fill the units, but he can see why they would like those types of businesses in town. **Baenen** said the proposal was in his top three. He thinks the proposal is based on speculation; it's hard to say what businesses would go there. Sales tax is also hypothetical.

Bailer said his thought on the proposals was that they would not make a recommendation to council at this meeting. He thinks they should bring it back at the next Regular Meeting to give the public time to weigh in on the proposals. They would not be looking for any new information from the proposers. The four that they have narrowed the proposals down to are Facility Contractors, Seaman's, Cannery Row, and the parking proposal from Cordova Drug. He asked if the commission wanted to rank those four now or at the next meeting. **Pegau** said he is trying to see what they would gain other than people showing up to support a particular proposal. **Bailer** said in past experience people have said they didn't have enough meetings and there wasn't a chance to comment. He said it wasn't a popularity contest it was what is best for the community. **Frohnappel** said the community should have input. The proposers were there to present their proposals, so there is nothing hidden from the public. **Bailer** said that this was important to the proposers; it is their livelihoods in some cases. **Baenen** said he doesn't think they should rank them right now.

M/Pegau S/Frohnappel to refer this back to staff.

Bailer clarified that the motion is referring all seven proposals back to staff.

Upon voice vote, motion passed 6-0.

Yea: **Bailer, McGann, Pegau, Baenen, Frohnappel, Kocan**

COI: **Roemhildt**

c. Disposal of Old City Hall Building

M/Bailer to recess for 5 minutes.

With no objection, the meeting was recessed.

Bailer called the Regular Meeting back to order at 8:48 PM.

M/Baenen S/Pegau to recommend to City Council to remove the vacant office portion of the old City Hall building.

Baenen said he doesn't think the city should be in the business of leasing building space to anyone. He thinks that the boiler is on its last legs and if you downsize the space you could probably get a new, smaller boiler. He doesn't think it would cost \$100,000 to demolish the portion of the building. City Council gives money to the hospital all the time and this would be money well spent. **Pegau** verified with **Hicks** that any remodeling that would need to occur for the Troopers would be at the Troopers' expense. **Bailer** clarified that the portion of City Hall the commission is referring to is the first floor area only.

Pegau said that he does see value in combining all of the law enforcement. He says there is a stated opposition to moving a government entity from private enterprise, which rubs him raw. **Hicks** said that the Troopers have stated that they are planning to move when their lease is up. The city is not competing as the city has leases all over town. They have checked with the city's attorney and there is no basis for a lawsuit. The city is paying for that building to be heated; why not let somebody else pay for it? The state cut the jail budget. Eagle Contracting quoted the demolition at \$148,000. He doesn't see where they have the money to do that.

Pegau said that the disadvantage to having all the law enforcement together is if something happens to that building it takes them all. **Hicks** said that they are trying to move the building to a safer location in the future, but for now they are stuck where they are. **Frohnappel** said if they keep the portion of the building, someone is going to fill it up; if they get rid of it they can't. They could add parking which would connect with the stairway. **Hicks** said there is ample parking. The issue is educating the public on where to park.

Baenen asked why the Troopers haven't written a letter of interest. **Hicks** said they could get one if they asked. **Baenen** said he doesn't care if it's the Troopers or someone else; they shouldn't rent that space. **McGann** said if they weren't going to rent it, he would like to see it removed. They really need to push for the new building. **Kocan** said he thinks the Troopers are a good fit for right now; he agrees that it needs to

go, but he doesn't understand spending money to demolish half of it now. **Roemhildt** thinks if they have an opportunity to rent to the Troopers that is good. **Bailer** said the big driver of all of this is the tsunami zone.

Bailer said that even though rent is coming in, the city has to worry about maintenance, cleaning, sewer, water, trash, electrical, snow plowing, and sanding. **Hicks** said that was negotiable. **Bailer** said he was leaning towards letting the area go cold. **Frohnafel** said if the building had tenants in it then people would say the building couldn't be tore down with the Troopers renting it. **Paul Trumblee**, Fire Marshal, said what was really bothering him was that they were talking about using taxpayer's dollars to tear down a building. He was turned down by council to hire a grant writer to find grants for a new building; where would they find the money to tear the building down? **Robertson** said that the additional costs for the Troopers renting the area would not come out of the rent. They have not been able to negotiate the terms yet because they first have to get approval from City Council. **Baenen** said it would probably cost the Troopers more to move to the old City Hall than somewhere else. **Robertson** said they can't lose anything by trying. He said there may even be other potential renters, but they don't know because they can't even get that far.

Upon voice vote, motion failed 3-4.

Yea: **Pegau, Baenen, Frohnafel**

Nay: **Bailer, McGann, Roemhildt, Kocan**

M/Roemhildt S/McGann to recommend to City Council to dispose the vacant office portion of the old City Hall building for fair market value as outlined in the Cordova Municipal Code 5.22.060 B by negotiating an agreement with the Alaska Wildlife Troopers.

Roemhildt said the city has nothing to lose by working with the Troopers. **McGann** said if the city can negotiate a deal that works out to the advantage of the city than it's worth it. There's no reason they can't revisit this if the Troopers don't work out. **Baenen** thinks over the next three years, the cost of renting the space to the Troopers is going to cost three times more than the cost to demolish that portion of the building. **Bailer** said he thinks council will see the dissent in making their decision.

Upon voice vote, motion passed 4-3.

Yea: **Bailer, McGann, Roemhildt, Kocan**

Nay: **Pegau, Baenen, Frohnafel**

d. Chair Election

Roemhildt nominated **Bailer** for chair.

Bailer called for a voice vote on **Tom Bailer** as chair.

Upon voice vote, motion passed 7-0.

Yea: **Bailer, McGann, Pegau, Baenen, Roemhildt, Frohnafel, Kocan**

e. Vice Chair Election

Frohnafel nominated **McGann** for vice chair.

Bailer called for a voice vote on **Tom McGann** as vice chair.

Upon voice vote, motion passed 7-0.

Yea: **Bailer, McGann, Pegau, Baenen, Roemhildt, Frohnafel, Kocan**

11. PENDING CALENDAR

The commission agreed to have a 30 minute long Public Hearing prior to their next Regular Meeting.

Greenwood said that on the agenda are the Land Disposal Maps and the proposals. **Bailer** said that in the past they have recommended more than one proposal to council.

12. AUDIENCE PARTICIPATION

Nichols said there wasn't that much business in town. He chose not to get a liquor license for his motel so he wouldn't step on anyone's toes. He wants the commission to remember what obligations they have made in the past. He went on to explain how his business with the motel and grocery store changed over time. He's not sure they will be able to maintain the town because it is getting too big, which can be a problem.

Borer said that they need a sound system. He said there was a big empty space for parking behind the Library and Museum. There's no snow there during the summertime and there is a huge parking lot there. He said Seaman's proposal said they would be utilizing the scenic byways designation.

Meyer said he agreed with *Hicks* about parking. A big thing is signage pointing out public parking. There are areas for parking like the snow dump across from the Reluctant, the snow dump behind the Library, there is *Steen's* property on Main Street for sale.

Dillon said if they move out of their building someone else would move in. When they close up at the end of the day, the parking lot could be available for others at night. As soon as they move into the building they will be open and paying sales tax right away.

Hicks thanked the commission for volunteering. He thanked them for having an open mind and an open dialogue with the public.

D. Roemhildt said he was excited to do Pioneer Square. As far as businesses go, small businesses and start-ups are the first step on the stairway to making bigger businesses. They don't have a lot of that infrastructure in the community. In terms of economics in Cordova since the 80s they have been doing the same thing and sliding behind every year. The system is flawed and it will take investment in new capital and going after properties that everyone else gave up on and said weren't worth anything. The city has six proposals for a building that everyone said needed to be torn down. They have to start investing in the community.

13. COMMISSION COMMENTS

McGann said that they passed Ocean Beauty's site plan which was totally different from what they told us they were going to build when they sold them the property. They should keep in mind that it is tough to enforce the development.

Kocan said it was good to see seven proposals and have something to think about.

Roemhildt said they should talk about parking some time.

Baenen the three proposals were all close and had merits. If it was easy they would have picked one. He has been in Cordova 30 years and he knows all of the people and wants to business with everyone. It is important that they are as fair as possible. It will be a tough decision, but ultimately it is council's decision.

Frohnappfel said that they are all neighbors and they all have to work together and they all are each other's customers. He is still a proponent for putting the Fire and Police station in the Library, but he can't find any support for it.

Pegau said it was nice to actually see a crowd there. He thanked everyone for sticking with them. The input provided is what he needs to stop and think about. He knows that how he grades after a month is different than two days of thought. The public input is important to him.

Bailer said he would echo that and say when the facts change, so does his opinion. He cautioned the commission that they cannot discuss things with the proposers. He asked the proposers not to approach them as it is unethical ex-parte communications. There will not be an opportunity for the proposers to come back and change things. The proposals are in, they are looking at opinions from the public at large.

14. ADJOURNMENT

M/Frohnapfel S/Pegau to adjourn the Regular Meeting at 9:53 PM.
With no objection, the meeting was adjourned.

Approved:



Tom Bailer, Chair



Leif Stavig, Assistant Planner