



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

*Coast Guard City, USA*

## **Planning and Community Development Department**

Case No: ZA 20-01  
Proposal: Zoning Map Amendment: Industrial to C-2  
Applicant: Chris McGraw and Charles McGraw  
Owner: Halibut Point Marine Services, LLC and Charles McGraw  
Location: 4513, 4521, and 4533 Halibut Point Road  
Legal Desc.: Lot A, HPM Subdivision, Lot 55, U.S. Survey 3475, and a portion of Lot Fifty-one (51), U.S. Survey 3475  
Zone: Industrial zoning district  
Size: 4513 HPR: 100,789 sf  
4521 HPR: 49,149  
4533 HPR: 27,294  
Parcel ID: 4513 HPR: 2-5860-000  
4521 HPR: 2-5870-000  
4533 HPR: 2-5852-000  
Existing Use: Commercial deep-water dock, visitor staging, fuel & marine services  
Adjacent Use: Commercial, residential, quarrying, private marina  
Utilities: Halibut Point Road  
Access: Halibut Point Road

### **KEY POINTS AND CONCERNS:**

- Lots have been historically zoned as Industrial
- Property borders C-2 zoning district to the south on the waterfront side of Halibut Point Road and properties across Halibut Point Road
- Current use of property including commercial dock, boat storage, and fuel dealers are also permitted uses in C-2 zoning.
- New proposed uses for property include brewery, food service, and expanded retail. General retail and eating/drinking places are allowed by right in the C-2 zone. Breweries and wineries are conditional uses in the C-2 zone.
- Given the use of the dock and shore facilities for cruise ship passengers, as well as the scarcity of Industrial land, there may be community interest in changing allowable uses of the property.

### **ATTACHMENTS**

Attachment A: Aerial  
Attachment B: Zoning Map  
Attachment C: Sitka Industrial Zones  
Attachment D: Photos  
Attachment E: Applicant Materials

## **PROJECT DESCRIPTION**

The applicants are requesting a zoning map amendment from Industrial zoning to C-2 commercial zoning for their lots at 4513, 4521, and 4533 Halibut Point Road.

No public comments have been received at the time of writing this staff report.

In deliberations, commissioners need to keep in mind all C-2 permitted uses as the owner(s) could sell, and the current (or proposed) uses could change. Further, this location houses cruise ship infrastructure; there may be community-wide impacts for changes in use at this location. Relevant consideration also includes the limited Industrial zones in town; a map of all Industrial zones is attached.

## **BACKGROUND**

The lots have been zoned Industrial historically. This is a cluster of 3 lots within an Industrial zone which borders a C-2 zone. Adjacent industrial uses include shipping and storage for Alaska Marine Lines, as well as a rock quarry across the street. Given the broad allowable uses of the C-2 zone, surrounding uses in the neighboring C-2 zone include single-family residential, multifamily residential, commercial storage/warehousing, food manufacturing, and a tannery.

The applicant is motivated to pursue this zone change because they would like expand infrastructure and services to cruise ship passengers (whose numbers are forecasted to grow substantially in the coming years). Proposed development of the area includes more covered space, restrooms, tour departure staging, a restaurant, a brewery and taproom, and retail services. The applicant has included a narrative in their application to more fully outline their proposed use of the property if the zoning map amendment is successful.

Descriptions of each zoning district:

SGC 22.16.110 – I industrial district.

- A. *Intent. The industrial district is intended for industrial or heavier commercial uses including warehousing, wholesale, and distribution operations, manufacturing, natural resource extraction, contractors' yards and other such uses that require larger property or larger water and sewer services.*

SGC 22.16.080 – C-1 general commercial district or C-2 general commercial mobile home district.

- A. *Intent. The general commercial district is intended to be served by major essential utilities and to include those areas which are heavily dependent on vehicular access. The district is intended for those areas surrounding major intersections where personal services, convenience goods, and auto-related service facilities are desirable and appropriate land uses. The extension of the general commercial district long the roads in a strip fashion is to be discouraged.*
- B. *All provisions of the C-1 district apply in the C-2 district, except that permitted uses also include manufactured homes on single lots and manufactured home parks.*

## **ANALYSIS**

**Project / Site:** Main lots to be rezoned are 100,789 square feet (4513 HPR) and 49,149 square feet (4521 HPR). Lots currently have open space for parking and storage, and the haul out space/equipment/infrastructure. Towards the road on 4513 HPR, there is an approximately 5,000 square foot passenger terminal currently used for passenger staging.

Proposed usages if the ZMA is successful include new buildings for a restaurant, restrooms, a brewery and taproom, tour sales, staging, and retail. The property owners have made public their plans to no longer operate a boat haul out at this location.

**Traffic:** Staff anticipates that this ZMA would ultimately create additional traffic to the parcels as compared to what is currently happening; more traffic should be expected in commercial zones. Halibut Point Road is a major arterial highway that can be expected to carry high traffic loads. Further, if cruise ship passenger numbers are to increase, much of the increased traffic over the next five years will occur regardless of this ZMA.

**Parking:** The lots all have adequate space to accommodate off street parking as may be required for future uses.

**Noise:** Industrial use generally generates more noise than general commercial. Increased noise disturbance may occur with increased cruise passengers regardless of zoning change. Would be generally limited to day/business hours on a seasonal basis.

**Public Health or Safety:** No impacts to public health or safety anticipated.

**Habitat:** No concerns for habitat.

**Property Value or Neighborhood Harmony:** Industrial property is generally valued higher as there are fewer usage restrictions. However, the value of added allowable uses involving the sales of goods and services may be higher. The expansion of cruise passengers and facilities is an economic gain for Sitka. Concentration of visitors in the area may detract from neighborhood harmony, particularly for residential neighbors. However, this should be measured as an incremental impact, as the existing infrastructure and allowable uses under current Industrial zoning will already bring visitor traffic to the area.

**Comprehensive Plan:** The proposal directly correlates to ED 6.5: *Support growth of Sitka's independent cruise related and heritage tourism work and enterprises* by expanding cruise ship related facilities and services. However, the proposal could contribute to issues identified in LU 6.2: *Prevent future incompatible land use between residential, light commercial, heavy commercial, and industrial uses* as the C-2 zoning has already contributed to (what some may consider) non-complementary uses in the area; the mix of residential, commercial, and industrial uses within a condensed area. Whether or not this zoning change would alleviate, or exacerbate, incompatible land use is likely dependent on the overall view of the neighborhood and the community.

## **STAFF RECOMMENDATION/CONCLUSION**

From a zoning code perspective, the request avoids two major zoning conflicts. First, the request does not result in spot zoning. There is adjacent C-2 zoning; this ZMA would extend the C-2 zone. Secondly, the current infrastructure and uses of the lot are compatible and consistent with C-2 district regulations. Therefore, from a code administration standpoint, staff recommends approval.

There are two community-driven, policy considerations to be made; the presence of a cruise ship dock on the property, and the scarcity of Industrial land in Sitka. The cruise ship dock operation is an important driver of the tourism industry and serves as a gateway of visitors into the community. The surrounding uses, facilities, and services of the area will influence the visitor dispersion throughout town.

Industrial zoned land in Sitka is scarce; maps of the Industrial land are provided in the packet. The Commission should consider the ramifications of removing these properties from the “inventory” of Industrial land. There may be opportunities to open more industrial land; however, Industrial land can be difficult to establish as it is generally the highest impact use.

The goal of the Planning Department is to “facilitate citizen directed, community growth.” The community-driven, policy questions this ZMA raises must be heard by, commented on, and ultimately decided by the community. Staff maintains a neutral position on these issues.

## **RECOMMENDED MOTIONS**

- 1) **“I move to recommend approval of the zoning map amendment to rezone 4513, 4521, and 4533 Halibut Point Road from the Industrial district to the C-2 general commercial and mobile home district. The properties are also known as Lot A, HPM Subdivision, Lot 55, U.S. Survey 3475, and a portion of Lot Fifty-one (51), U.S. Survey 3475. The request is filed by Chris McGraw and Charles McGraw. The owners of record are Halibut Marine Services, LLC and Charles McGraw.”**
- 2) **“I move to adopt the findings as listed in the staff report.”**

The commission finds that:

- a. The zoning map amendment does not negatively impact the public health, safety, and welfare,
- b. The zoning map amendment has followed all code regarding amending the official zoning map with regards to public process;
- c. The zoning map amendment will not result in adverse effects on surrounding neighbors.
- d. The zoning map change is consistent with the public purpose of increasing commercial opportunities.
- e. The zoning map amendment comports with the Comprehensive Plan by aligning with goal ED 6.5: *Support growth of Sitka’s independent cruise related and heritage tourism work and enterprises.*