



# City and Borough of Sitka

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*Coast Guard City, USA*

## **Planning and Community Development Department**

### **AGENDA ITEM**

Case No: VAR 21-13  
Proposal: Increase allowable structures on one lot to 7 structures  
Applicant: Southeast Alaska Regional Health Consortium  
Owner: Southeast Alaska Regional Health Consortium  
Location: 621 Alice Loop  
Legal: Lot 2B, Dr. Walter Soboleff Replat  
Zone: Waterfront District (WD)  
Size: 21,038 square feet  
Parcel ID: 1-9000-002  
Existing Use: Vacant  
Adjacent Use: Office building, harbor, single-family, multi-family  
Utilities: Existing  
Access: Alice Loop

### **KEY POINTS AND CONCERNS**

- Lot is large for the district (15,000+ square feet more than district minimum)
- Multifamily and commercial zones are limited to 3 principal structures per lot/parcel
- The zoning code currently lacks other means of consideration for these types of developments
- The proposed density is far below the maximum allowable per the zoning code

### **RECOMMENDATION**

Staff recommends that the Planning Commission approve the zoning variance to exceed the maximum of three (3) structures on the lot to seven (7) total.

## **BACKGROUND/PROJECT DESCRIPTION**

In 2019, SEARHC commissioned a housing study in Sitka to better understand the impact to housing as a result of the potential SEARHC expansion. The total number of new staff units needed was found to be 72, ranging from efficiencies to 3 and 4 bedroom units. The Alice Loop properties at 611, 621, and 631 were good opportunities to satisfy a portion of the needed units. 631 Alice Loop is currently under development with plans for a 7-plex unit; with the requested six units on 611 and seven units on 621, this development will provide a total of twenty new housing units.

Given the high value of the waterfront property proximate to SEARHC, the Coast Guard base, schools, and the harbor, SEARHC wished to preserve what was thought of the higher use/value, which would be detached units that could eventually be individually owned. Further, the applicants feel this style of higher-end, detached housing is more consistent with the neighborhood character. While SEARHC must retain ownership of the housing units to meet Indian Health Service requirements for staff housing, the condominium platting process to facilitate individual ownership of the units was not possible. Long term plans for the units include moving forward with condominium platting and sale of the units.

SGC 22.16.015 “Permitted, conditional and prohibited uses”, states “Each lot or parcel in single-family and related zones shall only contain one principle use as defined by the tables in this chapter. Multifamily and commercial zones may contain up to three principle uses.” As this property is in the Waterfront District, it is both a multifamily and commercial zone therefore allowing three principal structures. While the density calculation for the district would allow up to seventeen dwelling units on this single lot, there are no uses/development types identified in the code that would allow more than three principal structures on the lot.

## **ANALYSIS**

### ***Uses of Variances***

SGC 22.08.850 provides the definition of the term variance, stating “*Variance means the relaxation of the strict application of the terms of this title to a proposed development to be constructed in the future. This definition shall not be construed to permit any use in any district in which that use is prohibited by the district regulations.*” Staff has interpreted this to mean that variances can be used for a wide array of deviations from the zoning code, however they cannot be used to overrule the governing use tables for each zoning district. While the number of principle structures on a lot straddles both use and development provisions of the zoning code, staff believes the variance process is an appropriate process under which to consider this request.

The zoning code has no other identified use or designation under which this type of development can occur. The condominium platting process could potentially be utilized, but can be inappropriate when the units are to be kept in common ownership. Similarly, a planned unit development (or PUD) is a subdivision action and therefore not suitable for permitting multiple structures on a single

lot. The Planning Department has received inquiries into “cottage home” type developments or freestanding townhomes in which the units remain in common ownership which face a similar zoning issue to the proposal at hand. While a zoning text change may warrant consideration in the future in order to consider these types of requests, as it currently stands the variance process appeared to be the best avenue to consider this request.

### ***Need/Hardship***

Alaska Statute 29.40.040(b)(3) states that a variance may not be granted solely to relieve financial hardship or inconvenience. A required finding for variances involving major structures or expansions in the Sitka General Code echoes this statement by stating that there must be “...*special circumstances to the intended use that do not apply generally to the other properties. Special circumstances may include the shape of the parcel, topography of the lot, the size or dimensions of the parcels, the orientation or placement of existing structures, or other circumstances that are outside the control of the property owner*”. Further, the Sitka General Code determines the granting of a variance appropriate as it allows for “*the preservation and enjoyment of a substantial property right or use possessed by other properties but are denied to this parcel; such uses may include the placement of garages or the expansion of structures that are commonly constructed on other parcels in the vicinity*”.

In this case, the main hardship as cited by the applicant is the requirement for SEARHC to retain ownership of its dwelling units as required by Indian Health Services (IHS). This need for the dwelling units to remain in common ownership presented challenges in terms of condominium platting, the only other means of considering this type of development request.

### ***Potential Impacts***

The granting of the variance does not increase traffic, density, or other impacts beyond those possible/available given existing district regulations and density allowances. Parking requirements, height restrictions, setback requirements, and all other development standards shall be applied consistent with the code.

Further, the applicant feels that the higher end, detached units are more complementary to existing development in the neighborhood. Therefore, staff believes potential adverse impacts to neighborhood harmony and public health and safety are minimal, and the proposal is consistent with the character of the neighborhood.

### ***Comprehensive Plan Guidance***

The housing section of the Comprehensive Plan notes that some key opportunities and challenges for the future are Sitka’s lack of diverse housing options as well as quality/condition of housing. The proposed variance would allow construction of a new, diverse housing option suitable for the neighborhood in which it is located. It was further identified in the Economic Development chapter of the plan that Sitka’s healthcare resources could position the community as a regional healthcare hub – the proposed variance serves to provide housing for healthcare workers for a regional healthcare facility.

## **RECOMMENDATION**

Staff recommends approval of the zoning variance to allow for seven principal structures to be built on the lot. As interest in different types of housing and ownership models change and evolve, so too do the demands for zoning changes. As of now, there are no other means of considering or accommodating such a request through existing designations in Sitka's zoning code. The proposal is less densely developed than would otherwise be allowed through the zoning designation and will result in new, additional, high quality housing opportunities.

## **ATTACHMENTS**

- Attachment A: Aerial
- Attachment B: Site Plan
- Attachment C: Elevation Sketch
- Attachment D: Floor Plan
- Attachment E: Plat
- Attachment F: Photos
- Attachment G: Applicant Materials

## **MOTIONS TO APPROVE THE ZONING VARIANCE**

- 1) I move to approve the zoning variance to allow seven (7) principal structures to be built at 621 Alice Loop in the WD waterfront district subject to the attached conditions of approval. The property is also known as Lot 2B, Dr. Walter Soboleff Replat. The request is filed by the Southeast Alaska Regional Health Consortium. The owner of record is the Southeast Alaska Regional Health Consortium.**

### **Conditions of Approval:**

- a. Seven principal structures as depicted in the site plan accompanying the request will be allowed on the lot.
- b. Building plans shall remain consistent with the narrative and plans provided by the applicant for this request. Any major changes (as determined by staff) to the plan will require additional Planning Commission review.
- c. Substantial construction progress must be made on the project within one year of the date of the variance approval or the approval becomes void. In the event it can be documented that other substantial progress has been made, a one-year extension may be granted by the Planning Director if a request is filed within eleven months of the initial approval.

**2) I move to adopt and approve the required findings for variances involving major structures or expansions as listed in the staff report.**

Before any variance is granted, it shall be shown<sup>1</sup>:

- a. That there are special circumstances to the intended use that do not apply generally to the other properties. Special circumstances may include the shape of the parcel, the topography of the lot, the size or dimensions of the parcels, the orientation or placement of existing structures, or other circumstances that are outside the control of the property owner;
- b. The variance is necessary for the preservation and enjoyment of a substantial property right or use possessed by other properties but are denied to this parcel; such uses may include the placement of garages or the expansion of structures that are commonly constructed on other parcels in the vicinity;
- c. That the granting of such a variance will not be materially detrimental to the public welfare or injurious to the property, nearby parcels or public infrastructure;
- d. That the granting of such a variance will not adversely affect the comprehensive plan.

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<sup>1</sup> Section 22.30.160(D)(1)—Required Findings for Major Variances