

Minutes of Planning & Zoning Commission
Held on April 10, 2025

1. CALL TO ORDER – 5:35 PM

2. ROLL CALL:

PRESENT: Gary Watkins, Jillian Privett, Apryl Hutchinson, Kathleen St. Clair, Terri Henson

STAFF: Kate Thomas, JR Meek

3. AMENDMENTS TO THE AGENDA - None

4. CONFLICTS OF INTEREST - None

5. APPROVAL OF MINUTES

- Approval of the Planning and Zoning regular meeting minutes from March 27, 2025.

M/S: Privett/ St. Clair

Polled Vote: All In Favor

6. DIRECTORS REPORT

Staff provided an administrative update regarding the Borough's efforts to conduct a lumber survey aimed at supporting regional economic development. Additional information will be presented at a future meeting following coordination with relevant leadership and stakeholders.

7. CORRESPONDENCE - None

8. PERSONS TO BE HEARD - None

9. NEW BUSINESS

- a) **Request from William Tonsgard of Tideline Construction, LLC. to purchase Borough-owned real property and tidelands identified as; APN 03-011-15, Lot 7, of the USS 3534 Subdivision according to Plat No. 29-20; and, APN 03-011-100, Survey USS 3000; and, a portion of APN 03-011-150, Lot 6, of the USS 3534 Subdivision according to Plat No. 29-20; and, a portion of APN 03-010-216, Lot 10, of the USS 3534 Subdivision, according to Plat No. 29-20; and, a portion of APN 03-011-200, of the ATS 1249 Subdivision, according to Plat No. 83-13.**

M / S: Privett/St. Clair

Move to approve the findings of fact and a recommendation to the Borough Assembly for the sale of a portion of the Deep-Water Port Industrial Site to Tideline Construction, LLC, subject to the following conditions:

- 1. Prior to the sale, Tideline Construction shall provide a detailed development plan for the proposed use of the property, including specifics on building placement, processing operations, stormwater management, and site layout.*
- 2. The specific parcels to be included in the sale shall be delineated and agreed upon by both Borough and Tideline Construction for subdivision planning and platting.*

3. *Negotiations for the terms of sale shall include considerations for site cleanup, infrastructure development (including road access and utility extensions), and either fair market value for the land or an equal or greater value derived from the proposed site improvements.*
4. *A comprehensive review of potential environmental impacts associated with both the existing site conditions and Tideline Construction's proposed expanded operations shall be conducted, and mitigation measures identified as necessary.*
5. *Prior to the sale closing, a subdivision plat, reflecting the agreed-upon parcel boundaries and meeting all applicable Borough and State regulations, shall be reviewed and approved by the Planning and Zoning Commission and recorded with the appropriate agency.*

Staff presented an administrative report regarding a proposed land sale at the Borough-owned Deep Water Port. The Port Commission has reviewed and approved the proposal for further consideration by the Planning and Zoning Commission.

Channel Construction, a sister company of Tidelines Construction, currently holds an existing lease at the site. The proposal outlines a potential land sale to Tidelines Construction in exchange for services, or a combination of cash and services, to support the expansion of marine freight and cargo operations. Staff noted that Tidelines holds contracts with regional organizations and has an established reputation in Southeast Alaska, with general community support for a long-term lease arrangement.

Municipal water and sewer services are not currently available at the property, but Tidelines has expressed interest in partnering with the Borough to establish utility infrastructure. A legal boundary survey is recommended to clarify property lines and avoid unintended subdivision of surrounding parcels. While some electrical infrastructure is present, updates and further evaluation will be required.

Staff recommends retaining Borough ownership of the tidelands until further zoning and development plans are finalized. The Borough and Tidelines will jointly review relevant documentation to ensure all sale requirements are met. Staff also recommends an appraisal to assess site conditions, including the cleanup of waste material and preparation for future use. At this time, the Borough does not have funding to undertake a project of this scale, and further action may be delayed until resources become available.

Staff clarified that the barge ramp shown in a referenced photo is a separate access point and is not the same as the officially proposed location for the new barge ramp intended for cargo and freight services.

Commissioner Watkins requested clarification on the estimated cost of cleanup and the total acreage of the property. Staff responded by outlining details from the original and amended proposals and explaining which waste materials are to be removed from the site.

Watkins also inquired about parcel identification numbers, specifically APN 03-011-200, and staff confirmed this parcel pertains to tidelands included in the project area.

Additionally, Watkins asked for clarification on the barge ramp shown in the proposal materials. Staff explained that the existing barge ramp depicted in the image is a separate access ramp than the official proposed location for the cargo and freight service barge ramp location, which is subject to be on the north side of the property.

Polled Vote – All In Favor

- b) Request from Ms. Jiaying Lu to purchase Borough Owned Real Property within the Wrangell Townsite, Lots 2, 3, 4, 5, 8, and 9, of the Subdivision Plat Block 54, according to Plat No. 68-81, zoned Open Space/Public.**

M / S: Privett/St. Clair

Move to approve the findings of fact and a recommendation to the Borough Assembly for the sale of Borough Owned Real Property within Wrangell Townsite, Lots 2, 3, 4, 5, 8, and 9 of the Subdivision Plat Block 54, according to Plat No. 68-81, zoned Open Space/Public.

Staff provided an administrative report regarding a development proposal involving six Borough-owned parcels located directly behind the former Wrangell Medical Center. The hospital has been vacant for five years and listed on the public surplus site for the past 3.5 years. The Borough initially retained these six parcels with the intent that they might add value to any future sale of the hospital building. However, with no meaningful progress on that sale, staff now recommend releasing the parcels for other public benefits, such as housing or commercial development. The proposed project, brought forward by Jiayang—seeks to create affordable housing opportunities for low-income families.

The parcels are currently zoned Open Space/Public use. Staff recommend reevaluating this zoning to accommodate residential or commercial development that aligns with community needs. Although utilities are presumed available on-site, the exact locations are unknown. Staff has coordinated with Public Works to identify exact locations. The subdivision plat has not been updated since 1968, and the area includes an easement for sewer and utility access, along with a strip labeled as “scenic” on aerial maps—though its original purpose is unclear and may no longer serve a municipal function. Purchaser is encouraged to seek information from Public Works on utility constraints and development conditions.

If approved by the Assembly, a formal survey could support planning and development efforts. While the survey is optional, a property appraisal is required if the project proceeds as a multi-family development.

Commissioners expressed general agreement on the need for expanded housing development in the City & Borough of Wrangell.

Commissioner St. Clair inquired whether the development would consist of apartment-style buildings. Staff responded that the plan is for a townhouse-style complex, although no visual materials were presented at the meeting. Levi confirmed that conceptual documentation would be submitted after the meeting.

Chair Henson asked whether the lots would be sold individually or combined. Staff clarified that some lots are intended to be combined for development, while others will remain separate. A

change to the configuration of lots requires a survey, which is the responsibility of the purchaser before or after the sale, as they see fit. A survey is not required by the Borough at this time.

Commissioner Watkins raised concerns about potential safety risks due to the proximity of a nearby playground and the construction site during construction. Commissioner Privett noted that the building is currently abandoned and will require redevelopment regardless of the proposal's approval, thereby requiring construction which will be temporary.

Chair Henson affirmed that the community is aware of the need to demolish the old hospital to make way for new development.

Watkins also asked whether the area would be rezoned for multi-family use and whether this change might affect adjacent commercial activity. Privett responded that while there could be temporary impacts such as construction noise, the proposal offers broader benefits in the form of economic development and new housing opportunities. Purchasers will be encouraged to communicate with the public regarding construction timelines and impacts.

Polled Vote – All in Favor

10. UNFINISHED BUSINESS

c) Review and discussion of the Planned Unit Development draft code provisions.

Staff provided an administrative report introducing the concept of Planned Unit Developments (PUDs) as a potential strategy for supporting cluster-style housing on Borough lands. Staff had met with SEARHC prior to the meeting regarding their site plans; however, SEARHC is not yet ready to bring forward a formal proposal. An update is anticipated in May 2025.

Chair Henson opened the discussion by explaining that the original purpose of exploring PUDs was to support smaller-scale developments with mutual-use areas. She clarified that such areas could be publicly or privately maintained, depending on how applicants structure agreements around shared space and long-term maintenance.

Commissioner Watkins inquired whether mutual-use areas would be designated public or private. Chair Henson reiterated that PUDs are flexible by design and that those details would be left to applicants to define in coordination with staff and the Borough.

Chair Henson also noted that developments under a PUD could allow for multi-use concepts, such as food trucks, neighborhood grocery stores, or other community amenities. She emphasized that flexibility is key to ensuring developments meet the needs of both residents and the surrounding area.

Staff confirmed that PUDs are not currently addressed in the municipal code and that any proposal involving PUD-style development would require the creation of new provisions. The Commission and staff discussed the potential of creating additional zoning designations—such as RR-3—with specific guidelines to support more flexible, clustered development options.

Commissioners discussed the suitability of Borough-owned land for this type of development. Chair Henson asked for more clarity on SEARHC's development plans before any zoning changes are recommended.

Commissioner Watkins asked how many parcels would be affected and whether code revisions were necessary. Staff responded that PUDs would apply to developments not currently defined within the existing zoning framework, and that new language would need to be introduced into the municipal code to support this.

Chair Henson suggested a change in how lot coverage is calculated under PUDs—recommending that coverage be limited to 75% of the plat, rather than the full parcel. She proposed that Public Works and other departments weigh in on this recommendation as part of future review.

Commissioners also discussed the possibility of allowing a single applicant to purchase multiple lots for cohesive development, citing past examples like the Tlingit & Haida housing project.

Staff asked if the Commission had seen any multi-family development proposals in recent years; Commissioners indicated that no such applications had come forward. Staff clarified that the lack of variation in current zoning and the absence of code support for PUDs have limited development options to date.

Staff also noted that the current code is not in draft form, and any proposed changes—such as introducing PUDs—would require a formal review process. Prior discussions with potential applicants have revealed interest in more flexible development patterns, but the code has not allowed such concepts to move forward.

Chair Henson expressed her support for PUDs as a tool to allow more affordable and flexible property ownership, and encouraged continued work on the concept. Staff recommended the Commission take time to review the draft PUD framework at the next meeting and suggested that the Borough’s new attorney also be invited to review any proposed changes. The Commission agreed. Staff will conduct a preliminary review and present additional materials for discussion at a future meeting.

11. COMMISSIONERS’ REPORTS AND ANNOUNCEMENTS –

Commissioner Watkins inquired about the status of the Borough’s Comprehensive Plan. Staff responded that the Borough had previously applied for funding through the Denali Commission to support an update but the application was denied. The primary barrier to updating the plan remains funding, with even a limited update typically requiring \$100,000 to \$200,000.

Staff noted that while the current Comprehensive Plan remains a valuable tool—particularly for guiding economic development—certain components are outdated and in need of revision. The timing and prioritization of a full plan update remain undetermined.

In addition, Staff highlighted the need to re-model the Borough’s addressing system. This includes reviewing and updating road names and address assignments, particularly in underdeveloped or inconsistently mapped areas such as out Zimovia Highway or Remote Districts. Staff acknowledged that changing addresses is often disruptive for Wrangell residents, but work is underway to secure funding for the necessary planning and implementation.

12. ADJOURNMENT – 6:50 PM

ATTEST: _____
J.R. Meek, Secretary

Terri Henson, Chair