



City of Valdez, Alaska  
Planning & Zoning Commission  
Conditional Use Permit  
Proposed Findings & Conclusions

**VMC Section 17.04.420 Conditional use.**

“Conditional use” means a provision which allows for flexibility within this chapter by permitting certain specified uses in zoning districts where such uses are generally considered appropriate, but only after additional conditions and safeguards are applied to ensure their compatibility with permitted principal uses. (Ord. 03-15 § 1 (part); prior code § 30-8(b) (part))

Date: March 14, 2018  
File No.: CUP #18-01  
To: Planning & Zoning Commission  
From: Rochelle Rollenhagen, Senior Planner  
CUP: 50,000 barrel regular unleaded gasoline tank and associated facilities

**General Information**

Applicant: Valdez Petroleum Terminal, Petro Star Inc.  
Property Owner: Petro Star Inc.  
Property Address: Valdez Petroleum Terminal, 402 W. Egan Dr., Valdez AK 99686  
Legal Description: TRACT J, Port Valdez Subdivision  
PIDN:  
Parcel Size:  
Zoning: Light Industrial  
Utility Service: Copper Valley Electric  
Existing Land Use: Petro Star Petroleum Tank Farm  
Access: W. Egan Drive  
Surrounding Land Use:  
**North:** Egan Drive, Mineral Creek Court Mobile Home Park, Copper Valley Electrical and Telephone/Light Industrial Zoning District  
**South:** Undeveloped/Single Family Residential Zoning District  
**East:** Anderson Plumbing & Heating, North Pacific Fuel, vacant lots /General Commercial Zoning District  
**West:** Undeveloped (appears to be used for storage) owned by Petro Star/Light Industrial Zoning

### **Project Description and Background Summary**

Originally, a conditional use permit was granted to Petro Star in 1994 and amended to include another tank in 1999. Located in the Light Industrial Zoning District, a conditional use permit for this proposed tank expansion is required per Section 17.36.040 E. Hazardous, Volatile and Flammable Storage and Distribution. The permit issued in 1999 and associated documents are attached.

The Planning and Zoning Commission held a Public Hearing on this application on February 28, 2018 and postponed the decision because of lack of solid safety information from the applicant. Staff has researched the issue and now submits new findings and conclusions.

### **Findings**

The Director of Community Development shall make findings on an application for a conditional use permit. The Planning and Zoning Commission shall review and adopt the findings unless it finds by a preponderance of the evidence that the findings are in error. The director's findings are:

#### ***1. Is the requested permit proper according to the Conditional Uses for the zoning district?***

Yes. Chapter 17.36 L-I Light Industrial District allows for the storage and distribution of hazardous, volatile and flammable substances as a Conditional Use.

#### ***2. Is the application complete?***

No. Although a site plan and answers to supplemental questions were submitted for the February 28, 2018 hearing, the department is requesting Petro Star's Alaska registered design development professional's plan for this additional fuel storage. Considering the magnitude of this project the Commission requires professional design development detail to make this decision. The State Fire Marshal Office stated that Petro Star would definitely have this type of design plans as they need to submit this for the State Fire Marshal review. He also stated that if not yet complete, the design plans should be completed soon. If the plans were submitted today it would take at least 4 weeks for a State Fire Marshal review.

### **17.50.030 Applications—Requirements.**

A. A person intending to apply for a conditional use under this section shall submit the proposed project data to the community & economic development department. The community & economic development department shall contact the applicable agencies and utilities to allow them the opportunity to comment. The agencies to be contacted may include but not be limited to:

1. City public works department for water and sewer and snow removal;
2. City engineering department;
3. City building inspector;
4. State Highway Department, if applicable;

5. Local electricity utility;
6. City fire department;
7. Local telephone utility; and
8. Cable TV utility.

B. It is recommended that the application be accompanied by the following materials:

1. Narrative Documentation.

- a. A legal description of all properties involved in the projects;
- b. A statement of the objectives expected to be achieved by the project for the consumer and the public;
- c. A detailed description of all aspects of the project, including land use, building types and sizes, population density, parking and traffic circulation, building coverage and other information which the applicant feels would assist the planning and zoning commission in making this decision; and
- d. The community development department shall provide the proposed findings and conclusions for consideration by the planning and zoning commission. The proposed findings and conclusions will include comments and issues presented by the reviewing agencies along with a list of any unresolved issues.

2. Site Plans and Supporting Drawings.

- a. As appropriate, details of the proposed project showing land use layout, building location, vehicular and pedestrian circulation, open space and recreation area, parking layout, schematic sewer and water layout, and any other information necessary to adequately describe the project;
- b. A preliminary subdivision plat showing proposed lot and dedicated street layout;
- c. A site grading and drainage plan including existing and proposed topography; and
- d. Utilities. (Ord. 97-11 § 1: prior code § 30-44)

***3. Does the proposed development follow the other requirements of the City of Valdez land use code?***

The land use code for the City of Valdez is Title 17 Zoning of the Valdez Municipal Code. This permit is being pursued in conformance with Title 17 as storage and distribution of hazardous, volatile and flammable substances is a conditional use within the Light Industrial Zoning District, Chapter 17.36.

***4. Will the proposed development materially endanger the public health or safety?***

The applicants state that they will maintain the current mitigating factors that are already in place at the existing facility. They state that the proposed tank design will meet all current code requirements and will feature an internal floating roof that will minimize vapor emissions and fire hazard. They also state that the tank will be equipped with a top-side fire foam chamber system and piping that will allow the fire department to inject foam in the event of a fire.

The Planning and Zoning Commission should be able to review these assertions. Petro Star will need to prove these statements at the State Fire Marshal level. It is reasonable to request a professional design for this addition to the existing tank storage facility.

***5. Will the proposed project substantially decrease the value of or be out of harmony with property in the neighboring area?***

This is an increase in fuel storage at an existing tank farm facility. Although not an ideal location for the facility, the increase in storage, according to the applicant, will have a de minimis affect. Petro Star states that currently there are approximately 60 tank trucks that serve the facility in a 24 hour period. The additional tank will increase tanker truck traffic by 2-3 trucks per day.

***6. Will the proposed project be in general conformity with the Valdez Comprehensive Plan, or other officially adopted plans?***

To staff's knowledge, the only plan governing this area is the Comprehensive Plan. The following goals and objectives are relevant to the proposed CUP, and are compatible with the Comprehensive Plan.

**Comprehensive Plan - Overall Goal**

To create an atmosphere that will encourage stable economic development in Valdez while enhancing the quality of life. Improvements should be made to all elements that give the community its' character. This would include enhancing the economic productivity and diversification of the region to assure continued economic prosperity; providing for public safety and the economic welfare of the community when siting future industrial, commercial, residential, and public land uses; enhancing the scenic beauty, uniqueness and historic significance of the Valdez area; and opening up new land for residential, commercial, and industrial land.

**Lifestyle**

**Goal -:** Provide for a maximum freedom of choice for people to engage in the cash economy and use local natural resources to supplement their selected economic lifestyles.

**Objective** - Increase local employment opportunities.

**Objective** - Enhance the skills of the local labor force.

**Economic Development**

**Goal -:** Encourage the development of a broad-based economy in Valdez.

**Objective** – Develop a community plan, which accommodates resource related industrial development that meets desires of community residents.

**Objective** - Strive to create an atmosphere in the community that is conducive to commercial and industrial development.

### **Land Use**

**Goal -:** Provide a community land use pattern that is compatible with existing land use patterns in the community, which is physically safe, environmentally sensitive, and consistent with the provisions and requirements of the Valdez Coastal Management Program.

**Staff Comment:** The Petro Star tank facility has been in existence for decades, and tanker trucks are a given on the Richardson Highway, traveling through town every half hour. It is debatable whether this industrial use is compatible with the existing community footprint. Tankers travel through the City of Valdez at a rate of almost 3 per hour, 24 hours a day, to a hazardous industrial facility located adjacent to the city's electrical plant, telecommunications office and a mobile home park with at least 25 homes.

**Objective** - Provide for the adequate separation of incompatible land uses.

**Staff Comment:** This objective has not been met. It is not only that an industrial petroleum storage facility is located on the main arterial in the middle of the community that makes the use incompatible. It is the facilitation of the use, i.e. the transport of the product that also does not provide for the adequate separation of incompatible uses.

**Objective** – Prohibition of the location/construction of structures in hazardous or environmentally sensitive areas.

### **Industrial Land Use**

**Goal** -: Provide for industrial land uses so that they limit impacts on adjacent land uses and the environment, and yet have safe and convenient access to the major transportation facilities they require.

**Objective** - Encourage the consolidation of industrial land use activities.

**Objective** - Provide buffers between industrial and other land uses as a means to restrict the hazardous and/or nuisance aspects of industrial uses.

**Objective** – Control undesirable air and water emissions of industrial and uses.

**7. Are any of the following criteria such to materially endanger the public health or safety: topography, slope and soil stability, geophysical hazards, surface and subsurface drainage and water quality?**

The location of the tank farm does not appear to be in an environmentally sensitive setting.

**8. Will the proposed project require the enlargement, upgrading or extending of public utilities or service systems?**

The City has no indication this project will increase the load on public utilities or service systems. No comment has been received from Copper Valley Electric. The tangible impact of 60 plus tankers per day on the Richardson Highway has not been analyzed.

### **Decision of the Commission**

The Planning and Zoning Commission may, regardless of the above findings conditionally approve or deny the permit. The Commissioners' own independent review of information submitted at the public hearing and additional information requested provides the basis for the decision. The decision needs supportive findings based on factors associated with the same questions answered in the Director's Findings.

### **Staff Recommendation**

Staff recommends Conditional Use Permit #18-01 be postponed until additional fire and explosion information is acquired and that Petro Star submit the Petro Star Alaska registered design professionals plan for the project.