

**KENAI PLANNING & ZONING COMMISSION
REGULAR MEETING
FEBRUARY 26, 2025 – 7:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
CHAIR JOE HALSTEAD, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai Planning & Zoning Commission was held on February 26, 2025, in City Hall Council Chambers, Kenai, AK. Chair Halstead called the meeting to order at approximately 7:00 p.m.

1. Pledge of Allegiance

Chair Halstead led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Joe Halstead, Chair
Glenese Pettey
Diane Fikes

Stacie Krause (*electronic participation*)
Gwen Woodard

A quorum was present.

Absent:

Sonja Earsley

Jeff Twait, Vice Chair

Also in attendance were:

Kevin Buettner, Planning Director
Victoria Askin, City Council Liaison
Meghan Thibodeau, Deputy City Clerk

3. Approval of Agenda and Consent Agenda

Chair Halstead noted the following additions to the Packet:

Add to items F.3. & F.4 **Resolutions PZ2025-06 & PZ2025-07**
• Public Comments

MOTION:

Commissioner Pettey **MOVED** to approve the agenda and consent agenda with the requested revisions. Commissioner Woodard **SECONDED** the motion.

The items on the Consent Agenda were read into the record.

Chair Halstead opened the floor for public comment on consent agenda items; there being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.

There being no objection; **SO ORDERED.**

All items listed with an asterisk () are considered to be routine and non-controversial by the Commission and will be approved by one motion. There will be no separate discussion of these items unless a Commission Member so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda as part of the General Orders.

B. APPROVAL OF MINUTES

1. *Regular Meeting of February 12, 2025

Approved by the consent agenda.

C. SCHEDULED PUBLIC COMMENTS - None.

D. UNSCHEDULED PUBLIC COMMENTS - None.

E. CONSIDERATION OF PLATS

1. **Resolution PZ2025-09** – Recommending Approval of Preliminary Plat – Valhalla Heights Subdivision Conan Replat of Lot 9 and Lot 10, Block 5A, Valhalla Heights Subdivision Part 5 in the Rural Residential (RR) Zoning District.

MOTION:

Commissioner Woodard **MOVED** to approve Resolution PZ2025-09. Commissioner Pettey **SECONDED** the motion.

Planning Director Buettner provided an overview of the staff report as included in the packet and attached to Resolution No. PZ2025-09, and explained the purpose of the plat was to merge two lots into one lot. It was noted that staff's recommendation is approval subject to the conditions specified within the staff report as attached to Resolution No. PZ2025-09.

UNANIMOUS CONSENT was requested.
There being no objection; **SO ORDERED**.

2. **Resolution PZ2025-11** – Recommending Approval of Preliminary Plat - Inlet Woods Subdivision 2025 Replat of Inlet Woods Subdivision, Part One, Lots 1 & 2, Block 10 in the Suburban Residential (RS) Zoning District.

MOTION:

Commissioner Woodard **MOVED** to approve Resolution PZ2025-11. Commissioner Fikes **SECONDED** the motion.

Planning Director Buettner provided an overview of the staff report as included in the packet and attached to Resolution No. PZ2025-11, and explained the purpose of the plat was to merge two lots into one lot. It was noted that staff's recommendation is approval subject to the conditions specified within the staff report as attached to Resolution No. PZ2025-11.

Commissioner Krause noted that she lived in Inlet Woods but was not adjacent to the subject lot and did not benefit financially from the replat.

UNANIMOUS CONSENT was requested.
There being no objection; **SO ORDERED**.

3. **Resolution PZ2025-12** – Recommending Approval of Preliminary Plat – Holland Spur Highway Subdivision Addition No. 1 Replat of Holland Spur Highway Subdivision, Tract 1 in the General Commercial (CG) Zoning District.

MOTION:

Commissioner Woodard **MOVED** to approve Resolution PZ2025-12. Commissioner Fikes **SECONDED** the motion.

Planning Director Buettner provided an overview of the staff report as included in the packet and attached to Resolution No. PZ2025-12, and explained the purpose of the plat was to create two parcels, which would allow varied commercial uses to be developed while maintaining necessary parking requirements, access management for safe access to the Kenai Spur Highway, and building setbacks. It was noted that

staff's recommendation is approval subject to the conditions specified within the staff report as attached to Resolution No. PZ2025-12.

Clarification was provided that a development site plan for points of access had not been submitted; the application would work with State of Alaska Department of Transportation as the access is from a State-maintained highway.

UNANIMOUS CONSENT was requested.
There being no objection; **SO ORDERED**

F. PUBLIC HEARINGS

1. **Resolution PZ2025-08** – Recommending Approval to Rezone the Properties Located at 202 N. Forest Drive and 1408 Second Avenue from Suburban Residential (RS) to General Commercial (CG) Zoning District.

MOTION:

Commissioner Woodard **MOVED** to approve Resolution PZ2025-08. Commissioner Fikes **SECONDED** the motion.

Planning Director Buettner provided an overview of the staff report as included in the packet and attached to Resolution No. PZ2025-08; he noted that the application was for a request to rezone two parcels from Suburban Residential (RS) to General Commercial (CG) Zoning District, for the purpose of allowing light commercial uses on the subject parcels including a law office, coffee shop and commercial greenhouse. It was clarified that the property historically had a Conditional Use Permit (CUP) issued in 1999 for a Greenhouse, Gift Shop and Coffee Shop; the current owners seek to reactivate this property with a similar mix of commercial uses. A rezone of these properties would allow for these commercial uses as a principal use and would not require a CUP. It was noted that staff's recommendation is approval; the Commission's recommendation would be forwarded to the City Council for a final decision.

Chair Halstead opened the floor for public hearing; there being no one wishing to be heard, the public hearing period was closed.

Commissioners Woodard, Fikes and Chair Halstead expressed support, noting that the property had operated with similar commercial usage for many years without issue.

Clarification was provided that all proposed changes to the buildings would be internal, and no building permit had been received for any additions.

UNANIMOUS CONSENT was requested.
There being no objection; **SO ORDERED**

2. **Resolution PZ2025-10** – Granting a Conditional Use Permit to Operate a Retail Businesses (Greenhouse, Café/Retail, Law Office) of the Existing Structures on the Property Described as Lot 1, Fresh Start Subdivision, Located at 202 N. Forest Drive within the Suburban Residential (RS) Zoning District.

MOTION:

Commissioner Woodard **MOVED** to approve Resolution PZ2025-10. Commissioner Fikes **SECONDED** the motion.

Planning Director Buettner noted that this is the same property the Commission recommended approval of a rezone for in PZ2025-08; this CUP would allow the businesses to commence operations in the event that the City Council does not approve the rezone. Clarification was provided that if the rezone is approved by Council, this CUP will be null and void. An overview of the staff report as included in the packet and attached to Resolution No. PZ2025-08 was provided; Director Buettner noted that the application was for a CUP to operate a Greenhouse, a Café/Retail Space and Law Offices at the existing single-family dwelling and accessory buildings. Staff's findings were reviewed, and it was noted that

staff's recommendation is approval subject to the conditions specified within the staff report as attached to Resolution No. PZ2025-10.

Parrisa Harris, applicant, noted that her plan was to move her law office into the main building that the previous owners operated as a gift shop. She noted that the cottage has been remodeled, which will be leased to Ooakzen to operate a coffee shop. The use of the greenhouse will remain the same as in the past.

In response to questions from the Commission, Harris clarified that addressing for the three different buildings will likely be suites at the same street address.

Chair Halstead opened the floor for public hearing.

Robert Peterson, noted he had lived north of the property for 24 years and was familiar with the traffic conditions. He stated he was not in opposition to the rezoning and wish the owners luck.

There being no one else wishing to be heard, the public hearing period was closed.

Clarification was provided that a public hearing for the rezone application would be before the City Council at their March 19, 2025 meeting and Council would make the final decision on the rezone at that time; this CUP would be a safeguard for the businesses to operate in the event the rezone is not approved; the CUP will expire if the rezone is approved; the rezone does not need Kenai Peninsula Borough approval; and the applicant was only charged one fee for both the rezone and CUP applications.

UNANIMOUS CONSENT was requested.
There being no objection; **SO ORDERED**

Chair Halstead noted the 15-day appeal period.

3. **Resolution PZ2025-06** – Granting a Conditional Use Permit for a Cabin Rental (I.E Short-term Rental) and Boarding House in a Single-Family Dwelling on the Property Described as Lot 16, Block 1, Anglers Acres Sub, Part 2, Located at 1305 Angler Drive, Within the Rural Residential (RR) Zoning District.

MOTION:

Commissioner Woodard **MOVED** to approve Resolution PZ2025-06. Commissioner Fikes **SECONDED** the motion.

Planning Director Buettner provided an overview of the staff report as included in the packet and attached to Resolution No. PZ2025-06; he noted that the application was for a CUP to operate the existing single-family dwelling as a Cabin Rental (Short-term Rental)/Boarding House. Clarification was provided that the building would be used seasonally as a short-term rental for employees of Tower Rock Lodge, whose Lodge and Guide Service CUP would be heard next as PZ2025-07. Staff's findings were reviewed, and it was noted that staff's recommendation is approval subject to the conditions specified within the staff report as attached to Resolution No. PZ2025-06.

Joseph Chambers, applicant, explained that Tower Rock Lodge has been operating outside of City limits and intends to move locations into the City of Kenai. Resolution PZ2025-07 would address the business's Guide Service and Lodging operations.

Chair Halstead opened the floor for public hearing.

Fred Braun spoke in support, noting that it would be another attraction for visitors to the City; would increase property and sales taxes; and homes on Angler Drive are primarily used as fishing operations rather than residential. He stated his support for Resolution PZ2025-07 as well.

Ron Rogalsky, resident, spoke in opposition to both Resolutions PZ2025-06 and PZ2025-07 and stated that he had submitted written public comment into the laydown. He expressed concerns about commercial activities in the RR zone; that the applicant intended to turn a single-family residence into a

16-person dining hall and move in dry cabins to house staff; that the existing septic system may not support these activities and suggested that the Commission include conditions that the applicant must meet DEC specifications.

There being no one else wishing to be heard, the public hearing period was closed.

Clarification was provided that with the exception of the dry cabins, all structures are in place and connected to the well and septic system; and that the plan for parking is adequate for the proposed use.

Concerns were expressed that the business would bring boats and trailers to a residential street. Chambers clarified that boats will be parked at the dock; that about half of the guests will not have vehicles parked at the property; that the lot lines have not been combined; that there is already a dock in place; and that he has not cleared any trees and does not intend to. Chambers explained that Tower Rock intends to maintain the Alaskan aesthetics of the property by maintaining and planting new vegetation; that he intends to reside on the property and will address any issues that may arise; that the staff cabins are currently at their old location and can be relocated to this property; and that the CUP for the 1230 Angler property had been transferred to them by the previous owner.

Concerns were expressed that the Commission had previously heard testimony from residents in this neighborhood in opposition to businesses operating under CUPs there, citing issues such as noise, traffic and events. Chambers stated that he intended to work with neighbors to achieve solutions should such complaints arise.

In response to questions from the Commission, Chambers clarified that seasonal staff currently stays at the dry cabins on the property that Tower Rock has leased since the mid-1990's, but noted that the lease is ending. Concerns were expressed that housing staff on-site may lead to noise issues; Chambers clarified that arrival times are staggered; there will be no one on the property during the middle of the day; and that he does not believe the vehicle traffic will be significant.

VOTE:

YEA: Fikes, Pettey, Halstead

NAY: Woodard

ABSENT: Twait, Earsley

MOTION PASSED.

[Clerk's note: Commissioner Krause abstained from discussion and voting on Resolution No. 2025-06 pursuant to KMC 14.05.025(e)]

Chair Halstead noted the 15-day appeal period.

4. **Resolution PZ2025-07** – Granting a Conditional Use Permit for a Lodge and Guide Service in a Single-Family Dwelling on the Property Described as Lot 14-A, Block 1, Anglers Acres Sub, Beaver Creek Replat, Located at 1235 Angler Drive, Within the Rural Residential (RR) Zoning District.

MOTION:

Commissioner Woodard **MOVED** to approve Resolution PZ2025-07. Commissioner Pettey **SECONDED** the motion.

Planning Director Buettner provided an overview of the staff report as included in the packet and attached to Resolution No. PZ2025-07; he noted that the application was for a CUP to operate the existing single-family dwelling as a Lodge and Guide Service. Staff's findings were reviewed, and it was noted that staff's recommendation is approval subject to the conditions specified within the staff report as attached to Resolution No. PZ2025-07.

Applicant Joseph Chambers was available for questions.

Chair Halstead opened the floor for public hearing.

M.J. Loveland, resident, expressed concern that septic system would not support the amount of people and cabins that he has proposed, and requested that this be added as a condition to the CUP.

Ron Rogalsky, resident, asked whether an applicant can get a CUP for a property they do not own.

Director Buettner clarified that findings in the staff report state that "The applicants are required to be in compliant with wastewater disposal requirements of Kenai Peninsula Borough Chapter 20.40 and regulatory requirements of the Alaska Department of Environmental Conservation."

There being no one else wishing to be heard, the public hearing period was closed.

VOTE:

YEA: Pettey, Halstead, Fikes, Woodard

NAY: None

ABSENT: Twait, Earsley

MOTION PASSED WITHOUT OBJECTION.

[Clerk's note: Commissioner Krause abstained from discussion and voting on Resolution No. 2025-07 pursuant to KMC 14.05.025(e)]

Chair Halstead noted the 15-day appeal period.

G. UNFINISHED BUSINESS

1. **Discussion** – Aspen Creek, 701 N. Forest Drive Conditional Use Permit

Director Buettner noted that there was no additional information since the previous meeting regarding this issue; this item will be continued on the next Commission meeting agenda.

H. NEW BUSINESS

1. **Discussion/Action** – Schedule a work session to examine the current Conditional Use Permits in terms of Potential Rezoning.

Director Buettner explained that the purpose for the proposed work session would be to consider areas in the City with high CUP density for possible rezoning. It was decided that the Planning & Zoning Department would send an email poll to Commissioners asking for their availability.

2. ***Action/Approval** – Requesting Excused Absences for the February 12, 2025 Regular Meeting – Twait, Krause

Approved by the consent agenda.

I. REPORTS

1. Planning Director – Planning Director Buettner reported on the following:
 - An email scam recently targeted Planning applicants and has been reported to the Kenai Police Department; staff is making changes to their process to remove identifiable information prior to publication.
2. Commission Chair – Expressed appreciation for the Commission's hard work and thorough discussion.
3. Kenai Peninsula Borough Planning – Commissioner Fikes reported on recent actions of the Kenai Peninsula Borough Planning Commission.
4. City Council Liaison – Council Member Askin reported on recent actions of the City Council.

J. ADDITIONAL PUBLIC COMMENT

Fred Braun asked about the 15-day period for appealing CUPs.

K. NEXT MEETING ATTENDANCE NOTIFICATION

1. Next Meeting: March 12, 2025

L. COMMISSION COMMENTS AND QUESTIONS

Commissioner Pettey thanked staff for the Commission Training meeting on February 24, 2025.

M. PENDING ITEMS – None.

N. ADJOURNMENT

O. INFORMATIONAL ITEMS – None.

There being no further business before the Planning & Zoning Commission, the meeting was adjourned at 8:16 p.m.

I certify the above represents accurate minutes of the Planning & Zoning Commission meeting of February 26, 2025.



Meghan Thibodeau
Deputy City Clerk