

# Planning Commission Report

**TO:** Borough Assembly

**FROM:** Planning Commission

**Subject:** Rezone of 10 lots located at 708, 710, 712, 804, and 806 S. Nordic Dr. (PID #:01-010-052, -053, -054, -055, -056, -057, -058, -059, -060, and -061) from Industrial to Commercial-1.

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**Recommendation:** Deny rezone of 10 lots located at 708, 710, 712, 804, and 806 S. Nordic Dr. (PID #:01-010-052, -053, -054, -055, -056, -057, -058, -059, -060, and -061) from Industrial to Commercial-1.

**The Petersburg Planning & Zoning Commission makes the following findings of fact:**



1. An application for rezone was initiated by Jerry and Stacey Dahl, Jay and Cherise Lister, and Olivia Olsen (applicants) on January 27, 2017.
2. The applicants represent 80% of the property owners of the subject parcels.
3. The request covers 10 separate parcels with approximate 38,000 square feet of uplands and tidelands.
4. Adjacent parcels to the South, East and West are zoned industrial. Un-zoned tidelands are to the North.
5. Existing development in the area is mixed and consists of:
  - a. Commercial service station
  - b. Vacant lot
  - c. B&B and Dental Office
  - d. Warehouse
  - e. Caretaker dwelling
  - f. Vacant lot
  - g. Entrance to commercial drive down dock/gear storage
  - h. Community Cold Storage
  - i. Single-family residences across the street.
6. The applicants state the need for the proposed change is to provide “greater opportunity for development”.
7. The stated justification for the proposed change is the subject parcels do not have direct access to marine waters and therefore are not suitable for industrial or marine-related industrial development. Also, the applicants state that road alignment and visibility is not conducive for moving trucks in and out of the parcels.
8. The subject parcels are located between the Port Dock and the Commercial Drive-Down Dock.

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9. The Petersburg Borough Comprehensive Plan (p. 48) states:
  - a. The Petersburg Borough Comprehensive Plan states that “highest priority for use of the waterfront on waterfront-dependent activities, in particular commercial fishing, that sustain the Borough economy.”
  - b. The Petersburg Borough Comprehensive Plan classifies the future land use for the subject parcels as WATERFRONT A - Water Dependent Commercial or Industrial. This is defined as specific areas prioritized for water dependent commercial, industrial uses; other uses may be allowed, but ideally only as interim uses (e.g., short term lease).
  - c. Waterfront A is further described in the plan as “Areas currently used, or likely to be used in the future for intense/water focused commercial or industrial activities (examples include fish processing plants, land between the South Harbor south parking lot and the shipyard; Scow Bay). These areas are intended for the most intense, economically important water-dependent activities. Requests for uses that do not meet those criteria should be denied (examples include long term leases, expansion of current uses that are not water commercial/industrial). Miscellaneous small footprint uses, like the coffee shop and the gas station, should be allowed, as these services are used by waterfront users, and in acknowledgement that the Nordic/Mitkof Highway corridor is a multi-function area. Such uses should be seen as interim uses, potentially subject to relocation to provide space for economically important, water dependent uses.”
10. Currently, the area is zoned Industrial. Per PMC 19.44.010, the purpose of the industrial district is “to provide for an area with a broad range of industrial establishments. Development requirements are intended to provide for a safe and sightly environment and to allow adequate space for off-street parking, storage and expansion. Residential construction in this zone is limited because it is intended that land in this zone be reserved for primarily industrial process.”
11. The Industrial district allows for some commercial activity, including “Retail businesses; Business and professional offices; Laundries and other consumer services; Restaurants, cafés and bars; and clubs, lodges and fraternal organizations.” In addition, Industrial allows for residential uses under a conditional use permit authority.
12. The purpose of the Commercial-1 District is “to provide a consolidated, cohesive and strong central business district with easy access to facilitate a viable economic center. Principle uses include: Retail businesses, offices, restaurants, hotels/motels, multi-family dwellings, RV parks, all uses allowed in single-family and multi-family district.”
13. The C-1 district prohibits any kind of “manufacturing, processing or treatments, which causes offensive orders, gas, fumes, smoke, dust or vibration or noise which substantially interferes with other use of the property permitted in the district.”
14. On August 23, 2016, the Planning Commission denied a conditional use permit application for a twin-house dwelling in the subject area. The decision was upheld by the Borough Assembly on appeal. At that time, the Commission’s findings stated:

“The subject parcel and surrounding area are zoned industrial and actively in use as industrial areas. Dwellings, especially rentals or vacation rentals, are

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incompatible with industrial uses and not in keeping with current or intended future use of the area. Industrial property, especially waterfront industrial, is in limited supply in our community. The intended use should be preserved.”

15. Hearing notices were mailed to property owners within 600 feet of the subject parcel on February 3, 2017.
16. On February 21, 2017, a duly noticed public hearing was held by the Petersburg Borough Planning Commission. At the public hearing, the commission heard oral testimony from Stacey Dahl. The commission voted to keep the public hearing open until such time as the Harbor Board could submit comments on the proposed action.
17. At the public hearing on April 18, 2017, the Planning Commission considered and reviewed applicant materials, public comments and testimony, and staff report.
  - a. Comments from the Harbor Board (attached).

### **Section 2. Based on the preceding findings of fact, the Petersburg Planning & Zoning Commission makes the following report and recommendation:**

Under PMC 19.84.030 the Commission is required to report on (a) the need and justification for the proposed change, and (b) the effect which the proposed change would have on the objective of the comprehensive plan.

- 1) Findings as to need and justification for proposed change:
  - a) The applicants state that commercial zoning would be more appropriate and provide more opportunity for development.
    - i) One of the subject parcels is currently used for commercial lodging and a professional office. While the lodging is not consistent with code, the professional office is allowed within the district.
    - ii) A second parcel was developed as a caretaker dwelling/warehouse. An application for additional residential development was denied by the Planning Commission and upheld by the Borough Assembly because it was not consistent with the district and the comprehensive plan.
    - iii) The applicants did not specify the type of future commercial activity desired, but certain commercial activity is allowed within the industrial district, specifically Retail businesses; Business and professional offices; Barber shops, Beauty shops, laundries and other consumer services; Restaurants, café's and bars; and Clubs, lodges and fraternal organizations.
    - iv) Without a specific proposal from the applicants, it is difficult to determine whether their future use is compatible with the existing zoning district and whether there is a need to alter the zoning district.
  - b) The stated justification for the proposed change is the subject parcels do not have direct access to marine waters and therefore are not suitable for industrial or marine-related industrial development.
    - i) The subject parcels are located between the Port Dock and the Commercial Drive-Down Dock, which both provide access to marine waters. Marine-related industrial businesses are located along both the Port Dock and Drive-down dock, even though portions of the dock do not have direct access to marine waters.

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- 2) The effect which the proposed change would have on the objective of the comprehensive plan:
  - a) The proposal is not consistent with the goals and objectives of the Petersburg Borough Comprehensive Plan (p. 48) as stated above in #9a, b, c.
  - b) The proposal is not consistent with future land use as shown in the general land use map of the comprehensive plan.
  - c) The proposal could set a precedence for other waterfront industrial land in the area to be rezoned for non-industrial uses further limiting land available for employment uses.
- 3) The proposed rezone would create a small island of commercial-1 within a larger industrial district. Generally, it is preferable to maintain larger cohesive zoning districts than to break up areas into small block sized districts.







January 27, 2017

Petersburg Borough  
Planning and Zoning Commission  
Box 329  
Petersburg, AK 99833

To whom it may concern,

We write to request a change of zoning to the properties listed below, to include all lots on the water side of Mitkof Highway/ S Nordic Drive at these addresses and owned by these parties:

Lister	806 S. Nordic
Dahl	804 S Nordic and 712 S. Nordic
Menish	710 S. Nordic
Olsen	708 S. Nordic

We feel **Commercial I** zoning would be more appropriate to potential development of these properties for the following reasons:

- 1) These lots are not accessible from the water due to restrictions placed on vessel movement within established distances from the floatplane dock operated by the State of Alaska DOT.
- 2) The mudflats prevent access to said properties. At the highest stages of tide, the water depth remains no greater than three to four feet over the properties.
- 3) These lots are very small and owned by different individuals so it seems doubtful an industrial entity would have the square footage to do much.
- 4) The cost of filling the tide flats to create space for remaining industrial uses (not water access based) is likely prohibitive for most industrial purposes.
- 5) Road access for maneuvering large trucks, equipment, and gear loaded trailers is very poor, as they are situated on a busy 30 mph road with curve enough to limit visibility.
- 6) This location is heavily used for business traffic and has curbside parking along the entire stretch.

**Commercial I** zoning would allow a wider range of possibilities for development in this area. Two of the properties are currently in use - one already being used for commercial purposes, and the other with aspirations to do so.

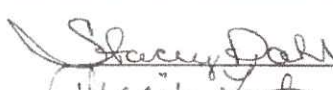
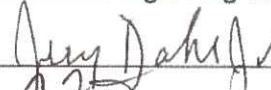
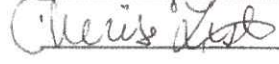
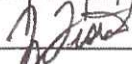
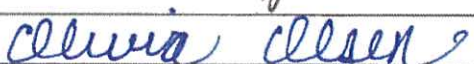

Thank you for your consideration. We welcome any discussion regarding this matter.

Jerry and Stacey Dahl

Jay and Cherise Lister

Bill Menish

Olivia Olsen

		date	1-27-17
		date	1-31-17
		date	
		date	1-27-17

**Minutes from Petersburg Harbor and Ports Advisory Board Regular meeting, held Friday, March 10<sup>th</sup>, 2017 at 2:00 pm in the Assembly Chambers.**

1. ROLL CALL The meeting was called to order by Chairman Bangs at 2:00 pm.  
Present: Chairman Bangs; Board Members Pfundt, Reid, Murgas, Thynes, and Assembly Liaison Wohlhueter. Absent: Board Members Dolan and Martin.  
Guests in attendance: Jerry Dahl, Liz Cabrera and Ron Loesch
2. APPROVAL OF THE MINUTES: Minutes of the December 15<sup>th</sup>, 2016 Regular meeting were approved, as submitted.
3. AMENDMENT & APPROVAL OF MEETING AGENDA: The agenda was approved as presented.
4. VISITORS VIEWS UN-RELATED TO AGENDA: none
5. VISITORS VIEWS RELATED TO AGENDA: Jerry Dahl elected to speak to the Board under 8. A.
6. HARBOR MASTER REPORT: Harbormaster Wollen reviewed her written report. The report is attached and made a permanent part of these minutes.
7. UNFINISHED BUSINESS:
  - A. 2017-18 Budget Review  
Harbormaster Wollen introduced the draft FY18 budget to the Board explaining that the Goals and Objectives for the upcoming year will include the discontinuing of the 10% annual discount rate for paying moorage a year in advance. This is part of a two stage effort to adopt the 12% increase across the board for fee charges from recommendations provided in the Financial Consideration Summary in the Water Front Master Plan. Wollen also provided a draft of the FY19 budget and estimates for those fee increases. She also pointed out that the Harbor Enterprise will be picking up half of the future DC Lobbyist fees as PMPL is opting out from here on out. She commented that the Lobbyist is very beneficial to the Harbor Enterprise and feels it is money well spent.
8. NEW BUSINESS:
  - A. Review and provide comments for change of zoning of properties 806, 804, 712, 710 & 708 S Nordic Drive from Industrial to Commercial I.  
Jerry Dahl presented his request to change the zoning of above properties from Industrial to Commercial I pointing out his belief that the value and usability of the property would increase by this new zoning. Harbormaster Wollen cautioned the Board to the issues that arise when multi family living is allowed adjacent to industrial zoned property and shared incidents of complaints from people when they are bothered by industrial activity. Board discussion occurred, with zoning questions answered by Liz Cabrera as to what is actually allowed/not allowed in industrial vs commercial zoned areas. **Motion was made by Member Thynes and seconded by Member Pfundt to recommend to the Planning and Zoning to retain the zoning of properties 806, 804, 712, 710 & 708 S Nordic in their Industrial Zone classification. Member Murgas called for the question and the Board passed the motion unanimously.**

9. COMMUNICATIONS: none

10. BOARD DISCUSSION ITEMS:

Member Murgas asked for a status report of the Assemblies review of Derelict Vessel State Statutes. Harbormaster Wollen had sent Board members an update of the status of Senate Bill 92 that provided opportunity to review the AK Legislature website and progress of the bill. Board discussion occurred and Assembly Liaison Wohlhueter offered to bring up the topic in a future Assembly meeting under Assembly discussion.

11. ADJOURN: The meeting adjourned at 3:30 pm.

Date Approved \_\_\_\_\_