



Rezone – Knik Construction – Staff Report

Date: October 7, 2025
To: City Council
From: Bruce Wall, Senior Planner

General Information

Applicant:	Knik Construction
Property Owner:	City of Valdez
Property Address:	1001 Airport Road
Legal Description:	Tract C-1, ASLS 79-116, Plat 2002-13
Current Zoning District:	Public Lands (P)
Proposed Zoning District:	Heavy Industrial (HI)
Comp. Plan Place Type:	Industrial Hub
Vicinity Zoning:	
East:	Public Lands (P)
West:	Light Industrial (LI) and Airport (A)
North:	Public Lands (P)
South:	Heavy Industrial (HI)
Access:	Airport Road

VMC 17.52.010 states:

The HI district is intended for industrial development, including heavy manufacturing, shipping terminals, natural resource extraction and other processes or operations which involve one or more of the following: employs large numbers of workers, heavy truck traffic, significant environmental effects or large-volume public water or sewer service or storage of hazardous materials under a conditional use permit. Limited recreation (including motorized sports facilities) is allowed.

VMC 17.20.010 states:

The P (public lands) district is intended to contain major open space areas, watershed management areas and major public and quasi-public, recreational, educational and institutional uses. Private, commercial recreational uses that are

open to the public are also intended for this district, including private lands and uses that are essentially public in character and of specific value to the entire community.

The differences in the allowed uses can be found in VMC 17.16.040, Table 17.16.040-1. The differences in the dimensional standards can be found in VMC 17.16.060 Table 17.16.060-1.

Application Description

The property proposed for a rezone is 14.4 acres located on the south side of Airport Road, one mile east of the airport terminal. For the past 23 years this property was part of a gravel lease to Harris Sand and Gravel, Inc. and was being utilized to support the gravel extraction on the adjacent parcel. Harris Sand and Gravel has indicated that they do not wish to renew the gravel lease.

Knik Construction acquired Harris Sand and Gravel in September 2025 and has applied for a gravel lease and has indicated that they wish to extract material from both parcels. They have also indicated that they would like to place an asphalt plant on the subject property. However, asphalt plants are not an allowed use in the Public Lands zoning district. Asphalt plants are a permitted use in the Heavy Industrial zoning district.

It is anticipated that Knik Construction will also submit a conditional use permit application for material resource extraction on the subject property.

Environmental Conditions

The applicant's narrative states, "*Rezoning will support operations, primarily asphalt production, under strict environmental compliance.*"

The property is relatively flat with stockpiles of gravel and a stockpile of used asphalt. There are not any mapped Special Flood Hazard Areas on the property or mapped wetlands. A Phase I environmental assessment was conducted on the property that revealed some Recognized Environmental Conditions (RECs) on the property; specifically, soil staining associated with above-ground storage containers being used for petroleum products. These RECs are in the process of being remediated.

VMC 17.12.080(E)(7)

The City Council shall retain the authority to limit its approval of amendments to the zoning code and the official zoning map to limit certain land use activities, protect public health, safety, and welfare of humans and the environment, and ensure its ability to serve properties/individuals with adequate public services.

Proposed Findings & Conclusions

1. Procedure.

- a) On August 28, 2025 the Community Development Department received a rezone application from Knik Construction to change the zoning on the subject property to Heavy Industrial.
- b) The Community Development Department reviewed the application and determined that it was complete, in accordance with VMC 17.12.080(E)(1).
- c) A public hearing was scheduled for September 24, 2025, to consider the zoning change.
- d) Notice of the meeting was published in the Copper River Record on September 11, 2025, and September 18, 2025.
- e) Notice of the publication was published in KVAK's e-blast newspaper on September 8, 2025, and September 15, 2025.
- f) Notice of the meeting was published on the City of Valdez website on September 11, 2025, in accordance with VMC 17.12.080(E)(5) and 17.12.160(C)(1).
- g) Notice of the meeting was mailed on September 10, 2025, to the 2 property owners within 300 feet of the subject property, in accordance with VMC 17.12.080(E)(5) and 17.12.160(C)(2).
- h) A document holder was posted on Airport Road with public notice flyers on September 10, 2025, in accordance with VMC 17.12.080(E)(5) and 17.12.160(C)(3).
- i) A public hearing was conducted on September 24, 2025. Following the hearing the commission approved a recommendation to the city council to approve the zoning change and adopt the findings recommended by staff.

2. Consistency with the Comprehensive Plan and its goals and policies. VMC 17.12.080(C)(2) and 17.12.080(E)(4)(b)

- a) Goal 2.1, Action E in Plan Valdez, the comprehensive plan for the City of Valdez, is, "*Rezone parcels to align with the Future Land Use Map.*"
- b) VMC 17.04.030(A) states, "*The comprehensive plan of the city of Valdez is the primary policy document to guide land use ... decisions within the city.*"
- c) VMC 17.04.030(B) states, "*The comprehensive plan shall provide guidance for actions including, but not limited to, rezoning as referenced herein.*"
- d) The Future Land Use Map depicts the subject property within the Industrial Hub place type.
- e) Heavy industrial is listed as primary land use in the Industrial Hub place type.
- f) The proposed rezone is consistent with the Industrial Hub place type depicted on the future land use map for the subject property.

3. Potential impact on public services. VMC 17.12.080(C)(2) and 17.12.080(E)(4)(c)

- a) There are not any anticipated impacts on public services associated with the rezone of this property.