



## Agenda Statement

**File #:** 20-0015      **Version:** 1  
**Type:** New Business      **Status:** Passed  
**File created:** 1/3/2020      **In control:** Planning and Zoning Commission  
**On agenda:** 1/8/2020      **Final action:** 1/8/2020  
**Title:** Approval of Conditional Use Permit Application #19-07 from Dunning Enterprises for a Towing, Salvage, Recycling, and Scrap Yard with Associated Structures for 10 years on the City of Valdez Owned Parcel Located at 596 Hobart Street (Lot 1, Block 1, Airport Industrial Subdivision)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Dunning Enterprises CUP Application 1907, 2. 596 Hobart Street Area Map, 3. 596 Hobart Street Map, 4. Valdez Municipal Code 17.50 Conditional Uses, 5. Dunning Enterprises CUP 1907 Public Hearing Notice, 6. Dunning Enterprises CUP 1907 Affidavit of Service by Mail, 7. Dunning Enterprises CUP 1907 Public Comments, 8. Dunning Enterprises CUP 1907 Proposed Findings & Conclusions

Date	Ver.	Action By	Action	Result
1/8/2020	1	Planning and Zoning Commission	approved	Pass

**ITEM TITLE:**

Approval of Conditional Use Permit Application #19-07 from Dunning Enterprises for a Towing, Salvage, Recycling, and Scrap Yard with Associated Structures for 10 years on the City of Valdez Owned Parcel Located at 596 Hobart Street (Lot 1, Block 1, Airport Industrial Subdivision)

**SUBMITTED BY:** Nicole LeRoy, Planning Technician & Kate Huber, Interim Planning Director

**FISCAL NOTES:**

Expenditure Required: N/A  
Unencumbered Balance: N/A  
Funding Source: N/A

**RECOMMENDATION:**

Approve conditional use permit application #19-07 from Dunning Enterprises for a towing, salvage, recycling, and scrap yard with associated structures for 10 years on the City of Valdez owned parcel located at 596 Hobart Street (Lot 1, Block 1, Airport Industrial Subdivision) with the following conditions:

1. Phase I environmental site assessment is required to be completed prior to lease or sale of the property for conditional use. A Phase II ESA may be required, depending on the results of a Phase I Assessment.
2. Applicant required to install security cameras and signage to deter trespassing.

3. Applicant must maintain all conditional use activities at a 50' setback from the Hobart Street right-of-way. (VMC 17.38.040G)
4. Applicant must maintain an enclosure, no more than six feet in height, surrounding the conditional use area. (VMC 17.38.040G)
5. Applicant required to maintain a hazardous material disposal plan to ensure no contamination from vehicles and materials to be recycled.
6. The deconstruction of materials to be recycled, including the removal of fluids or any toxic or hazardous substances shall be restricted the shop structure.
7. Applicant required to install an approved septic system, appropriate for planned building that maintains compliance with Alaska Department of Environmental Conservation (ADEC) regulations and the City of Valdez municipal code.
8. Applicant required to maintain compliance with State of Alaska Department of Environmental Conservation by securing an Alaska Pollutant Discharge Elimination System (APDES) Multi-Sector General Permit (2015-MSGP), establishing an appropriate Storm Water Pollution Protection Plan (SWPP).
9. Conditional use permit #19-07 will only be valid, upon the approval by City Council of a lease or negotiated sale application from Dunning Enterprises.
10. Use of the conditional use permit must commence within twelve months after the effective date of the approval. (VMC 17.06.070)

### **SUMMARY STATEMENT:**

Statement On October 24, 2019, Dunning Enterprises, LLC applied for a conditional use permit (CUP) application for a towing, salvage, recycling, and scrap yard with an associated office and vehicle processing structure on the City of Valdez owned parcel at 596 Hobart Street (Lot 1, Block 1, Airport Industrial Subdivision).

Please see the attached CUP application from Dunning Enterprises, which includes a more detailed narrative describing the proposed conditional use.

### **Property Information**

**Street Address:** 596 Hobart Street

**Legal Description:** Lot 1, Block 1, Airport Industrial Subdivision

**Property Owner:** City of Valdez

**Existing Uses:** Undeveloped

**Zoning District:** Heavy industrial

The H-I (heavy industrial) 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. Commercial and retail uses are generally not allowed in the H-I district. Residential uses other than accessory uses listed in Section 17.38.030 are prohibited. (VMC 17.38.010)

**Allowable Conditional Uses:** Junkyards, auto wrecking and scrap yards conducted within an

enclosure, but less than six feet in height and located at least fifty feet from any public street, including necessary accessory buildings and the storage of required equipment to be used on the land (VMC 17.38.040 G).

**Adjacent Zoning Districts:** Heavy industrial and light industrial district.

A public hearing was held at the November 13, 2019 Planning & Zoning Commission meeting to allow the public an opportunity to comment on the proposed conditional use.

A public notice regarding the public hearing was published in the KVAK email newsletter on October 28, 2019 and November 4, 2019. The same notice was also posted in City Hall. Notification letters were mailed to property owners within 300 feet of Lot 1, Block 1, Airport Industrial Subdivision, on October 30, 2019.

The Planning Department received five emailed public comments in opposition to the proposed CUP to be read on the record as part of the public hearing (see attached). The comments were read for the record during the November 13<sup>th</sup> public hearing. The comments received echoed a few different overlapping concerns, including concern over environmental contamination risk as a result of the proposed use, and the potential for the development to become an attractive nuisance, drawing vandalism to the area. Each comment received is included as an attachment to this agenda statement for the Commissioners and public to review.

In addition to the email submissions received, several members of the public spoke during the public hearing in opposition to the proposed use. There were concerns regarding vandalism, groundwater and soil contamination from the proposed scrap yard, and regarding the financial viability of such an operation.

If this CUP application is approved by the Planning & Zoning commission, the next step for the applicant will be to seek the approval of a lease for the use of the City owned parcel or a negotiated sale. Some issues discussed at the public hearing will be more appropriately addressed through the lease or negotiated sale application review process.

Staff has attached Valdez Municipal Code title 17.50 which details the criteria that the Commission should consider when granting permission for a conditional use. The Commission can use any of the criteria listed in VMC 17.50 to base conditions or safeguards to be required by the conditional use permit.

Staff has included recommended conditions to be met for approval of CUP application #19-07, however, the commissioners may add or remove conditions, as they see fit. Staff does not recommend that CUP 19-07 be approved without the listed conditions. Additionally, please see the attached Proposed Findings and Conclusions report for consideration by the Commission for adoption.

If CUP #19-07 is granted by the Planning & Zoning Commission, and if the City Council was to grant a lease or land sale for the property, it is important to note that the applicant would be required to meet all applicable Federal, State and City of Valdez regulations. The applicant would be required to proceed with the standard building permit application process to construct a containment and office structure. This will include required permitting for a well or water source and approved septic system design. In addition, State Fire Marshall approval for the building plans will also be required, as a commercial structure.

If CUP #19-07 is approved by the Planning & Zoning Commission, and the applicant seeks approval of a lease by City Council for the use of the City owned parcel, the lease term may not exceed the time allowed by the CUP.