



KENAI

July 2, 2025
2:00 p.m.

Board of Adjustment Packet
Cornerstone Developments of Alaska, LLC
82 - Unit Indoor Heated Storage Facility

**BOARD OF ADJUSTMENT HEARING
JULY 2, 2025 - 2:00 P.M.
KENAI CITY COUNCIL CHAMBERS**

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BOARD OF ADJUSTMENT HEARING

July 2, 2025 - 2:00 P.M.

Kenai City Council Chambers

210 Fidalgo Avenue, Kenai, Alaska

www.kenai.city

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Agenda

Appeal of a Planning and Zoning Commission Action Denying an Application for Conditional Use Permit to Cornerstone Developments of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 101 Third Street, Kenai, Alaska.

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES

1. February 5, 2025 Board of Adjustment Meeting

D. OPENING STATEMENT

1. Brian Gabriel, Board Chair

E. SWEARING IN OF ALL PERSONS PROVIDING TESTIMONY

F. PUBLIC COMMENTS (5 minutes per speaker)

G. STAFF REPORT (15 minutes)

H. APPELLANT

1. Cornerstone Developments of Alaska, LLC, represented by Jeremie Bird, President and Adam Tugan, Vice President. (30 minutes)

I. APPELLEE

1. City of Kenai Planning & Zoning Department. (30 minutes)

J. APPELLANT REBUTTAL

1. Cornerstone Developments of Alaska, LLC, represented by Jeremie Bird, President and Adam Tugan, Vice President. (10 minutes)

K. APPELLEE REBUTTAL

1. City of Kenai Planning & Zoning Department. (10 minutes)

L. APPELLANT CLOSING ARGUMENTS

1. Cornerstone Developments of Alaska, LLC, represented by Jeremie Bird, President and Adam Tugan, Vice President. (5 minutes)

M. APPELLEE CLOSING ARGUMENTS

1. City of Kenai Planning & Zoning Department. (5 minutes)

N. DELIBERATIONS (Deliberations may be held in public or adjudicative session)

Please contact the City Clerk's Office at 907-283-8231 for additional information or questions.

Registration is required to join the meeting remotely through Zoom. Please use the following link to register:

<https://us02web.zoom.us/meeting/register/brLqHirWRSmXI9YJ5NmBgg>



MINUTES
BOARD OF ADJUSTMENT MEETING
February 5, 2025 - 5:30 p.m.
Kenai City Council Chambers
210 Fidalgo Avenue, Kenai, Alaska

A. CALL TO ORDER

The City of Kenai Board of Adjustment convened on February 5, 2025 in the City Hall Council Chambers, Kenai, AK. Board Chair Brian Gabriel called the meeting to order at approximately 5:30 p.m.

B. ROLL CALL

There were present:

Brian Gabriel, Chair
Sovala Kisena
Victoria Askin
Alex Douthit

Henry Knackstedt
Phil Daniel
Alex Douthit

Absent:

Deborah Sounart

C. APPROVAL OF MINUTES

1. October 15, 2024 Millhouse Appeal

MOTION:

Board Member Knackstedt **MOVED** to approve the October 15, 2024 Millhouse Appeal minutes. Board Member Askin **SECONDED** the motion.

UNANIMOUS CONSENT was requested.

VOTE: There being no objection; **SO ORDERED.**

D. PUBLIC COMMENT (3 minutes per speaker)

E. ADJOURNMENT

There being no further business before the Board of Adjustment, the meeting was adjourned at 5:31 p.m.

I certify that the above represents accurate minute of the City of Kenai Board of Adjustment meeting of February 5, 2025.

Michelle M. Saner, MMC
City Clerk

BOARD OF ADJUSTMENT HEARING

Notice of Hearing

The Board of Adjustment shall ordinarily set a date for and hold a hearing on all appeals within forty-five (45) days of the filing of the appeal. However, should the forty-fifth day fall on a weekend or a municipal holiday, the hearing may be scheduled for the next following weekday which is not a municipal holiday. For good cause, the Board of Adjustment may hold the hearing up to sixty (60) days after the filing of the appeal. Notice of the time and place of such hearing shall be mailed to all interested parties and to all property owners within three hundred feet (300') of the property involved at least fifteen (15) days prior to the hearing. Notices to the appellant and/or applicant for the action or determination must be sent by certified mail, return receipt requested.

Type of Hearing

The Board of Adjustment Hearing will be conducted in compliance with the City of Kenai Municipal Code 14.20.290, reasonable regulations of the Board and other applicable law. The Board of Adjustment is a quasi-judicial board. The hearing is open to the public and is recorded. All persons presenting evidence and testimony shall do so under oath, administered by the City Clerk. This hearing will be conducted less formally with regard to rules of evidence and other court rules of procedure than in a judicial courtroom.

The hearing before the Board is de-novo; the Board will review both the facts and law presented during the hearing and submitted timely. Evidence and written arguments to be considered by the Board must be submitted to the Kenai City Clerk, 210 Fidalgo Ave., Kenai, AK 99611 or cityclerk@kenai.city by **Monday, June 23, 2025 at 10:00 a.m.** A packet containing all evidence of written argument, timely submitted, will be provided to all parties as soon as possible after the submission date. The Clerk will include in the hearing packet the record from the Planning and Zoning Commission Hearing.

A list of witnesses any party intends to have testify during the hearing must be provided to the City Clerk by the date evidence is due. New tangible evidence not timely submitted to the City Clerk will normally not be admitted unless good cause is shown as to why the evidence could not be timely submitted. A decision to include the evidence will be decided by the board. All evidence considered in this matter should be in the record before the Board as previously provided to the parties. The Appellant, or party applying to the Board, has the burden of proof to show entitlement to relief.

Hearing Procedures

Any requested revision to the agenda or procedures by a party must be made to the Board and approved by the Board prior to the start of the hearing.

Prior to any presentations, members of the public may address the Board at the beginning of the hearing. Members of the public will have five (5) minutes each to speak on the Conditional Use Permit to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

Staff will be allowed 15 minutes to provide a report to the Board at the beginning of the hearing.

Following the staff report, each party will be allowed 30 minutes to present its case. The Appellant will present their case first. During the parties' presentation of the case, the parties may call witnesses. Any witness that testifies during the presentation of the case by either party, unless excused by the Board with concurrence of the parties, must remain available to be called during rebuttal, at which time cross examination may occur. Each party will be allowed 10 minutes for rebuttal and 5 minutes for closing arguments.

Upon recognition by the Chair, Board Members may question the parties and their witnesses. Questioning by the Board may take place at any time before the hearing is closed. Questioning by the Board and responsive answers will not count against a party's time.

Hearing Deliberation & Decision

The Board may undertake deliberations immediately upon the conclusion of the hearing on appeal or may take the matter under advisement and meet at such other time as is convenient for deliberations until a decision is rendered.

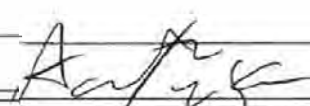
The Board requires a quorum of four and a majority of those assembled to make a decision. The Board must issue a decision within 30 days of the hearing date. The Board may reverse, remand or affirm, wholly or in part, or may modify the order, requirement, decision or determination, as ought to be made, and to that end shall have the powers of the body from whom the appeal is taken.

Deliberations need not be in public and may be conducted in an adjudicatory session with the Board Attorney. A written decision will be issued and will indicate how each board member voted. Copies of the decision shall be promptly posted on the City's official website and mailed to all parties participating in the appeal. The written decision shall trigger the timeline for any appeal to the Superior Court.



CITY OF KENAI
APPEAL TO THE BOARD OF
ADJUSTMENT

City of Kenai
210 Fidalgo Avenue
Kenai, AK 99611
Phone: 283-8231
Fax: 283-5068
Email: cityclerk@kenai.city

Contact Information	
Name of Appellant: Adam Tugan	Date: 5/19/2025
Daytime Phone No.: [REDACTED]	Email Address: [REDACTED]
Appellant's Physical Address: [REDACTED]	
Appellant's Mailing Address: PO Box 1017 Verdale, WA 99037	
Appeal Information	
Description of the decision being appealed: Conditional Use Permit - Please see the attached pages.	
Subject Property Owner's Name and Address: Cornerstone Developments of Alaska, LLC	
Subject Property Street Address: 1001 3rd St. Kenai AK 99611	
Decision was <input type="checkbox"/> Approved <input checked="" type="checkbox"/> Denied	Date of Decision: May 14th 2025
Decision was made by <input type="checkbox"/> Administrative Official <input checked="" type="checkbox"/> Planning & Zoning Commission	
Check One: <input checked="" type="checkbox"/> I am the applicant for the action taken or determination, or the owner of the property that is the subject of the action or determination under appeal. <input type="checkbox"/> I am the administrative official. <input type="checkbox"/> I am a legal occupant or owner of an interest in real property who can show the decision has or could have an adverse effect on the use, enjoyment, or value of that real property. An interest which is no different from that of the general public is not sufficient to make a person aggrieved. To be a "party of record," participation with either oral or written comments at the hearing before the Planning and Zoning commission or before the administrative official making a final decision must be shown.	
Description of Harm (Note: An interest which is no different from that of the general public is not sufficient.): The appeal asserts that the Kenai Planning and Zoning Commission's 3-3 vote denying the Conditional Use Permit for an 82-unit mini-storage facility at 1001 Third Street caused harm by arbitrarily blocking a compliant project without evidence. This denial deprives Cornerstone Developments of Alaska, LLC, of rightful land use, despite new evidence showing minimal traffic and lighting impacts compared to an adjacent 8-unit apartment project, meeting KMC 14.20.150(e) criteria.	
I am seeking relief as follows: Please see the attached Pages.	
Signature of Appellant: 	
FOR CITY CLERK'S OFFICE USE ONLY: Receipt Stamp: RECEIVED 5/20/25	
Appellant <input checked="" type="checkbox"/> Owns <input type="checkbox"/> Leases, Lease Requested Appellant Participated <input checked="" type="checkbox"/> Orally <input type="checkbox"/> In Writing Appellant Paid Pursuant to <input checked="" type="checkbox"/> Fee Schedule <input type="checkbox"/> Fee Reduction Form Copy provided to Appellant <input type="checkbox"/> In Person <input checked="" type="checkbox"/> By Mail By: <u>MT</u> Application <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied for _____ Date Appellant Notified: <u>5/20/25</u>	

Kenai City Clerk's Office



KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

May 20, 2025

Mailed Via: USPS Certified Mail-Return Receipt
Article No. 7020 0640 0002 2738 2083 &
Emailed to: [REDACTED]

Adam Tugan
PO Box 1017
Verdale, WA 99037

RE: Application to Appeal to Board of Adjustment: Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Adam Tugan to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

Mr. Tugan:

After consulting the City Attorney, the above referenced application for an appeal to the Board of Adjustment has been approved. A copy of the application along with the receipt for payment is enclosed.

The City Council during their regularly scheduled meeting on May 21, 2025, will have a discussion item to schedule the Board of Adjustment hearing.

I will advise you of the hearing date once it has been set.

Please contact my office at 907-283-8231 if you have any questions.

Sincerely,

Shellie Saner, MMC
City Clerk



KENAI
140 BIDARKA ST
KENAI, AK 99611-9998
(800)275-8777

05/20/2025 12:50 PM

Product	Qty	Unit Price	Price
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First-Class Mail®	1		\$2.59
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Large Envelope

Veradale, WA 99037

Weight: 0 lb 4.30 oz

Estimated Delivery Date

Tue 05/27/2025

Certified Mail® \$4.85

Tracking #:

70200640000227382083

Return Receipt \$4.10

Tracking #:

9590 9402 6765 1074 8971 83

Total \$11.54

Grand Total: \$11.54

Cash \$20.00

Change -\$8.46

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Veradale, WA 99037

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Extra Services & Fees (check box, add fee as appropriate)

☒ Return Receipt (hard copy) \$

☐ Return Receipt (electronic) \$

☒ Certified Mail Restricted Delivery \$

☒ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$2.59

Total Postage and Fees

\$11.54

Sent To

Street and

City, State,

Adam Tugan

PO Box 1017

Verdale, WA 99037

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Tracking Number:

70200640000227382083

☐ Copy

☒ Add to Informed Delivery

Latest Update

We attempted to deliver your item at 1:21 pm on June 11, 2025 in VERADALE, WA 99037 and a notice was left because an authorized recipient was not available. If this item is unclaimed after 15 days then it will be returned to the sender.

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Delivery Attempt

Notice Left (No Authorized Recipient Available)

VERADALE, WA 99037

June 11, 2025, 1:21 pm

Reminder to pick up your item

VERADALE, WA 99037

May 29, 2025

See All Tracking History

From: [REDACTED]
To: [City Clerk](#)
Subject: Re: Application to Appeal to the Board of Adjustment Approved
Date: Tuesday, May 20, 2025 1:03:44 PM
Attachments: [image003.png](#)

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Thank you for keeping us posted.

On Tue, May 20, 2025 at 1:59 PM City Clerk <cityclerk@kenai.city> wrote:

Mr. Tugan and Mr. Bird,

After consulting the City Attorney, the attached application for an appeal to the Board of Adjustment has been approved.

The City Council during their regularly scheduled meeting on May 21, 2025, will have a discussion item to schedule the Board of Adjustment hearing.

I will advise you of the hearing date once it has been set.

Please contact my office at 907-283-8231 if you have any questions.



Meghan Thibodeau

Deputy City Clerk

City of Kenai | 210 Fidalgo Avenue | Kenai, AK 99611

P: (907) 283-8249 | **W:** www.kenai.city | **E:**

mthibodeau@kenai.city

--

Jeremie Bird - Operations Director
CORNERSTONE DEVELOPMENTS OF ALASKA, LLC
STERLING, ALASKA

Phone: [REDACTED]
Email: [REDACTED]
Web: cdoa.managebuilding.com



Tenant Preferred Communication: For faster service, please use Buildium's Resident Center for all requests, work orders, and messages. Opt into text notifications for timely updates. Thank you for helping us serve you better!

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May 20, 2025

Delivered: In-Person &
Emailed to: teubank@kenai.city;
kbuettner@kenai.city

City of Kenai Planning & Zoning Department
210 Fidalgo Ave
Kenai, Alaska 99611

RE: Application to Appeal to Board of Adjustment: Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Adam Tugan to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

To City of Kenai Planning & Zoning Department:

After consulting the City Attorney, the above referenced application for an appeal to the Board of Adjustment has been approved.

The City Council during their regularly scheduled meeting on May 21, 2025, will have a discussion item to schedule the Board of Adjustment hearing.

I will advise you of the hearing date once it has been set.

Please contact my office at 907-283-8231 if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Shellie Saner", is positioned above the printed name.

Shellie Saner, MMC
City Clerk



KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

Acknowledgement of Receipt of Notice

I Terry Eubank certify and acknowledge the following:
(print name)

That I have received a copy of the following notice:

- Application Received for an Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Adam Tugan to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

Signature

5/20/25

Date

City Manager

Title

Copy provided to Planning Director, Kevin Buettner

From: [City Clerk](#)
To: [Terry Eubank](#); [Kevin Buettner](#)
Subject: Application to Appeal to the Board of Adjustment Approved
Date: Tuesday, May 20, 2025 12:59:00 PM
Attachments: [Cornerstone DOA Appeal Resolution PZ2025-17 - Approved.pdf](#)
[image002.wmz](#)
[image004.png](#)

After consulting the City Attorney, the attached application for an appeal to the Board of Adjustment has been approved.

The City Council during their regularly scheduled meeting on May 21, 2025, will have a discussion item to schedule the Board of Adjustment hearing.

I will advise you of the hearing date once it has been set.

Please contact my office at 907-283-8231 if you have any questions.

Meghan Thibodeau
Deputy City Clerk

City of Kenai | 210 Fidalgo Avenue | Kenai, AK 99611
P: (907) 283-8249 | **W:** www.kenai.city | **E:** mthibodeau@kenai.city

From: [Kevin Buettner](#)
To: [City Clerk](#)
Subject: Read: Application to Appeal to the Board of Adjustment Approved
Date: Tuesday, May 20, 2025 1:02:08 PM

Your message

To: Kevin Buettner
Subject: Application to Appeal to the Board of Adjustment Approved
Sent: Tuesday, May 20, 2025 12:59:55 PM (UTC-09:00) Alaska
was read on Tuesday, May 20, 2025 1:02:07 PM (UTC-09:00) Alaska.

June 6, 2025

Mailed Via: USPS Certified Mail-Return Receipt
Article No. 7020 0640 0002 2738 2205 &
Emailed to: [REDACTED]

Cornerstone Development of Alaska, LLC
Adam Tugan, Vice President
P.O. Box 1017
Verdale, WA 99037

RE: **Board of Adjustment Hearing** - Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Development of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

Hearing Scheduled: This letter is to inform you that the Board of Adjustment Hearing for the above-referenced matters has been scheduled for Wednesday, July 2, 2025, beginning at 2:00 p.m. The hearing will be held at Kenai City Hall in Council Chambers located at 210 Fidalgo Avenue, Kenai, AK 99611. A packet of information will be provided to you and the Board of Adjustment prior to the hearing.

Information/Evidence Deadline: The deadline to submit information, to be included in the Board of Adjustment Hearing packet, related to your appeal is **Monday, June 23, 2025 at 10:00 a.m.**; please submit to Kenai City Clerk, 210 Fidalgo Ave., Kenai, AK 99611 or cityclerk@kenai.city. This is your opportunity to introduce additional evidence to support your appeal. The Board of Adjustment Hearing packet will include the record from the Planning and Zoning Commission Hearing and will be distributed to all parties in advance of the hearing. Enclosed is information related to the hearing process.

Notice: Pursuant to KMC 14.20.290(f), this Notice of Hearing has been mailed to you by certified mail at least 15 days prior to the hearing, and property owners within 300 feet of the referenced property, as well as other interested parties, will also be mailed the Notice of Hearing at least 15 days prior to the hearing.

If you have any questions, please contact me at 283-8231 or cityclerk@kenai.city.

Kenai City Clerk's Office



Shellie Saner, MMC
Kenai City Clerk

Enclosure: Board of Adjustment Procedures

BOARD OF ADJUSTMENT HEARING

Notice of Hearing

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7020 0640 0002 2738 2205

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☐ Return Receipt (electronic) \$0.00
☒ Certified Mail Restricted Delivery \$0.00
☒ Adult Signature Required \$0.00
☐ Adult Signature Restricted Delivery \$
Postage \$0.73
Total Postage and Fees \$5.58
Sent To Cornerstone Development of Alaska, LLC
Street and Adam Tugan, Vice President
P.O. Box 1017
City, State Verdale, WA 99037
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions



KENAI
140 BIDARKA ST
KENAI, AK 99611-9998
www.usps.com

06/06/2025

01:18 PM

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(UP TO 25 ITEMS)



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Text and e-mail alerts available

PURCHASE DETAILS

Product	Qty	Unit Price	Price
School Bus	8	\$0.28	\$2.24
First-Class Mail® Letter	1		\$0.73
Verdale, WA 99037			
Weight: 0 lb 0.60 oz			
Estimated Delivery Date			
Wed 06/11/2025			
Certified Mail®			\$4.85
Tracking #:			
70200640000227382205			
Return Receipt			\$4.10
Tracking #:			
9590 9402 6765 1074 8959 50			
Total			\$9.68

Grand Total: \$11.92

Credit Card Remit \$11.92

Card Name: VISA
Account #: XXXXXXXXXXXX2128
Approval #: 074174
Transaction #: 701
AID: A0000000031010 Contactless
AL: VISA CREDIT

Tracking Number:

70200640000227382205

☐ Copy ☒ Add to Informed Delivery

Latest Update

This is a reminder to please pick up your item at the VERDALE, WA 99037 Post Office.

Get More Out of USPS Tracking:

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Delivery Attempt

Reminder to pick up your item

VERDALE, WA 99037
June 16, 2025

Available for Pickup

VERDALE
15202 E SPRAGUE AVE
SPOKANE VALLEY WA 99037-9998
M-F 0700-1700; SAT 0700-1000
June 11, 2025, 7:07 am

[See All Tracking History](#)

From: [City Clerk](#)
To: [REDACTED]
Subject: City of Kenai Board of Adjustment Hearing Scheduled
Date: Friday, June 6, 2025 1:38:00 PM
Attachments: [Letter to Appellant - Hearing Scheduled.pdf](#)
[Hearing Procedures.pdf](#)
[image003.png](#)
Importance: High

To: Adam Tugan

Please see attached items:

- City of Kenai Board of Adjustment Hearing Scheduled Notice - Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Development of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.
- Board of Adjustment Procedures.

Thank you,

Shellie Saner, MMC
Kenai City Clerk
P: 907-283-8246 | F: 907-283-5068



June 6, 2025

Delivered: In-Person &
Emailed to: teubank@kenai.city;
sbloom@kenai.city;
kbuettner@kenai.city

City of Kenai Planning & Zoning Department
210 Fidalgo Ave
Kenai, AK 99611

RE: **Board of Adjustment Hearing** - Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Development of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

Hearing Scheduled: This letter is to inform you that the Board of Adjustment Hearing for the above-referenced matters has been scheduled for Wednesday, July 2, 2025, beginning at 2:00 p.m. The hearing will be held at Kenai City Hall in Council Chambers located at 210 Fidalgo Avenue, Kenai, AK 99611. A packet of information will be provided to you and the Board of Adjustment prior to the hearing.

Information/Evidence Deadline: The deadline to submit information, to be included in the Board of Adjustment Hearing packet, related to your appeal is **Monday, June 23, 2025 at 10:00 a.m.**; please submit to Kenai City Clerk, 210 Fidalgo Ave., Kenai, AK 99611 or cityclerk@kenai.city. This is your opportunity to introduce additional evidence to support your appeal. The Board of Adjustment Hearing packet will include the record from the Planning and Zoning Commission Hearing and will be distributed to all parties in advance of the hearing. Enclosed is information related to the hearing process.

Notice: Pursuant to KMC 14.20.290(f), this Notice of Hearing has been mailed to you by certified mail at least 15 days prior to the hearing, and property owners within 300 feet of the referenced property, as well as other interested parties, will also be mailed the Notice of Hearing at least 15 days prior to the hearing.

If you have any questions, please contact me at 283-8231 or cityclerk@kenai.city.

Kenai City Clerk's Office



Shellie Saner, MMC
Kenai City Clerk

Enclosure: Board of Adjustment Procedures



KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

Acknowledgement of Receipt of Notice

I Terry Eubank certify and acknowledge the following:
(print name)

That I have received a copy of the following notice:

- Notice of Hearing Scheduled for an Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Development of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.
- Board of Adjustment Hearing Procedures

Signature

6/6/25

Date

ASSISTANT TO CITY MANAGER

Title



KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

Acknowledgement of Receipt of Notice

I Scott Bloom certify and acknowledge the following:
(print name)

That I have received a copy of the following notice:

- Notice of Hearing Scheduled for an Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Development of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.
- Board of Adjustment Hearing Procedures

Signature

6/6/25

Date

ASSISTANT TO CITY MANAGER

Title



KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

Acknowledgement of Receipt of Notice

I Kevin Buettner certify and acknowledge the following:
(print name)

That I have received a copy of the following notice:

- Notice of Hearing Scheduled for an Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Development of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.
- Board of Adjustment Hearing Procedures

KBH

Signature

6/6/25

Date

Planning Director

Title

From: [City Clerk](#)
To: [Terry Eubank](#); [Scott Bloom](#); [Kevin Buettner](#)
Cc: [Christine Cunningham](#)
Subject: City of Kenai Board of Adjustment Hearing Scheduled
Date: Friday, June 6, 2025 1:40:00 PM
Attachments: [Letter to Appellee - Hearing Scheduled.pdf](#)
[Hearing Procedures.pdf](#)
[image002.png](#)
Importance: High

To: City Manager Eubank, City Attorney Bloom, City Planning Director Buettner

Please see attached items:

- City of Kenai Board of Adjustment Hearing Notice - Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Development of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.
- Board of Adjustment Hearing Procedures.

Thank you,

Shellie Saner, MMC
Kenai City Clerk
P: 907-283-8246 | F: 907-283-5068



AFFIDAVIT OF SERVICE

I, Shellie Saner, City Clerk for the City of Kenai, Alaska, do hereby certify that on June 6, 2025, I caused to be mailed the foregoing Notice of Hearing before the Board of Adjustment on the following appeal:

Appeal of the Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Developments of Alaska, LLC to Develop and Operate an 82- Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

This notice was sent by first class mail to all residents within 300 feet of the subject property and all other interested parties as required by KMC 14.20.290. The list of recipients of the notice is attached herewith.

Further this affiant sayeth naught.



Shellie Saner, MMC
City Clerk

Dear Property Owner:

The Kenai City Council will convene as the Board of Adjustment on **Wednesday, July 2, 2025 at 2:00 p.m.** in the Council Chambers 210 Fidalgo Avenue, Kenai, Alaska. The following will be heard by the Board:

Appeal of the Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Developments of Alaska, LLC to Develop and Operate an 82- Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

Because you own property or properties within 300-feet of the above-mentioned address or have stated an interest in the subject, you are hereby notified of the hearing date, time and place, pursuant to KMC 14.20.290. Your comments and/or attendance regarding this appeal are encouraged. Written comments will be accepted until 10:00 a.m. on Monday, June 23, 2025 and may be mailed to the Office of the City Clerk, 210 Fidalgo Ave., Kenai, Alaska 99611 or emailed to cityclerk@kenai.city. ~ Shellie Saner, City Clerk, 907-283-8231.

Thank you.

Dear Property Owner:

The Kenai City Council will convene as the Board of Adjustment on **Wednesday, July 2, 2025 at 2:00 p.m.** in the Council Chambers 210 Fidalgo Avenue, Kenai, Alaska. The following will be heard by the Board:

Appeal of the Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Developments of Alaska, LLC to Develop and Operate an 82- Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

Because you own property or properties within 300-feet of the above-mentioned address or have stated an interest in the subject, you are hereby notified of the hearing date, time and place, pursuant to KMC 14.20.290. Your comments and/or attendance regarding this appeal are encouraged. Written comments will be accepted until 10:00 a.m. on Monday, June 23, 2025 and may be mailed to the Office of the City Clerk, 210 Fidalgo Ave., Kenai, Alaska 99611 or emailed to cityclerk@kenai.city. ~ Shellie Saner, City Clerk, 907-283-8231.

Thank you.



City of Kenai
Office of the City Clerk
210 Fidalgo Avenue
Kenai, Alaska 99611

IMPORTANT NOTICE



City of Kenai
Office of the City Clerk
210 Fidalgo Avenue
Kenai, Alaska 99611

IMPORTANT NOTICE

Eric & Crystal Beeman

[REDACTED]

Homer, AK 99603

Bridget Cruickshank

[REDACTED]

Kenai, AK 99611

Emmet F. & Corrinne Heidemann

[REDACTED]

Eagle River, AK 99577

Delbert W. & Nancy Hutcheson

[REDACTED]

Steilacoom, WA 98388

Martin Kukowski

[REDACTED]

Anchorage, AK 99502

Travis Lafrance

[REDACTED]

Kenai, AK 99611

Elizabeth Mesa

[REDACTED]

Kenai, AK 99611

James H. Petersen

[REDACTED]

Vancouver, WA 98660

Hafiz Rahman

[REDACTED]

Salt Lake City, UT 84124

Terence L. Rais

[REDACTED]

Kenai, AK 99611

Brian Senteney

[REDACTED]

Anchorage, AK 99508

Gwenneth Urciuoli

[REDACTED]

Kenai, AK 99611

Michael Urciuoli

[REDACTED]

Kenai, AK 99611

Cornerstone Developments of Alaska LLC

[REDACTED]

Veradale, WA 99037

Crave Alaska Cabin Company LLC

[REDACTED]

Sterling, AK 99672

Granite Investments LLC

[REDACTED]

Kenai, AK 99611

Kenai Peninsula Borough

144 N. Binkley Street

Soldotna, AK 99669

Galt Ventures LLC

[REDACTED]

Anchorage, AK 99507



PUBLIC NOTICE

Board of Adjustment Hearing Wednesday, July 2, 2025 - 2:00 p.m.

The Kenai City Council will convene as the Board of Adjustment on Wednesday, July 2, 2025 at 2:00 p.m. in the City Council Chambers located at Kenai City Hall 210 Fidalgo Avenue, Kenai, AK. The following items will be heard at that time:


Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Developments of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

The public is invited to attend and testimony will be taken. Any questions related to this public notice may be directed to the Kenai City Clerk's Office at 907-283-8231 or cityclerk@kenai.city.

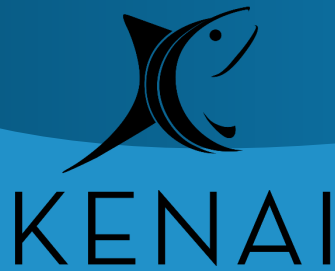
Shellie Saner, MMC, City Clerk
Publish: 06/20/25 & 06/27/25

Affidavit of Publication & Posting

I, Shellie Saner, City Clerk for the City of Kenai, Alaska do hereby certify that on the 13th day of June 2025, I electronically mailed or caused to be published the foregoing Notice of Hearing before the Board of Adjustment to the Peninsula Clarion and requested that this notice be published in the June 20th and 27th editions of their newspaper. On the 13th day of June 2025 the notice was also posted at Kenai City Hall and on the internet at www.kenai.city.



Shellie Saner, City Clerk



City of Kenai Public Notice

Notice is hereby given; the Kenai City Council will convene as the Board of Adjustment on **Wednesday, July 2, 2025, at 2:00 p.m.** in the Council Chambers at 210 Fidalgo Avenue, Kenai. The following will be heard at that time:

Appeal of a Planning and Zoning Commission Action Denying an Application for a Conditional Use Permit to Cornerstone Developments of Alaska, LLC to Develop and Operate an 82-Unit Indoor Heated Storage Facility Located at 1001 Third Street, Kenai, Alaska.

The public is invited to attend and testimony will be taken. The agenda and any supporting documents can be located on the City's website, www.kenai.city. Any questions related to this public notice may be directed to the Kenai City Clerk's Office at 283-8231 or cityclerk@kenai.city.

Shellie Saner, MMC
City Clerk

Posted: 06/06/2025
Shellie Saner, MMC, City Clerk



Failed
5/14/25

**CITY OF KENAI
PLANNING AND ZONING COMMISSION
RESOLUTION NO. PZ2025-17**

A RESOLUTION **GRANTING** A CONDITIONAL USE PERMIT TO DEVELOP AND OPERATE A MINI-STORAGE FACILITY AT 1001 THIRD STREET IN THE URBAN RESIDENTIAL (RU) ZONING DISTRICT.

APPLICANT: Cornerstone Developments of Alaska, LLC – Adam Tugan

PROPERTY ADDRESS: 1001 Third Street

LEGAL DESCRIPTION: Mommsens Sub Replat Addn No 1 & 2, Lot 12 Blk 6 Addn No. 1

KENAI PENINSULA BOROUGH PARCEL NUMBER: 03912318

WHEREAS, a complete application meeting the requirements of Kenai Municipal Code 14.20.150 was submitted to the City on April 8, 2025; and,

WHEREAS, the applicant has demonstrated that the prerequisites of a Conditional Use Permit have been met pursuant to Kenai Municipal Code 14.20.150; and,

WHEREAS, the City of Kenai Planning and Zoning Commission conducted a duly advertised public hearing on May 14, 2025, following requirements outlined in Kenai Municipal Code 14.20.280 for public hearings and notifications.

WHEREAS, the Planning and Zoning Commission finds:

1. *KMC 14.20.150(d)(1) The use is consistent with the purpose of this chapter and the purposes and intent of the zoning district;*

Findings: *The Urban Residential (RU) Zone is intended to provide for apartments and compatible uses in areas near centers of shopping, services and employment where high-density residential development is desirable.*

The proposed development would not necessarily violate the character of the neighborhood as it would provide a practical amenity for residents to store personal belongings, seasonal equipment such as fishing gear, snow machines, and household items, thereby supporting the functionality and organization of the nearby apartments, multi- and single-family dwellings.

As Redoubt Avenue is considered a Minor Collector Route, and often has higher annual average daily traffic counts than the surrounding streets, and while there is no significant change in traffic anticipated, Staff recommends the entry to the property be moved to Third Street to forestall any possible changes/increases to traffic on Redoubt Avenue. There is

adequate parking available, as it is for loading and unloading only. Staff finds that the proposed use meets the intent of the RU zoning district.

2. *KMC 14.20.150(d)(2) The economic and noneconomic value of the adjoining property and neighborhood will not be significantly impaired;*

Findings: The proposed indoor heated storage facility will not impair the economic and noneconomic value of the adjacent properties and neighborhood as, per the applicant, it will be designed to minimize disruption. Unlike outdoor storage, the facility's indoor structure eliminates visual clutter, noise and activity that could detract from the neighborhood's rural aesthetic. Being heated, it ensures year-round functionality without external equipment that might disturb residents.

The Applicant plans to incorporate natural landscaping, setbacks and screening (fencing or vegetation) to ensure a proper buffer. The units will generate low traffic volumes, and enhance the utility of the neighborhood by providing a practical amenity, reducing the need for sprawling outbuildings that could clutter the neighborhood. At a scale of 82 units, the facility ensures it serves local demand without transforming the area into a commercial hub, preserve the residential character.

Staff finds the proposed use would not impair the economic and noneconomic value of adjacent properties and neighborhood.

3. *KMC 14.20.150(d)(3) The proposed use is in harmony with the Comprehensive Plan;*

Findings: The Land Use Plan, from the 2016 Comprehensive Plan, identifies the subject property with the Suburban Residential (RS) land use classification. The RS Land Use Classification is defined in the Comprehensive Plan:

Suburban Residential is intended for single-family and multi-family residential uses that are urban or suburban in character. The area will typically be developed at a higher density; lots are typically smaller; and, public water and sewer services are required or planned. Some developments may be required to construct streets to a pave standard and larger subdivisions may be required to provide sidewalks and public areas. Parks and open space land uses may be considered appropriate.

The surrounding uses consist of empty lots to the north, empty lot and residential to the east, empty lots and a single-family dwelling to the south, and empty lot and apartment buildings to the west. To the south of Redoubt Avenue, it is zoned Recreational (R) and Rural Residential (RR). To the North, it is Suburban Residential (RS), as well as surrounding the strip of seven (7) Urban Residential (RU) parcels that include 1001 Third Avenue.

As stated by the applicant in detail in the application letter, the proposed use of the property as proposed is consistent and in harmony with several goals in the 2016 Comprehensive Plan.

In *Imagine Kenai 2030 Comprehensive Plan*, Chapter 6, "Goals, Objectives, and Implementation", several goals and objectives are met from the proposed use.

Goal 1 – Quality of Life is to promote and encourage quality of life in Kenai.

Objective Q-2

Protect and rejuvenate the livability of existing Neighborhoods.

Objective Q-4

Establish siting and design standards so that development is in harmony and scale with surrounding uses.

Objective Q-5

Update existing site design guidelines for commercial development – landscaping, setbacks, parking.

Goal 2 – Provide economic development to support the fiscal health of Kenai.

Objective ED-2

Implement business-friendly regulations, taxation and incentives to create a stable, positive climate for private investment.

Goal 3 – Land Use is to develop land use strategies to implement a forward-looking approach to community growth and development.

Objective LU-2

Promote the infill of existing, improved subdivision lots.

Objective LU-6

Review Zoning Code to consider use of buffers and buffer zones to separate incompatible land uses. Review landscaping ordinance to ensure buffers are required to protect Neighborhoods.

Objective LU-12

Ensure that the installation of basic public infrastructure (roads, sewer, water and drainage) is coordinated with the timing of development and that improvements are in place at the time impacts occur.

4. *KMC 14.20.150(d)(4) Public services and facilities are adequate to serve the proposed use;*

Findings: City water and sewer are available and adequate for the proposed use. Redoubt Avenue is a paved City-maintained road.

5. *KMC 14.150(d)(5) The proposed use will not be harmful to the public safety, health or welfare;*

Findings: There is adequate parking and buffer for the proposed use to minimize the impact to the surrounding area. It is not anticipated that the conditional use will be harmful to the public safety, health or welfare.

As noted by the applicant, Its low-impact design, minimal environmental footprint, and community-serving purpose ensure safety through reduced hazards, protect health with no significant pollution or sanitation issues, and enhance welfare by meeting a local need without adverse impacts.

6. *KMC 14.150(d)(6) Any and all specific conditions deemed necessary by the Commission to fulfill the above-mentioned conditions should be met by the applicant. These may include, but are not limited to, measures relative to access, screening, site development, building design, operation of the use and other similar aspects related to the proposed use.*

Findings: Staff finds that allowing an indoor Mini-Storage facility does not cause any adverse impacts on the surrounding properties. Staff recommends the entrance to the facility be constructed on Third Avenue, instead of Redoubt, to continue the current traffic patterns on Redoubt Avenue.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF KENAI, ALASKA:

Section 1. That a conditional use permit is granted to develop and operate an indoor heated storage facility of approximately 82 units at 1001 Third Street, on the property described as Mommsens Subdivision Replat Addn No 1 & 2 Lot 12 Blk 6 Addn No 1 in the Urban Residential (RU) Zoning District.

Section 2. That the conditional use permit is subject to the following conditions:

1. Any development or use of the property shall comply with all applicable Federal, State of Alaska, and City regulations regardless of whether or not the requirements are listed as conditions for the approval of the Conditional Use Permit.
2. Upon request, the applicant or applicant's representative shall meet with City staff for an on-site inspection.
3. Site must have sight-obscuring fencing along Third Street.
4. Site operational hours are restricted to 7am-7pm daily.

PASSED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF KENAI, ALASKA,
THIS 14TH DAY OF MAY, 2025

Jeff Twait, CHAIRPERSON

ATTEST:

Meghan Thibodeau, Deputy City Clerk



STAFF REPORT

PLANNING & ZONING DEPARTMENT

TO: Planning and Zoning Commission
THROUGH: Kevin Buettner, Planning Director
FROM: Beth McDonald, Planning Administrative Assistant
DATE: April 14, 2025
SUBJECT: Resolution PZ2025-17 – Conditional Use Permit – Mini-Storage Facility

Request The applicant is requesting to develop and operate an indoor heated mini-storage facility with approximately 82 units.

Staff Recommendation Adopt Resolution PZ2025-17 approving a Conditional Use Permit to develop and operate a mini-storage facility at 1001 Third Street, in the Urban Residential (RU) Zoning District.

Applicant: Cornerstone Developments of Alaska, LLC – Adam Tugan
Legal Description: Mommsens Sub Replat Addn No 1 & 2 Lot 12 Blk 6 Addn No 1
Property Address: 1001 Third St.
KPB Parcel No.: 03912318
Lot Size: 28,314 square feet (.65-acres)
Zoning: Urban Residential (RU)
Current Use: Vacant Lot
Land Use Plan: Suburban Residential (RS)

SUMMARY

The Applicant is requesting to develop and operate an indoor heated mini-storage facility with approximately 82 units at 1001 Third Street, located at the intersection of Redoubt Avenue and Third Street. A Conditional Use Permit (CUP) is required to operate a Mini-Storage Facility in the Urban Residential (RU) Zoning District.

ANALYSIS

Pursuant to KMC 14.20.150(a), the intent of a conditional use permit is to allow some uses that may be compatible with the designated principal uses in specific zoning districts provided certain conditions are met. Prior to granting a conditional use permit, the Commission shall determine that the identified criteria as outlined in KMC 14.20.150(e) *Conditional Use Permits Review Criteria* are met.

Criteria 1: The use is consistent with the purpose of this chapter and the purposes and intent of the zoning district.

Findings: *The Urban Residential (RU) Zone is intended to provide for apartments and compatible uses in areas near centers of shopping, services and employment where high-density residential development is desirable.*

The proposed development would not necessarily violate the character of the neighborhood as it would provide a practical amenity for residents to store personal belongings, seasonal equipment such as fishing gear, snow machines, and household items, thereby supporting the functionality and organization of the nearby apartments, multi- and single-family dwellings.

As Redoubt Avenue is considered a Minor Collector Route, and often has higher annual average daily traffic counts than the surrounding streets, and while there is no significant change in traffic anticipated, Staff recommends the entry to the property be moved to Third Street to forestall any possible changes/increases to traffic on Redoubt Avenue. There is adequate parking available, as it is for loading and unloading only.

Staff finds that the proposed use meets the intent of the RU zoning district.

Criteria 2: The economic and noneconomic value of the adjoining property and neighborhood will not be significantly impaired.

Findings: The proposed indoor heated mini-storage facility will not impair the economic and noneconomic value of the adjacent properties and neighborhood as, per the applicant, it will be designed to minimize disruption. Unlike outdoor storage, the facility's indoor structure eliminates visual clutter, noise and activity that could detract from the neighborhood's rural aesthetic. Being heated, it ensures year-round functionality without external equipment that might disturb residents.

The Applicant plans to incorporate natural landscaping, setbacks and screening (fencing or vegetation) to ensure a proper buffer. The units will generate low traffic volumes, and enhance the utility of the neighborhood by providing a practical amenity, reducing the need for sprawling outbuildings that could clutter the neighborhood. At a scale of 82 units, the facility ensures it serves local demand without transforming the area into a commercial hub, preserving the residential character.

Staff finds the proposed use would not impair the economic and noneconomic value of adjacent properties and neighborhood.

Criteria 3: The proposed use is in harmony with the Comprehensive Plan.

Findings: The Land Use Plan, from the 2016 Comprehensive Plan, identifies the subject property with the Suburban Residential (RS) land use classification. The RS Land Use Classification is defined in the Comprehensive Plan:

Suburban Residential is intended for single-family and multi-family residential uses that are urban or suburban in character. The area will typically be developed at a higher density; lots are typically smaller; and, public water and sewer services are required or planned. Some developments may be required to construct streets to a pave standard and larger subdivisions may be required to provide sidewalks and public areas. Parks and open space land uses may be considered appropriate.

The surrounding uses consist of empty lots to the north, empty lot and residential to the east, empty lots and a single-family dwelling to the south, and empty lot being developed into two multi-family structures, and apartment buildings further to the west. To the south of Redoubt Avenue, it is zoned Recreational (R) and Rural Residential (RR). To the North, it is Suburban Residential (RS), as well as surrounding the strip of seven (7) Urban Residential (RU) parcels that include 1001 Third Avenue.

As stated by the applicant in detail in the application letter, the proposed use of the property as proposed is consistent and in harmony with several goals in the 2016 Comprehensive Plan.

RELEVANT GOALS

In *Imagine Kenai 2030 Comprehensive Plan*, Chapter 6, "Goals, Objectives, and Implementation", several goals and objectives are met from the proposed use.

Goal 1 – Quality of Life is to promote and encourage quality of life in Kenai.

Objective Q-2

Protect and rejuvenate the livability of existing Neighborhoods.

Objective Q-4

Establish siting and design standards so that development is in harmony and scale with surrounding uses.

Objective Q-5

Update existing site design guidelines for commercial development – landscaping, setbacks, parking.

Goal 2 – Economic Development to support the fiscal health of Kenai.

Objective ED-2

Implement business-friendly regulations, taxation and incentives to create a stable, positive climate for private investment.

Goal 3 – Land Use is to develop land use strategies to implement a forward-looking approach to community growth and development.

Objective LU-2

Promote the infill of existing, improved subdivision lots.

Objective LU-6

Review Zoning Code to consider use of buffers and buffer zones to separate incompatible land uses. Review landscaping ordinance to ensure buffers are required to protect Neighborhoods.

Objective LU-12

Ensure that the installation of basic public infrastructure (roads, sewer, water and drainage) is coordinated with the timing of development and that improvements are in place at the time impacts occur.

Criteria 4: Public services and facilities are adequate to serve the proposed use.

Findings: City water and sewer are available and adequate for the proposed use. Redoubt Avenue is a paved City-maintained road.

Criteria 5: The proposed use will not be harmful to the public safety, health or welfare.

Findings: There is adequate parking and buffer for the proposed use to minimize the impact to the surrounding area. It is not anticipated that the conditional use will be harmful to the public safety, health or welfare.

As noted by the applicant, Its low-impact design, minimal environmental footprint, and community-serving purpose ensure safety through reduced hazards, protect health with no significant pollution or sanitation issues, and enhance welfare by meeting a local need without adverse impacts.

Criteria 6: Any and all specific conditions deemed necessary by the Commission to fulfill the above-mentioned conditions. These may include, but are not limited to, measures relative to access, screening, site development, building design, operation of the use and other similar aspects related to the proposed use.

Findings: Staff finds that allowing an indoor Mini-Storage facility does not cause any adverse impacts on the surrounding properties. Staff recommends the entrance to the facility be constructed on Third Avenue, instead of Redoubt, to continue the current traffic patterns on Redoubt Avenue.

PUBLIC NOTICE

Pursuant to Kenai Municipal Code 14.20.280(c) notices of the public hearing for the conditional use were mailed to property owners within a three hundred-foot (300') periphery of the subject property. City staff published notice of the public hearing in the *Peninsula Clarion*. City staff submitted an Affidavit of Posting verifying a sign was placed on the parcel with information on the public hearing for the conditional use permit request.

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

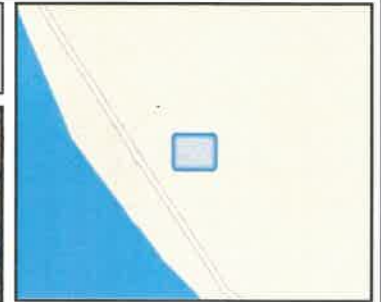
STAFF RECOMMENDATION

Staff finds that the proposed Conditional Use Permit to develop and operate an indoor heated mini-storage facility with approximately 82 units at 1001 Third Street, on the property described as Mommsens Subdivision Replat Addn No 1 & 2 Lot 12 Blk 6 Addn No 1 meets the criteria for issuance of a Conditional Use Permit as set forth in subsections (e)(1) through (e)(6) of Kenai Municipal Code 14.20.150, and hereby recommends that the Planning and Zoning Commission adopt Resolution PZ2025-17 approving the Conditional Use Permit, subject to the following conditions:

1. Any development or use of the property shall comply with all applicable Federal, State of Alaska, and City regulations regardless of whether or not the requirements are listed as conditions for the approval of the Conditional Use Permit.
2. Upon request, the applicant or applicant's representative shall meet with City staff for an on-site inspection.

ATTACHMENTS

Aerial Map
Application
Application Letter
Site Plan
Mommsens Sub Replat Addn No 1&2 Subdivision Plat



Legend

Physical Addresses



Transportation

Mileposts



Roads

- Medium Collector
- Medium Volume - Unmaintained
- Medium Volume - Maintained
- Low / Seasonal
- Legal Trail
- Private
- State Hwy
- Platted / Proposed

Parcels and PLSS

Parcels



9" Imagery

- Red: Red
- Green: Green
- Blue: Blue



NOTE: Every reasonable effort has been made to ensure the accuracy of these data. However, by accepting this material, you agree that the Kenai Peninsula Borough assumes no liability of any kind arising from the use of this data. The data are provided without warranty of any kind, either expressed or implied, including but not limited to time, money or goodwill arising from the use, operation or modification of the data. In using these data, you further agree to indemnify, defend, and hold harmless Kenai Peninsula Borough for any and all liability of any nature arising from the lack of accuracy or correctness of the data, or use of the data.



Conditional Use Permit Application

City of Kenai
Planning and Zoning Department
210 Fidalgo Avenue
Kenai, AK 99611
(907) 283-8200
planning@kenai.city
www.kenai.city/planning

PROPERTY OWNER

Name:	Cornerstone Developments of Alaska, LLC							
Mailing Address:								
City:					State:	WA	Zip Code:	99037
Phone Number(s):								
Email:								

PETITIONER REPRESENTATIVE (LEAVE BLANK IF NONE)

Name:	Adam Tugan							
Mailing Address:								
City:					State:	AK	Zip Code:	99672
Phone Number(s):								
Email:								

PROPERTY INFORMATION

Kenai Peninsula Borough Parcel # (Property Tax ID):	03912318
Physical Address:	1001 3rd St Kenai, AK 99611
Legal Description:	T 6N R 12W SEC 25 SEWARD MERIDIAN KN 0001355 MOMMSENS SUB REPLAT ADDN NO 1 & 2 LOT 12 BLK
Zoning:	Urban Residential
Acres:	0.65 Acres


CONDITIONAL USE DESCRIPTION

(include site plan/floor plan with square footages)
(include State Business License and KPB Tax Compliance if applicable)

How is this property currently being used?	Vacant Land
Conditional Use Requested for (attach additional sheets if necessary):	
See Attachment - Section 1	

Explain how the conditional use is consistent with purposes and intent of the zoning district of the property:
See Attachment - Section 2

Explain how the value of adjoining property and neighborhood will not be significantly impaired by the conditional use:
See Attachment - Section 3

Use of surrounding property - north:	Suburban Residential		
Use of surrounding property - south:	Recreational		
Use of surrounding property - east:	Urban Residential		
Use of surrounding property - west:	Urban residential		
Explain how the conditional use is in harmony with the City's Comprehensive Plan:			
See Attachment - Section 4			
Are public services and facilities on the property adequate to serve the proposed conditional use?			
See Attachment - Section 5			
Explain how the conditional use will not be harmful to public safety, health, or welfare:			
See Attachment - Section 6			
Are there any measures with access, screening, site development, building design, or business operation that will lessen potential impacts of the conditional use to neighbors?			
See Attachment - Section 7			
<p>AUTHORITY TO APPLY FOR CONDITIONAL USE:</p> <p>I hereby certify that (I am) (I have been authorized to act for) owner of the property described above and that I petition for a conditional use permit in conformance with Title 14 of the Kenai Municipal Code. I understand that payment of the application fee is nonrefundable and is to cover the costs associated with processing this application, and that it does not assure approval of the conditional use. I also understand that assigned hearing dates are tentative and may have to be postponed by Planning Department staff of the Planning and Zoning Commission for administrative reasons. I understand that a site visit may be required to process this application. City of Kenai personnel are authorized to access the above-referenced property for the purpose of processing this application.</p>			
Signature:		Date:	4/8/2025
Print Name:	Adam Tugan	Title/Business:	Manager/ Co-owner
For City Use Only		Date Application Fee Received:	
		PZ Resolution Number:	



Section 1. - Conditional Use Requested for:

The applicant requests a Conditional Use Permit (CUP) to develop and operate an indoor heated storage facility with approximately 82 units at 1001 3rd St, located at the intersection of Redoubt Ave and 3rd Street in Kenai, within the Rural Residential (RU) zoning district. Under Kenai Municipal Code 14.20.050, storage facilities are not a permitted use in RU zones but may be allowed with a CUP if they meet community goals and compatibility standards. This proposal seeks approval to introduce a low-impact, service-oriented use in a residential area, designed to harmonize with the surrounding rural character.

Section 2. - Explain how the conditional use is consistent with purposes and intent of the zoning district of the property:

The proposed indoor heated storage facility at 1001 3rd St is consistent with the purposes and intent of the RU zoning district in the following ways:

1. Support for Residential Use and Lifestyle:

The RU district prioritizes a low-density residential environment. This storage facility enhances the rural residential lifestyle by providing a practical amenity for residents to store personal belongings, seasonal equipment (e.g., fishing gear, snow machines), and household items, thereby supporting the functionality and organization of nearby single-family homes. Its proximity to Redoubt Ave and 3rd Street, near the downtown core, offers convenience without necessitating urban-density development, aligning with the district's goal of maintaining a rural character with minimal infrastructure demands.

2. Low-Impact Design Compatible with Rural Character:

The facility's indoor, heated design ensures minimal external impact, preserving the tranquility and aesthetics of the RU district. Unlike open storage or industrial uses, the enclosed structure reduces noise, visual clutter, and traffic compared to permitted accessory uses like large garages or barns. The *Imagine Kenai 2030 Comprehensive Plan* supports such compatibility through Goal 1, Objective Q-4, which promotes land uses "in harmony and scale with surrounding uses" (Chapter 6, Section 6.2). Landscaping,

setbacks, and buffers (Goal 3, Objective LU-6) will further mitigate effects on adjacent properties, maintaining the rural residential ambiance.

3. **Efficient Use of Existing Infrastructure:**

The RU district assumes reliance on existing rural infrastructure, such as gravel roads and on-site utilities. The storage facility at 1001 3rd St leverages Redoubt Ave's accessibility without requiring significant upgrades to roads, water, or sewer systems beyond what is already available or planned for the site. This aligns with the district's intent to limit urban sprawl and infrastructure costs, as well as the Comprehensive Plan's Goal 3, Objective LU-12, which emphasizes coordinating development with existing infrastructure (Chapter 6, Section 6.4).

4. **Community Benefit Without Altering District Purpose:**

While the RU district focuses on residential uses, the conditional use process allows flexibility for community-serving uses that do not undermine its rural intent. The storage facility meets a demonstrated need for secure, climate-controlled storage in Kenai, supporting residents' quality of life (Goal 1) and economic vitality (Goal 2) as outlined in the Comprehensive Plan (Chapter 6, Sections 6.2 and 6.3). Its scale—approximately 82 units—remains modest, ensuring it serves local households rather than transforming the area into a commercial hub, thus preserving the district's low-density residential focus.

5. **Alignment with Comprehensive Plan's Flexibility:**

The *Imagine Kenai 2030 Comprehensive Plan* maps RU zones to its Low Density Residential (LDR) classification, intended for "large-lot single-family low-density residential development" (Chapter 5, Section 5.4.3), but also encourages adaptive land use to meet evolving needs (Chapter 5, Section 5.1). The storage facility aligns with this flexibility by introducing a low-impact service use that complements residential living, supporting Goal 3's forward-looking approach to growth (Chapter 6, Section 6.4) without conflicting with the RU district's rural residential purpose.

Conclusion:

The indoor heated storage facility with approximately 82 units at 1001 3rd St is consistent with the RU zoning district's purposes and intent by enhancing the rural residential lifestyle, maintaining low-impact compatibility, utilizing existing infrastructure, and providing a community benefit without altering the district's primary residential character. Its design and location align with both the zoning code and the *Imagine Kenai 2030 Comprehensive Plan*, ensuring it supports rather than detracts from the RU district's rural residential environment.

Section 3. - Explain how the value of adjoining property and neighborhood will not be significantly impaired by the conditional use:

The proposed indoor heated storage facility at 1001 3rd St will not significantly impair the value of adjoining properties or the surrounding neighborhood due to its low-impact design, compatibility measures, and alignment with community goals. The following points demonstrate how the project preserves the rural residential character and property values in the RU district:

1. Low-Impact Indoor Design Minimizes Disruption:

Unlike outdoor storage or industrial uses, the facility's indoor structure eliminates visual clutter, noise, and activity that could detract from the neighborhood's rural aesthetic. The heated feature ensures year-round functionality without external equipment (e.g., generators) that might disturb residents. This aligns with the *Imagine Kenai 2030 Comprehensive Plan* Goal 1, Objective Q-4, which promotes land uses "in harmony and scale with surrounding uses" (Chapter 6, Section 6.2). By maintaining a clean, enclosed appearance, the facility avoids the depreciation often associated with unsightly or noisy developments, preserving the appeal and value of adjoining single-family homes.

2. Mitigation Through Site Design and Buffers:

The project will incorporate natural landscaping, setbacks, and screening (e.g., fencing or vegetation) as recommended by Goal 3, Objective LU-6 of the *Comprehensive Plan* (Chapter 6, Section 6.4), ensuring a buffer between the facility and adjacent properties. These measures, consistent with updated site design guidelines (Objective Q-5), will obscure the building from view, reduce light spillage, and maintain privacy for neighbors. In a rural residential context, where large lots and open space are valued, such mitigation prevents any significant aesthetic or functional impairment, supporting property values comparable to permitted accessory structures like sheds or garages.

3. Minimal Traffic and Activity Impact:

Storage facilities generate low traffic volumes, primarily occasional visits by users, unlike retail or office uses that could increase congestion. Located at Redoubt Ave and 3rd Street, the site benefits from existing road access near the downtown core, dispersing trips without overburdening rural streets. This low-intensity use aligns with the RU district's intent for minimal infrastructure demands (KMC 14.20.050) and avoids the traffic-related devaluation that might occur with higher-impact developments. The *Comprehensive Plan*'s emphasis on efficient land use (Goal 3, Objective LU-2) supports this approach, ensuring neighborhood functionality remains intact.

4. Enhancement of Neighborhood Utility and Appeal:

The facility provides a practical amenity for residents, addressing storage needs for seasonal items, recreational equipment, or excess belongings in a rural area where large accessory buildings might otherwise proliferate on individual lots. By centralizing storage in a single, well-designed facility, it reduces the need for sprawling outbuildings that could clutter the neighborhood and lower its cohesive rural charm. This supports property values by maintaining a tidy, organized community appearance, consistent with Goal 1's focus on quality of life (Chapter 6, Section 6.2).

5. Precedent of Compatible Uses in Residential Areas:

Storage facilities, particularly indoor ones, are often approved in or near residential zones nationwide when designed to blend with surroundings, as they provide utility without the negative externalities of commercial or industrial operations. At 1001 3rd St, the modest scale of 82 units ensures it serves local demand without transforming the area into a commercial hub, preserving the RU district's residential character. The *Comprehensive Plan*'s allowance for flexible land use (Chapter 5, Section 5.1) reinforces this compatibility, suggesting that well-integrated service uses can coexist with rural residential areas without impairing value.

Conclusion:

The indoor heated storage facility at 1001 3rd St will not significantly impair the value of adjoining properties or the neighborhood due to its low-impact, indoor design, effective mitigation measures, minimal traffic, and enhancement of community utility. By adhering to the RU district's rural residential intent (KMC 14.20.050) and the *Imagine Kenai 2030 Comprehensive Plan's* goals for compatibility and quality of life, the project ensures that the surrounding area retains its aesthetic, functional, and economic value. Far from detracting, it offers a subtle benefit that supports the neighborhood's livability and appeal.

Section 4. – Explain how the conditional use is in harmony with the City's Comprehensive Plan:

The proposed indoor heated storage facility at 1001 3rd St is in harmony with the *Imagine Kenai 2030 Comprehensive Plan*, adopted on January 3, 2017, by supporting its overarching goals of enhancing quality of life, fostering economic vitality, and promoting efficient land use, while respecting the rural residential context of the RU zoning district. Below, we outline how the project aligns with specific Plan goals and objectives.

1. Enhancing Quality of Life (Goal 1):

Goal 1 aims to “promote and encourage quality of life in Kenai” by meeting diverse resident needs (Chapter 6, Section 6.2). The storage facility supports this by providing a practical, climate-controlled solution for storing personal belongings, seasonal equipment, and recreational gear—key to Kenai's northern climate and outdoor lifestyle (Chapter 4, Sections 4.2.1 and 4.7). Objective Q-4 calls for land uses “in harmony and scale with surrounding uses,” and the indoor design, with landscaping and setbacks (Objective Q-5), ensures minimal impact on the rural residential neighborhood near Redoubt Ave and 3rd Street. This enhances livability by reducing clutter on individual properties, preserving the aesthetic and functional value of the area (Objective Q-2).

2. Supporting Economic Vitality (Goal 2):

Goal 2 seeks to bolster Kenai's fiscal health through economic development and job creation (Chapter 6, Section 6.3). The storage facility aligns with Objective ED-2, which promotes “business-friendly regulations, taxation, and incentives to create a stable, positive climate for private investment.” This project represents a private investment that will generate temporary construction jobs and long-term employment for management and maintenance. Though located in an RU zone, its proximity to the downtown core via Redoubt Ave positions it as a strategic economic enhancer, offering a service that supports local households without requiring extensive commercial rezoning (Objective ED-5). This modest economic contribution harmonizes with the Plan's vision of sustainable growth.

3. Promoting Efficient Land Use (Goal 3):

Goal 3 advocates a “forward-looking approach to community growth and development” through efficient land use and infrastructure coordination (Chapter 6, Section 6.4). The facility at 1001 3rd St supports Objective LU-2 by utilizing an existing RU-zoned parcel for infill development, avoiding sprawl into undeveloped areas. Objective LU-12 ensures

“basic public infrastructure (roads, sewer, water, and drainage) is coordinated with the timing of development,” and the project leverages Redoubt Ave’s rural road access without necessitating significant upgrades beyond on-site needs. This aligns with the Plan’s emphasis on compact, cost-effective growth patterns (Chapter 5, Section 5.2.1), harmonizing with the RU district’s low-density framework while meeting community demands.

4. Compatibility with Low Density Residential (LDR) Classification:

The RU zoning district corresponds to the Plan’s *Low Density Residential (LDR)* classification, intended for “large-lot single-family low-density residential development” with rural standards (Chapter 5, Section 5.4.3). While storage is not a listed use, the Plan encourages flexibility to adapt land use to evolving needs (Chapter 5, Section 5.1). The indoor facility complements this classification by serving adjacent residents without altering the area’s rural character. Its design—enclosed, heated, and buffered (Goal 3, Objective LU-6)—ensures compatibility with surrounding homes, aligning with the Plan’s intent to balance growth with neighborhood integrity.

5. Community Benefit and Strategic Location:

The Plan highlights Kenai’s evolving needs, including storage for a growing senior population and seasonal residents (Chapter 4, Section 4.7). Located near the downtown core, the facility at 1001 3rd St bridges rural and urban areas, supporting the Plan’s vision of a connected community (Chapter 5, Section 5.2). By providing a centralized, low-impact storage option, it reduces the proliferation of accessory structures on large lots, maintaining the rural aesthetic while fulfilling a practical need, in harmony with the Plan’s holistic approach to development.

Conclusion:

The indoor heated storage facility with approximately 82 units at 1001 3rd St is in harmony with the *Imagine Kenai 2030 Comprehensive Plan* by enhancing quality of life, supporting economic vitality, and promoting efficient land use within the RU zoning district. Its thoughtful design and strategic location near Redoubt Ave and 3rd Street ensure it complements the rural residential environment while addressing community needs, fulfilling the Plan’s vision of a thriving, well-planned Kenai that balances growth with its unique character.

Section 5. - Adequacy of Public Services and Facilities for the Proposed Conditional Use

Conditional Use Requested: The applicant seeks a Conditional Use Permit to develop an indoor heated storage facility with approximately 82 units at 1001 3rd St, located at the intersection of Redoubt Ave and 3rd Street in Kenai, within the Rural Residential (RU) zoning district.

Evaluation of Public Services and Facilities:

Public services and facilities on or available to the property at 1001 3rd St are adequate to serve the proposed indoor heated storage facility, given its low-impact nature and the existing infrastructure in this RU-zoned area near the downtown core. The following analysis assesses key services—roads, water, wastewater, drainage, and utilities—in the context of the project’s needs and the *Imagine Kenai 2030 Comprehensive Plan*.

1. Road Access and Transportation:

The property at 1001 3rd St benefits from its location at the intersection of Redoubt Ave and 3rd Street, providing direct access to an existing rural road network. The RU zoning district typically features gravel roads designed for low-density residential use (KMC 14.20.050), and Redoubt Ave, as a collector street near the downtown core, adequately supports the minimal traffic generated by a storage facility. Unlike retail or office uses, this project will involve infrequent trips—primarily short visits by users—requiring no significant road upgrades. The Comprehensive Plan’s Goal 3, Objective LU-12 emphasizes coordinating development with existing infrastructure (Chapter 6, Section 6.4), and the current road capacity is sufficient to serve the proposed use without strain.

2. Water Supply:

The RU district often relies on individual on-site wells for water supply (Chapter 5, Section 5.4.3), though properties near the downtown core may have access to municipal water depending on proximity to service lines. The storage facility’s water needs are minimal, limited to a boiler system, and do not include high-demand activities like industrial processing. This aligns with the Plan’s focus on efficient infrastructure use (Goal 3).

3. Wastewater Management:

Similar to water, RU properties typically use on-site septic systems (KMC 14.20.050). The storage facility’s wastewater demands are ZERO, with no discharge from the 82-unit operation itself. No restrooms required. The Comprehensive Plan notes that RU areas like Beaver Loop Road may see future sewer extensions (Chapter 5, Section 5.4.3), but the project’s minimal needs do not necessitate such upgrades.

4. Drainage:

The property’s rural setting implies natural drainage or basic on-site solutions, typical for RU zones with large lots (Chapter 5, Section 5.4.3). The indoor facility will generate limited runoff, primarily from the building roof and small parking area, which can be managed with gravel surfaces or simple swales per city standards. The Plan’s Goal 3, Objective LU-12 supports coordinating drainage with development (Chapter 6, Section 6.4), and the site’s design will include adequate grading and landscaping to prevent impacts on adjoining properties, ensuring existing drainage capacity is sufficient.

5. Utilities (Power and Heating):

Electrical service from Homer Electric Association (HEA) is widely available in Kenai, including RU areas near the downtown core like 1001 3rd St (Chapter 4, Section 4.2.1). The facility requires power for interior lighting and heating the 82 units, a demand well within HEA’s capacity for a modest commercial structure. Natural gas from Enstar, or electric heating systems will meet the heated storage needs without exceeding local utility infrastructure. The Plan’s emphasis on efficient growth (Goal 3) supports leveraging existing utility lines, which are adequate here due to the site’s strategic location.

6. Public Safety (Fire and Police):

The Kenai Fire Department and Police Department serve the entire city, including RU zones near Redoubt Ave and 3rd Street. The facility’s indoor, all metal exterior design reduces fire risk compared to outdoor storage. Police needs are minimal, as storage facilities experience low crime rates with basic security measures (e.g., lighting, locks). Existing public safety services are sufficient to cover this low-intensity use without additional resources, consistent with the Plan’s community-focused vision (Goal 1).

Conclusion:

Public services and facilities at 1001 3rd St are adequate to serve the proposed indoor heated storage facility with approximately 82 units. The site's access to Redoubt Ave, minimal water, basic drainage solutions, available utilities, and existing public safety coverage align with the RU district's rural infrastructure standards (KMC 14.20.050). This efficiency supports the *Imagine Kenai 2030 Comprehensive Plan's* Goal 3 by utilizing existing resources without necessitating costly expansions (Chapter 6, Section 6.4), ensuring the project integrates seamlessly into the community.

Section 6. - How the Conditional Use Will Not Be Harmful to Public Safety, Health, or Welfare

Conditional Use Requested: The applicant seeks a Conditional Use Permit to develop an indoor heated storage facility with approximately 82 units at 1001 3rd St, located at the intersection of Redoubt Ave and 3rd Street in Kenai, within the Rural Residential (RU) zoning district.

Assessment of Impact on Public Safety, Health, and Welfare:

The proposed indoor heated storage facility at 1001 3rd St will not be harmful to public safety, health, or welfare due to its low-impact design, minimal operational demands, and proactive mitigation measures. The project aligns with the *Imagine Kenai 2030 Comprehensive Plan's* goals of enhancing quality of life and ensuring community well-being, as detailed below.

1. Public Safety – Low Risk to Fire, Traffic, and Crime:

- **Fire Safety:** The indoor facility reduces fire hazards compared to outdoor storage by enclosing all units. The heated design prevents frozen pipes or equipment malfunctions common in unheated structures, further minimizing risks in Kenai's cold climate (Chapter 4, Section 4.2.1). Existing fire services near the downtown core are adequate to respond, ensuring no strain on public safety resources.
- **Traffic Safety:** The facility will generate minimal traffic—primarily occasional user visits—posing no significant risk to road safety on Redoubt Ave or 3rd Street. The RU district's rural roads (KMC 14.20.050) can handle this low volume without congestion or hazards, aligning with the Plan's Goal 3 focus on coordinated infrastructure use (Chapter 6, Section 6.4).
- **Crime Prevention:** Storage facilities typically have low crime rates when equipped with basic security (e.g., lighting, locks, cameras), which will be implemented here. Proximity to the downtown core enhances police visibility, and the Kenai Police Department's existing coverage ensures safety without additional burden, supporting Goal 1's livability objectives (Chapter 6, Section 6.2).

2. Public Health – No Environmental or Health Hazards:

- **Air and Noise Quality:** The indoor design eliminates dust, emissions, or noise from outdoor operations, unlike industrial or open storage uses. Heating will be electric or natural gas-based (e.g., via Homer Electric Association or Enstar), producing no harmful pollutants beyond standard residential levels. This preserves air quality and quietude in the RU neighborhood, consistent with Objective Q-2's focus on safe, healthy environments (Chapter 6, Section 6.2).

- **Runoff Control:** Limited runoff from the roof and small parking area will be managed with gravel surfaces or swales, preventing flooding or erosion that could affect neighboring health or property, in line with Goal 3, Objective LU-12 (Chapter 6, Section 6.4).
- 3. **Public Welfare – Community Benefit Without Adverse Effects:**
 - **Meeting a Public Need:** The facility addresses a community need for secure, climate-controlled storage, supporting residents' welfare by accommodating seasonal items (e.g., fishing gear, Snow Machines, etc..) and reducing clutter on large RU lots (Chapter 4, Section 4.7). This enhances quality of life (Goal 1), fulfilling KMC 14.20.150(e)(1)'s public need criterion without compromising the rural residential character.
 - **Compatibility and Mitigation:** Landscaping, setbacks, (Goal 3, Objective LU-6) will buffer the facility from adjoining properties, minimizing visual or privacy impacts. The indoor structure avoids the aesthetic or welfare concerns of open storage, ensuring harmony with the neighborhood near Redoubt Ave and 3rd Street (Objective Q-4). This supports the Plan's vision of balanced growth (Chapter 5, Section 5.1).
 - **No Overburden on Services:** As noted previously, existing roads, utilities, and public safety services are adequate, preventing any reduction in welfare due to strained resources (Goal 3, Chapter 6, Section 6.4).

Conclusion:

The indoor heated storage facility with approximately 82 units at 1001 3rd St will not be harmful to public safety, health, or welfare. Its low-risk design, minimal environmental footprint, and community-serving purpose ensure safety through reduced hazards, protect health with no significant pollution or sanitation issues, and enhance welfare by meeting a local need without adverse impacts. This aligns with the *Imagine Kenai 2030 Comprehensive Plan*'s goals of fostering a safe, healthy, and thriving community, making it a compatible addition to the RU district.

Section 7. - Are there any measures with access, screening, site development, building design, or business operation that will lessen potential impacts of the conditional use to neighbors?

Measures to Lessen Potential Impacts of the Conditional Use to Neighbors

Conditional Use Requested: The applicant seeks a Conditional Use Permit to develop an indoor heated storage facility with approximately 82 units at 1001 3rd St, located at the intersection of Redoubt Ave and 3rd Street in Kenai, within the Rural Residential (RU) zoning district.

Mitigation Measures to Lessen Impacts:

The proposed indoor heated storage facility at 1001 3rd St incorporates specific measures in access, screening, site development, building design, and business operation to minimize potential impacts on neighboring properties in the RU district. These measures ensure compatibility with the rural residential character and align with the *Imagine Kenai 2030*

Comprehensive Plan's emphasis on harmony and quality of life (Goal 1, Objective Q-4; Goal 3, Objective LU-6). Below are the proposed mitigations:

1. **Access Measures:**

- **Controlled Entry Point:** Access will be limited to a single, well-defined entrance off Redoubt Ave, reducing traffic dispersion onto 3rd Street or adjacent residential areas. This leverages the existing rural road infrastructure (KMC 14.20.050) without necessitating widenings or additional access points, minimizing disruption to neighbors.
- **Low Traffic Design:** The facility's layout will include a small parking area (e.g., 5-10 spaces) for users, sized for the low-frequency visits typical of storage facilities (1-2 trips per week per unit). Signage will direct traffic efficiently, preventing congestion or safety hazards on rural streets, supporting Goal 3's coordinated infrastructure use (Chapter 6, Section 6.4).

2. **Screening Measures:**

- **Vegetative Buffers:** Native trees or shrubs will be planted along property lines, particularly adjacent to residential lots, to screen the facility from view and maintain the rural aesthetic of the RU district (Chapter 5, Section 5.4.3). This aligns with Objective LU-6's call for buffers to lessen impacts (Chapter 6, Section 6.4).
- **Fencing:** A 6-foot fence designed to blend with residential surroundings, will encircle the site, obscuring the building and parking area while enhancing privacy for neighbors. This complements Objective Q-5's updated design standards (Chapter 6, Section 6.2).

3. **Site Development Measures:**

- **Setbacks:** The building and parking will exceed minimum RU setbacks (e.g., 20 feet front, 10 feet sides/rear per KMC 14.20.050), providing ample space from property lines to reduce perceived intrusion and preserve open space typical of rural lots.
- **Drainage Control:** Gravel surfaces or swales will manage runoff from the roof and parking, preventing flooding or erosion onto adjacent properties. This low-impact solution suits the RU district's rural infrastructure and aligns with Goal 3, Objective LU-12 (Chapter 6, Section 6.4).
- **Lighting:** Downward-directed, motion-sensor lights will illuminate the site only when needed, minimizing light pollution and glare into neighboring yards, consistent with Objective Q-2's focus on safe, livable environments (Chapter 6, Section 6.2).

4. **Building Design Measures:**

- **Indoor Structure:** The fully enclosed design eliminates noise, dust, and visual clutter from outdoor storage, significantly reducing impacts compared to open alternatives. The 82 units will be housed in a single-story or low-profile building to match the scale of rural residential structures (Objective Q-4).
- **Aesthetic Integration:** Exterior finishes (e.g., muted colors, metal siding) will reflect rural residential styles, blending with the neighborhood rather than standing out as a commercial entity. This supports the Plan's emphasis on harmony with surroundings (Chapter 6, Section 6.2).

- **Heated Design:** Internal heating (electric or gas) ensures no external noise or emissions from heating units, maintaining quietude and air quality for neighbors, tailored to Kenai's climate (Chapter 4, Section 4.2.1).
5. **Business Operation Measures:**
- **Limited Hours:** Operations will be restricted to daytime hours (e.g., 7 AM to 7PM), with no after-hours access unless via secure keycard entry for users, reducing noise or activity during quiet times and preserving rural tranquility.
 - **Security Features:** Motion-activated cameras and adequate lighting will deter vandalism or crime without constant staffing, minimizing operational presence and neighbor concerns about safety (Goal 1, Chapter 6, Section 6.2).
 - **Usage Restrictions:** The facility will prohibit hazardous materials, commercial operations, or living spaces within units, ensuring it remains a passive storage use that does not introduce health or safety risks to the community.

Conclusion:

The indoor heated storage facility at 1001 3rd St incorporates targeted measures—controlled access, vegetative and fenced screening, thoughtful site development, residential-style building design, and low-impact operations—to lessen potential impacts on neighbors. These mitigations minimize traffic, noise, visual, and environmental effects, ensuring the project harmonizes with the RU district's rural residential character. This approach aligns with the *Imagine Kenai 2030 Comprehensive Plan*'s goals of enhancing quality of life (Goal 1) and promoting compatible development (Goal 3), safeguarding the well-being of the surrounding neighborhood.

C/O

Adam Tugan – Construction & Maintenance Director

Cornerstone Developments of Alaska, LLC

PO Box 1017 Veradale, WA 99037

adam@cornerstonedevelopmentsak.com

State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Cornerstone Developments of Alaska LLC



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective **January 21, 2019**.

A handwritten signature in cursive script, appearing to read "Julie Anderson".

Julie Anderson
Commissioner

KENAI PENINSULA BOROUGH

CERTIFICATE OF AUTHORITY TO COLLECT BOROUGH SALES TAX

THIS IS TO CERTIFY THAT CORNERSTONE DEVELOPMENTS OF ALASKA LLC

is authorized and empowered by the Mayor of the Kenai Peninsula Borough to collect for the Borough Sales Tax on retail Sales, Rents and Services imposed pursuant to Ordinance No 5.18 of the Kenai Peninsula Borough.

This certificate is non-assignable and non-transferable and must be surrendered to the Mayor by the seller to whom it was issued upon his ceasing to do business at the location named herein, or any change in ownership, form of ownership, or any other change.

**CORNERSTONE DEVELOPMENTS OF ALASKA LLC
36809 DUTCH LANDING LOOP
STERLING AK 99672**

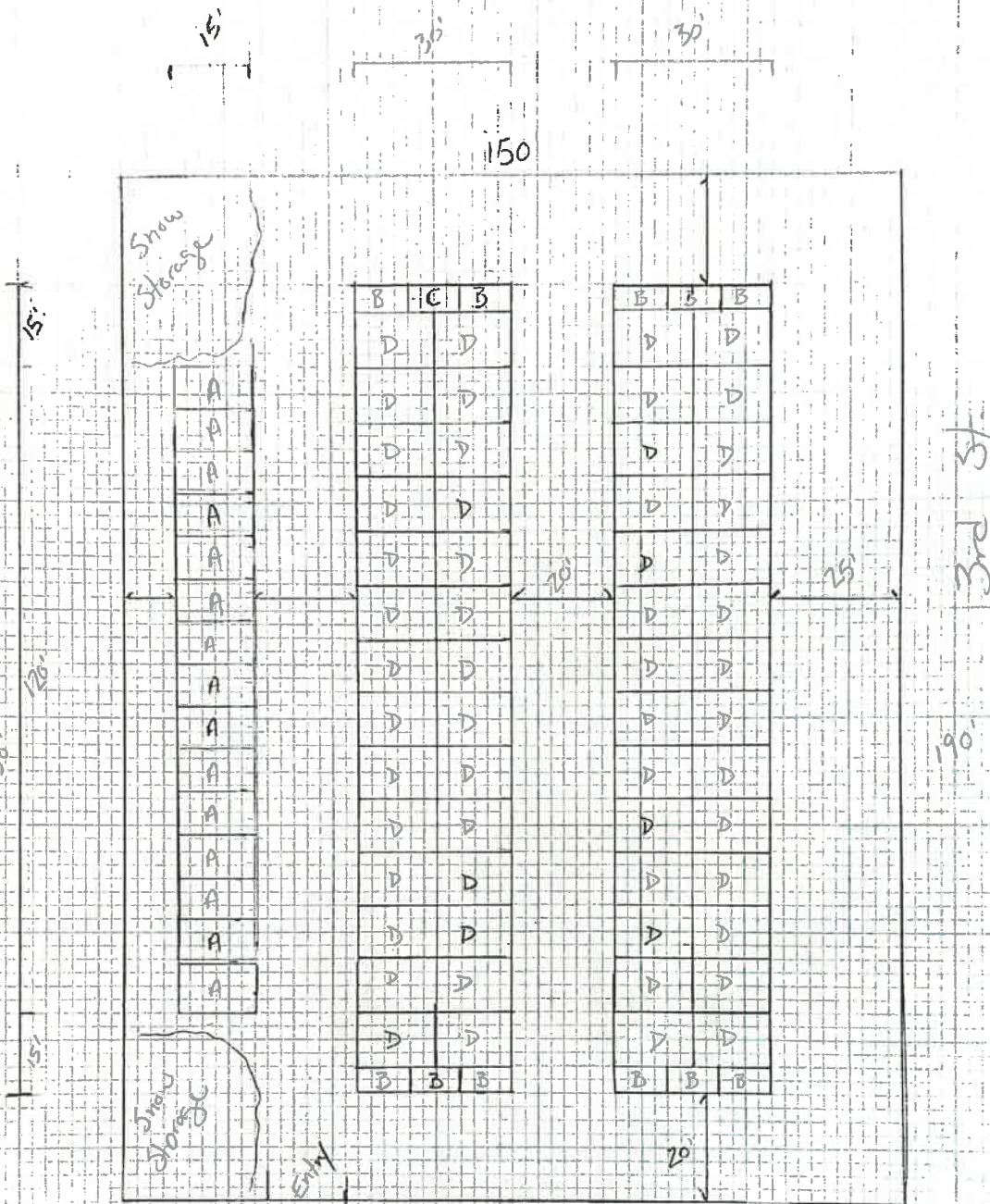
**ACCOUNT
NUMBER 00213432**

**DATE OF
REGISTRATION August 1, 2024**



THIS CERTIFICATE MUST BE DISPLAYED PROMINENTLY AT THE PLACE OF BUSINESS.

MAYOR



Redoubt Ave

Cornerstone Developments of Alaska LLC

Parcel 039 2318

1/2" scale 1 square = 2.5'

K-1333-
15-100 May 216

A Report of

Commission's Additions Nos 1 & 2
Kental - Alaska

A subdivision in the S.E. 1/4 Sec. 25, Twp. 4 N., Rng. 12 W. of S.M.



Description of Addition No. 1:
A tract of land, being the S.E. 1/4 of Section Twenty-five, Township Four North, Range Twelve West of the Fourth Principal Meridian, Alaska, containing 40 acres, more or less, and being the same as the land described in the plat of the Kental Addition, No. 1, filed for record in the Office of the Commissioner of the State of Alaska, Department of Public Safety, Division of Land Use, Planning and Development, on May 21, 1962.

Description of Addition No. 2:
A tract of land, being the S.E. 1/4 of Section Twenty-five, Township Four North, Range Twelve West of the Fourth Principal Meridian, Alaska, containing 40 acres, more or less, and being the same as the land described in the plat of the Kental Addition, No. 2, filed for record in the Office of the Commissioner of the State of Alaska, Department of Public Safety, Division of Land Use, Planning and Development, on May 21, 1962.

Certificate of Ownership and Description:
I hereby certify that the owner of the land shown hereon and described in the plat of the Kental Addition, No. 1, and the land shown hereon and described in the plat of the Kental Addition, No. 2, is the same as the land described in the plat of the Kental Addition, No. 1, and the land shown hereon and described in the plat of the Kental Addition, No. 2, filed for record in the Office of the Commissioner of the State of Alaska, Department of Public Safety, Division of Land Use, Planning and Development, on May 21, 1962.

Map of the Kental Addition, No. 1, and the Kental Addition, No. 2, showing the location of the land shown hereon and described in the plat of the Kental Addition, No. 1, and the land shown hereon and described in the plat of the Kental Addition, No. 2, in relation to the surrounding land.

Certificate of Land Survey:
I hereby certify that the plat shown hereon is a true and correct representation of the land shown hereon and described in the plat of the Kental Addition, No. 1, and the land shown hereon and described in the plat of the Kental Addition, No. 2, filed for record in the Office of the Commissioner of the State of Alaska, Department of Public Safety, Division of Land Use, Planning and Development, on May 21, 1962.

Map of the Kental Addition, No. 1, and the Kental Addition, No. 2, showing the location of the land shown hereon and described in the plat of the Kental Addition, No. 1, and the land shown hereon and described in the plat of the Kental Addition, No. 2, in relation to the surrounding land.

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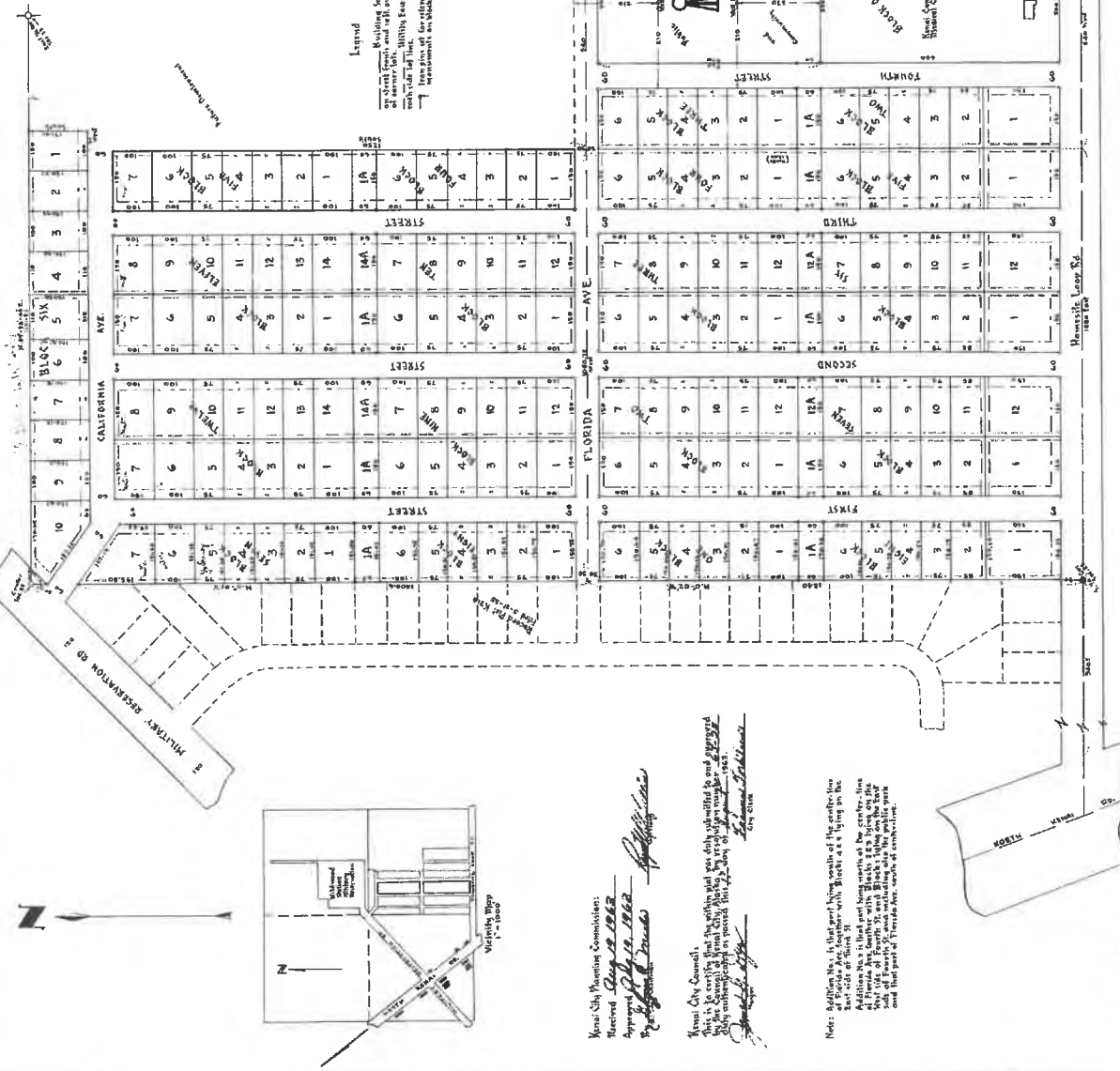
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Without Military Reservation



Without Military Reservation

Kental City Planning Commission
Received: May 12, 1962
Approved: May 12, 1962
By: [Signature]
City Clerk

Note: Addition No. 1, is located along south of the centerline of the road shown on the plat of the Kental Addition, No. 1, and the land shown hereon and described in the plat of the Kental Addition, No. 2, in relation to the surrounding land.

Map of the Kental Addition, No. 1, and the Kental Addition, No. 2, showing the location of the land shown hereon and described in the plat of the Kental Addition, No. 1, and the land shown hereon and described in the plat of the Kental Addition, No. 2, in relation to the surrounding land.

Prepared for
Mr. Morris Kental
Owner & Developer
Kental - Alaska
Scale: 1" = 100'
F. J. [Signature]
Alaska



May 15, 2025

SENT VIA ELECTRONIC EMAIL

Cornerstone Developments of Alaska, LLC
c/o Adam Tugan
PO Box 1017
Veradale, WA 99037
Cornerstone.doa@gmail.com

RE: Notice of Decision – Conditional Use Permit PZ2025-17 for a mini-storage facility

Dear Adam Tugan:

On Wednesday, May 14, 2025, the City of Kenai Planning & Zoning Commission denied the Conditional Use Permit (CUP), PZ2025-17 for a mini-storage facility to be located at 1001 3rd Street.

Decisions made by the Commission are subject to a 15-day appeal period. Appeals must be filed in writing with the City Clerk. For more information, please contact City Clerk's office at 907-283-8231 or cityclerk@kenai.city. **The appeal period expires on Thursday, May 29, 2025 at 5:00 p.m.** If an appeal is filed with the City, you will be notified in writing.

If you have any questions or concerns, please contact Planning & Zoning Department at 907-283-8237 or planning@kenai.city.

Sincerely,

A handwritten signature in blue ink, appearing to read "KB" followed by a horizontal line.

Kevin Buettner, AICP, LEED AP, CNU-A
Planning Director



KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

AFFIDAVIT OF POSTING PUBLIC HEARING NOTICE

I hereby certify that I have posted a Notice of Public Hearing as prescribed by Kenai Municipal Code 14.20.280 (d) on the property that Cornerstone Developments of Alaska (Name of Applicant) has petitioned for a Conditional use permit.

The notice was posted on the date of May 2, 2025, which is at least 10 days prior to the public hearing on this petition. I acknowledge this Notice must be posted so as to be visible from each improved street adjacent to the property and must be maintained and displayed until all public hearings have been completed. I acknowledge that the Notice must be removed within 5 days after the hearing.

Affirmed and signed by:

[Signature]

Printed Name: Kevin Brettner

Date: 5/2/2025

PROPERTY:

Address: 1001 Third St, Kenai, AK 99611

Legal: Mommensen Sub Replat ADDN No. 1 & 2, Lot 12 Blk 6 Addn No 1

KPB Parcel #: 03912318

P&Z Resolution No#: 2025-17

OWNER	MAILING_ADDRESS	MAILING_CITY	MAILING_STATE	MAILING_ZIP
GRANITE INVESTMENTS LLC	PO BOX 251	KENAI	AK	99611
URCIUOLI GWENNETH	1004 3RD ST	KENAI	AK	99611
KUKOWSKI MARTIN	2130 TASHA DR	ANCHORAGE	AK	99502
RAIS TERENCE L	1007 2ND ST	KENAI	AK	99611
MESA ELIZABETH	1005 2ND ST	KENAI	AK	99611
PETERSEN JAMES H TRUST	900 WASHINGTON ST STE 900	VANCOUVER	WA	98660
CORNERSTONE DEVELOPMENTS OF ALASKA LLC	PO BOX 1017	VERADALE	WA	99037
CRUICKSHANK BRIDGET	1008 2ND ST	KENAI	AK	99611
RAHMAN HAFIZ	3809 E THOUSAND OAKS CIR	SALT LAKE CITY	UT	84124
LAFRANCE TRAVIS	1004 2ND ST	KENAI	AK	99611
HUTCHESON DELBERT W & NANCY	PO BOX 88566	STEILACOOM	WA	98388
SENTENEY BRIAN	3240 PENLAND PKWY SPC 180	ANCHORAGE	AK	99508
HEIDEMANN EMMET F & CORINNE HEIDEMANN				
REVOCABLE TRUST DECLARATION	PO BOX 770061	EAGLE RIVER	AK	99577
BEEMAN ERIC AND CRYSTAL TRUST	PO BOX 1443	HOMER	AK	99603
URCIUOLI MICHAEL	1004 3RD ST	KENAI	AK	99611
URCIUOLI MICHAEL	1004 3RD ST	KENAI	AK	99611
CRAVE ALASKA CABIN COMPANY LLC	PO BOX 61	STERLING	AK	99672
GALT VENTURES LLC	5300 WOODCREST CIR	ANCHORAGE	AK	99507
KENAI PENINSULA BOROUGH	144 N BINKLEY ST	SOLDOTNA	AK	99669



CITY OF KENAI
PLANNING & ZONING COMMISSION
Notice of Meeting

City of Kenai Council Chambers
210 Fidalgo Avenue, Kenai, AK 99611

The City of Kenai Planning and Zoning Commission's next regularly scheduled meeting will be held on Wednesday, May 14, 2025, at 7:00 p.m. at City Hall in Council Chambers.

PUBLIC HEARINGS

1. Resolution PZ2025-17 – Granting a Conditional Use Permit to Develop and Operate an 82-Unit Indoor Heated Storage Facility on the Property Described as Lot 1 BLK 2 of Mommsens Sub Replat Addn No 1, Addn No 2, Located at 1001 Third Street, in the Urban Residential (RU) Zoning District.

The public is invited to attend the meeting and to participate virtually/telephonically. For more information, please contact Planning and Zoning Department at planning@kenai.city, 907-283-8237, or by visiting the City's website at www.kenai.city.

Beth McDonald, Planning and Zoning Administrator
Publish: May 2, 2025

CERTIFICATE OF PUBLICATION & POSTING

I, Beth McDonald, Planning Administrative Assistant of the City of Kenai, do hereby certify that on the 25th day of April, 2025, I electronically mailed or caused to be published the foregoing Notice of Meeting to the Peninsula Clarion and requested that this Notice be published in the May 2, 2025 edition of their newspaper. On the 9th day of May, 2025, the full meeting agenda was also posted at Kenai City Hall and on the internet at www.kenai.city.

Beth McDonald
Planning Administrative Assistant

**KENAI PLANNING & ZONING COMMISSION
REGULAR MEETING
MAY 14, 2025 – 7:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
CHAIR TWAIT, PRESIDING**

MINUTES

A. CALL TO ORDER

A Regular Meeting of the Kenai Planning & Zoning Commission was held on May 14, 2025, in City Hall Council Chambers, Kenai, AK. Chair Twait called the meeting to order at approximately 7:00 p.m.

1. Pledge of Allegiance

Chair Twait led those assembled in the Pledge of Allegiance.

2. Roll Call

There were present:

Jeff Twait, Chair
Gwen Woodard
Stacie Krause

Jeanne Reveal
Sonja Earsley, Vice Chair
Diane Fikes

A quorum was present.

Absent:

Glenese Pettey

Also in attendance were:

Kevin Buettner, Planning Director
Deborah Sounart, City Council Liaison
Meghan Thibodeau, Deputy City Clerk

3. Approval of Agenda and Consent Agenda

Chair Twait noted the following additions to the Packet:

Add to Item O.1

Staff Report and Resolution

- Updated Page 1 of Staff Report and Resolution for PZ2025-19

Add to Item O.2

Public Comment on Resolution PZ2025-17

MOTION:

Commissioner Woodard **MOVED** to approve the agenda and consent agenda. Vice Chair Earsley **SECONDED** the motion.

The items on the Consent Agenda were read into the record.

Chair Twait opened the floor for public comment on consent agenda items; there being no one wishing to be heard, the public comment period was closed.

UNANIMOUS CONSENT was requested.

There being no objection; **SO ORDERED**.

All items listed with an asterisk () are considered to be routine and non-controversial by the Commission and will be approved by one motion. There will be no separate discussion of these items unless a

Commission Member so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda as part of the General Orders.

B. APPROVAL OF MINUTES

1. *Regular Meeting of April 23, 2025

Approved by the consent agenda.

C. SCHEDULED PUBLIC COMMENTS - None.

D. UNSCHEDULED PUBLIC COMMENTS - None.

E. CONSIDERATION OF PLATS

1. **Resolution No. PZ2025-19** – Recommending Approval of Preliminary Plat – Kenai Meadows Addition No. 2, a subdivision of Tract A and Lots 3 & 4, Kenai Meadows Addition No.1, in the Rural Residential (RR) Zoning District.

MOTION:

Commissioner Krause **MOVED** to approve Resolution PZ2025-19. Commissioner Woodard **SECONDED** the motion.

Planning Director Buettner provided an overview of the staff report as included in the packet and attached to Resolution No. PZ2025-19, and explained the purpose of the plat was to subdivide Tract A1, Kenai Meadows Addition No. 1 and replat Lots 3 & 4, Kenai Meadows Addition No. 1. It was noted that staff's recommendation is approval subject to the conditions specified within the staff report as attached to Resolution No. PZ2025-19.

MOTION TO AMEND:

Commissioner Reveal **MOVED** to approve Resolution PZ2025-19 with the following changes:

1. Add a new second Whereas that reads: "WHEREAS, the City of Kenai, signed a Quitclaim Deed on May 13, 2025, conveying Lot 3, Kenai Meadows Addition No. 1, to Kenai Peninsula Housing Initiative, Inc.; and,"
2. In the following Whereas, remove the words [AND LOT 3].

Commissioner Woodard **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend.

There being no objection; **SO ORDERED.**

Chair Twait opened the floor for public hearing; there being no one wishing to be heard, the public comment period was closed.

VOTE:

YEA: Krause, Reveal, Twait, Earsley, Fikes, Woodard

NAY: None

ABSENT: Pettey

MOTION PASSED WITHOUT OBJECTION.

F. PUBLIC HEARINGS

1. **Resolution No. PZ2025-17** – Granting a Conditional Use Permit to Develop and Operate an 82-Unit Indoor Heated Storage Facility on the Property Described as Lot 1 BLK 2 of Mommsens Sub Replat Addn No 1, Addn No 2, Located at 1001 Third Street, in the Urban Residential (RU) Zoning District.

MOTION:

Commissioner Woodard **MOVED** to approve Resolution PZ2025-17. Vice Chair Earsley **SECONDED** the motion.

Planning Director Buettner provided an overview of the staff report as included in the packet and attached to Resolution No. PZ2025-17; he noted that the application was for a Conditional Use Permit (CUP) to develop and operate an indoor heated mini-storage facility with approximately 82 units. Zoning and uses of surrounding properties were reviewed; it was noted that staff's recommendation is approval subject to the conditions specified within the staff report as attached to Resolution No. PZ2025-17.

Adam Tugan, applicant, noted that he was available for questions.

Chair Twait opened the floor for public hearing.

Michael Urciuoli, resident, spoke in opposition to the CUP. He expressed concerns that Third Street was not up to code and required maintenance prior to being used as an access for the proposed business; that homeless people may live in the units; and that this commercial facility does not belong in a residential area.

Gwen Urciuoli, resident, spoke in opposition to the CUP. She expressed concerns that this CUP would set a precedent for future commercial uses in the neighborhood; that it would have long-term zoning implications; that it would affect property values; that it would have bright lighting and security cameras; and that it could increase noise and crime in the neighborhood.

There being no one wishing to be heard, the public hearing period was closed.

In response to questions from the Commission, Mr. Tugan clarified that he also owns the adjacent lots which are intended for two fourplex buildings; that he intends to fence the entire property surrounding the proposed storage units; that there could be 24-hour access; that their current plans do not include water/sewer hookups; and that the site would be managed remotely, although these details had not been finalized.

Jeremie Bird, Mr. Tugan's business partner, further clarified that they intend to have 7:00 a.m. to 7:00 p.m. site access so there would not be 24-hour traffic; that they were not opposed to access on Redoubt Ave, and they will consider alternative lighting schematics to minimize disturbance to neighbors.

Concerns were expressed by the Commission regarding the condition and lack of maintenance on Third Street and whether Redoubt Ave may be a more appropriate access point; that large vehicle and trailer traffic would cause issues on Third Avenue; and that this commercial entity did not belong in the residential neighborhood.

Clarification was provided that the site access would be determined at the building permit stage when site and landscaping plans are finalized; that if the access point is on Third Street, the developer would be responsible for improving the street from Redoubt Avenue to the access point to meet City standards; that there would be one access point for entry and exit; that fire safety measures would be determined at a later date as part of the building review process; and that the City may pursue grant funding in the future to improve road conditions in this area.

MOTION TO AMEND:

Commissioner Woodard **MOVED** to amend Resolution PZ2025-17 to add a condition requiring a sight-obscuring fence along Third Street. Vice Chair Earsley **SECONDED** the motion.

Clarification was provided that there were provisions in code regarding standards for sight-obscuring fencing.

VOTE ON AMENDMENT:

YEA: Woodard, Earsley, Reveal, Krause, Fikes, Twait

NAY: None

ABSENT: Pettey

MOTION PASSED.

In response to questions from the Commission, Mr. Tugan and Mr. Bird provided details regarding the planned size and dimension of the proposed storage units; how the units would be accessed; and clarified that units would be self-servicing secured by gate access, fencing and cameras.

MOTION TO AMEND:

Vice Chair Earsley **MOVED** to amend Resolution PZ2025-17 to add a condition that site operational hours are restricted to 7am-7pm daily. Commissioner Woodard **SECONDED** the motion.

UNANIMOUS CONSENT was requested on the motion to amend.

There being no objection; **SO ORDERED.**

Concern was expressed over approving a CUP prior to the structure being built; clarification was provided that there was precedent for this.

In response to questions from the Commission, Mr. Tugan clarified that no study had been done to assess public need for more heated storage unit rentals in the area; however, he had observed there was a significant market demand for it.

VOTE ON MAIN MOTION AS AMENDED:

YEA: Reveal, Earsley, Twait

NAY: Fikes, Krause, Woodard

ABSENT: Pettey

MOTION FAILED.

Chair Twait noted the 15-day appeal period.

G. UNFINISHED BUSINESS

1. Discussion – Aspen Creek, 701 N. Forest Drive CUP

Director Buettner noted that he had not received any recent complaints; that it was now past the date when Aspen Creek had stated that construction would be complete, so he intended to visit the site and observe whether traffic had decreased.

H. NEW BUSINESS

1. *Action/Approval – Requesting Excused Absences for the April 23, 2025 Regular Meeting – Krause

Approved by the consent agenda.

I. REPORTS

1. Planning Director – Planning Director Buettner reported on the following:
 - CUP work session prior to this meeting; noted that there would be future work sessions on this topic in the coming months.
 - Beginning development on a citywide transportation plan; attended Walkability Action Institute in Anchorage.
2. Commission Chair – No report.
3. Kenai Peninsula Borough Planning – Commissioner Fikes reported on recent actions of the Kenai Peninsula Borough Planning Commission.

4. City Council Liaison – Council Member Sounart reported on recent actions of the City Council.

J. ADDITIONAL PUBLIC COMMENT

Michael Urciuoli thanked the Commission; noted that it was Third Street not Third Avenue; and discussed spruce trees and road maintenance on Third Street.

K. NEXT MEETING ATTENDANCE NOTIFICATION

1. Next Meeting: May 28, 2025

L. COMMISSION COMMENTS AND QUESTIONS

Commissioner Reveal noted that she attended the prior work session on CUPs.

Vice Chair Earsley noted that Parks & Recreation is having Planting Day event on May 31.

Commissioner Krause apologized for missing the prior work session.

Commissioner Fikes apologized for missing the prior work session; thanked public participants and the Commission for the good discussion and the public for their testimony.

M. PENDING ITEMS – None.

N. ADJOURNMENT

O. INFORMATIONAL ITEMS – None.

There being no further business before the Planning & Zoning Commission, the meeting was adjourned at 8:14 p.m.

I certify the above represents accurate minutes of the Planning & Zoning Commission meeting of March 14, 2025.

Meghan Thibodeau
Deputy City Clerk



City of Kenai City Clerk's Office
210 Fidalgo Avenue
Kenai, AK 99611

May 19th, 2025

Subject: Appeal of Planning and Zoning Commission Denial of Conditional Use Permit (Resolution PZ2025-17)

To the Board of Adjustment,

Cornerstone Developments of Alaska, LLC, hereby appeals the Kenai Planning and Zoning Commission's denial of the Conditional Use Permit (CUP) for an 82-unit indoor heated mini-storage facility at 1001 Third Street (KPB Parcel No. 03912318), as decided by a 3-3 vote on May 14, 2025 (Resolution PZ2025-17). Pursuant to **Kenai Municipal Code (KMC) 14.20.190**, we request the Board of Adjustment reverse the denial and approve the CUP, as the decision was arbitrary, subjective, unsupported by evidence, and based on a misapplication of zoning code. Below are the grounds for appeal, supported by the staff report, meeting transcript, and new evidence, including a comparison to our planned 8-unit apartment building (two fourplexes) on the adjacent lot.

Ground 1: Arbitrary and Unsupported Denial - The staff report (dated April 14, 2025) found the proposed CUP meets all six criteria under **KMC 14.20.150(e)**, concluding that the facility is compatible with the Urban Residential (RU) zoning district, does not impair property values, aligns with the 2016 Comprehensive Plan, is supported by adequate public services, poses no harm to public safety/health/welfare, and requires minimal conditions (e.g., Third Street entrance). The three "no" votes (Commissioners Krauss, Fees, Woodard) failed to provide evidence contradicting these findings. Commissioner Krauss expressed concerns about Third Street's condition and prioritized housing, while Commissioner Fees viewed the facility as incompatible with RU zoning, calling it a "huge enormous structure." Neither cited data to rebut the staff's analysis, and Commissioner Woodard offered no reasoning. This lack of evidence renders the denial arbitrary, as **KMC 14.20.150(e)** requires decisions to be based on objective criteria, all of which the staff report satisfied.

Ground 2: Misapplication of Zoning Code - Commissioners Krauss and Fees argued the facility is a commercial use incompatible with RU zoning, prioritizing housing due to Kenai's shortage. However, **KMC 14.20.150(a)** allows conditional uses that are "compatible with

designated principal uses” if conditions are met. The staff report finds the facility a “practical amenity” for residents, supporting RU zoning’s intent for high-density residential areas near services by enabling storage of personal items (e.g., fishing gear, snow machines). Our adjacent planned 8-unit apartment building (two fourplexes) directly addresses housing needs, complementing the storage facility’s role as a supportive use. Public concerns about setting a commercial precedent (e.g., Gwen Ursioli’s testimony) were addressed by Planning Director Buettner, who clarified that the CUP does not rezone the property, and future uses require separate CUPs. Denying the CUP based on zoning incompatibility misapplies **KMC 14.20.150**, ignoring its provision for conditional uses.

Ground 3: Failure to Consider Mitigations - The commission approved amendments for sight-obscuring fencing along Third Street and 7 a.m.–7 p.m. operating hours, addressing concerns about visibility and traffic. We committed to Readout Avenue access, aligning with staff’s preference to minimize Third Street impacts, and proposed lighting adjustments (e.g., downward-facing, motion-activated lights) and security measures (e.g., fencing, cameras). These mitigations addressed resident concerns from Michael Eroli (Third Street condition, aesthetics) and Gwen Ursioli (lighting, noise, crime), yet the denial did not account for their sufficiency. The commission’s failure to weigh these solutions violates the intent of **KMC 14.20.150(e)(6)**, which allows conditions to ensure compatibility.

Ground 4: New Evidence to Address Concerns - Attached are new materials addressing lack of objection from the commission and public concerns, including a comparison to our planned 8-unit apartment building with the adjacent lot:

- **Transcript Data:** Showing multiple instances commissioners failed to be objective.
- **Traffic Study:** The 82-unit indoor-heated storage facility generates 33–66 daily trips, comparable to or less than the 8-unit apartment’s 40–56 trips, with Readout Avenue access avoiding Third Street impacts.
- **Lighting Plan:** The 82-unit facility uses 12–16 downward-facing, motion-activated LEDs, producing less glare than the 8-unit apartment’s 12 exterior lights plus window lighting from 8 units.
- **KMC 14.20.150(e) Criteria:** These materials reinforce the staff report’s findings and mitigate concerns about traffic, lighting, and aesthetics, showing the storage facility’s impacts are similar to or less than the planned apartments.
- **Site Plan:** An updated plan shows Readout Avenue access, sight-obscuring fencing, and landscaping to preserve Third Street’s spruce trees.

Ground 5: Ambiguity in Tie Vote - The transcript does not clarify whether **KMC 14.20** specifies that a 3-3 vote defaults to denial. Absent explicit guidance, the lack of a majority against the CUP, combined with the staff’s unanimous recommendation, warrants approval or reconsideration. The tie reflects personal indecision rather than substantiated opposition, especially given the staff’s evidence-based support.

Request for Relief - We respectfully request the Board of Adjustment reverse the denial and approve the CUP, as the project meets all **KMC 14.20.150(e)** criteria, and the denial lacks evidentiary support. We request the case be remanded to consider the mitigations and new evidence provided.

Sincerely,

Jeremie Bird, President

Adam Tugan, Vice President

Cornerstone Developments of Alaska, LLC

1001 Third Street, Kenai, AK 99611

Attachments:

- A. Transcript showing instances of Commissioners failing to be objective
- B. Traffic Study (8-Unit Apartment vs. 82-Unit Storage Facility)
- C. Lighting Plan (8-Unit Apartment vs. 82-Unit Storage Facility)
- D. KMC Criteria (Resolution PZ2025-17)
- E. Updated Site Plan



Transcript showing instances of Commissioners failing to be objective

Objectivity in this context means basing decisions on evidence, facts, and the **Kenai Municipal Code (KMC) 14.20.150(e)** criteria, rather than personal opinions, speculation, or unsubstantiated concerns. The transcript reveals that Commissioners Krauss, Fees, and Woodard (who voted “no” at 1:00:38–1:01:22) made statements or decisions that lacked evidentiary support or misaligned with the code, indicating a failure to remain objective. Below, I detail these instances with specific time codes, organized by commissioner, and explain how their actions deviated from objectivity and failed to adhere to **KMC 14.20.150(e)**.

Framework for Analysis

- **Objectivity Standard:** Commissioners must evaluate the CUP against the six **KMC 14.20.150(e)** criteria (e.g., zoning compatibility, no impairment to property values, Comprehensive Plan harmony, adequate services, no harm to public safety/health/welfare, necessary conditions). Decisions should rely on evidence (e.g., staff report, applicant testimony, public comments) and avoid speculation or personal bias.
- **Failure to Follow Code:** A failure occurs when commissioners reject the CUP without evidence contradicting the staff report’s findings (which found all criteria met, per 19:27–19:54) or misapply **KMC 14.20.150** by ignoring mitigations or code provisions for conditional uses.
- **Transcript Context:** The staff report (14:31–20:22) and applicant testimony (20:43–21:05, 28:43–29:08, 35:05–36:27) provided evidence supporting the CUP, while public testimony (21:23–26:40) raised concerns about Third Street, lighting, crime, and zoning. The commission approved amendments for sight-obscuring fencing (49:08–51:34) and 7 a.m.–7 p.m. hours (56:01–56:46), (Which was already in our 17 page application.) but the 3-3 vote (1:00:38–1:01:22) denied the CUP.

Instances of Commissioners Failing to Be Objective

Commissioner Krauss (Voted “No” at 1:00:38)

1. **Speculative Concern About Third Street Traffic Without Evidence:**
 - Time Code: 28:43–30:58

- **Statement:** Krauss expressed concern about Third Street’s condition (narrow, unpaved) and potential 24/7 traffic, stating, “especially just coming in on Third Street there” and worrying about “mudboggging” with 60 renters accessing units (29:52–30:43).
 - **Lack of Objectivity:** Krauss assumed 24/7 access and significant traffic (e.g., 60 renters) without evidence, despite the applicant later clarifying 7 a.m.–7 p.m. hours (35:32) and small unit sizes (8 ft wide, 15 ft deep, per 52:35–53:49) limiting large vehicles. The staff report (15:45–15:56) found no significant traffic increase, and Readout Avenue access was proposed (35:45), which Krauss did not address. This speculation ignores **KMC 14.20.150(e)(4)** (adequate public facilities) and **(e)(5)** (no harm to public safety).
 - **Failure to Follow Code:** Krauss’s concern lacks data contradicting the staff’s finding that Readout Avenue is adequate. **KMC 14.20.150(e)** requires evidence-based decisions, but Krauss relied on hypothetical scenarios, misapplying the code by not considering mitigations (e.g., Readout access, limited hours).
2. **Subjective Prioritization of Housing Over Storage:**
- **Time Code:** 46:10–46:28
 - **Statement:** Krauss stated, “we have a housing shortage in Alaska in Kenai and we need affordable housing,” questioning the storage project’s appropriateness compared to the applicant’s forplexes (46:16–46:28).
 - **Lack of Objectivity:** Krauss prioritized housing based on personal belief in Kenai’s housing needs, not evidence that the storage facility conflicts with RU zoning. The staff report (15:08–16:02) finds the facility compatible as a “practical amenity” for RU residents, and the applicant’s forplexes (29:01–29:08) address housing separately. Krauss’s preference is subjective, as no testimony showed the facility precludes housing.
 - **Failure to Follow Code:** **KMC 14.20.150(a)** allows conditional uses compatible with RU’s principal uses (e.g., apartments). Krauss’s rejection based on housing needs misapplies **KMC 14.20.150(e)(1)**, ignoring the staff’s finding of zoning consistency.

Commissioner Fees (Voted “No” at 1:00:38)

1. **Subjective Characterization of Facility as Incompatible:**
- **Time Code:** 31:49–32:31
 - **Statement:** Fees stated, “to have excessive trailers and/or traffic going up and down [Third Street] does not seem very realistic,” and called the facility a “big commercial 82 spot storage facility right in people’s backyards” that “does not seem like” it meets RU zoning criteria (32:00–32:31).
 - **Lack of Objectivity:** Fees’s description of “excessive trailers” and a “huge enormous structure” (58:50) is speculative, lacking evidence of traffic volume or visual impact. The staff report (15:45–15:56) found no significant traffic increase, and the facility’s indoor design with fencing (16:39–16:45, 49:08 amendment) minimizes visual clutter. Fees’s “backyards” claim ignores the RU zoning’s allowance for high-density uses and the staff’s compatibility finding (15:08–16:02). Her personal opinion that it doesn’t “seem” to fit RU zoning lacks data.

- **Failure to Follow Code: KMC 14.20.150(e)(1)** requires evidence that the use violates zoning intent, but Fees provided none, contradicting the staff’s finding. Her rejection based on subjective perception misapplies the code.
- 2. **Unsubstantiated Concern About Precedent and Zoning:**
 - **Time Code:** 32:23–32:31
 - **Statement:** Fees argued the facility doesn’t meet “suburban urban zoning criteria,” comparing it unfavorably to a rezoned commercial area on Spur Highway (32:23–32:31).
 - **Lack of Objectivity:** Fees echoed public concerns (e.g., Gwen Ursioli, 25:12–25:20) about commercial precedents, but Director Buettner clarified (27:20–27:47) that the CUP does not rezone the property, and future uses require separate CUPs. Fees’s claim that it doesn’t meet RU criteria ignores the staff report’s alignment with RU’s intent (15:14–15:20) and the Comprehensive Plan (17:14–19:20). No evidence supported her view that the facility transforms the area into a commercial hub.
 - **Failure to Follow Code: KMC 14.20.150(e)(3)** requires harmony with the Comprehensive Plan, which the staff report confirms. Fees’s speculative precedent concern misapplies the code by disregarding the CUP’s conditional nature.
- 3. **Dismissal of Precedent for CUP Approval:**
 - **Time Code:** 57:08–58:57
 - **Statement:** Fees expressed discomfort approving a CUP for an unbuilt structure, stating, “I don’t really recall giving a permit for something... that hasn’t been built yet,” and distinguished storage from housing (e.g., KPHI sixplex) as less desirable (57:49–58:57).
 - **Lack of Objectivity:** Fees’s concern about approving an unbuilt structure ignores Buettner’s explanation (57:55–58:32) that precedent exists (e.g., KPHI’s sixplex CUP in rural residential zoning). **KMC 14.20.150(c)** allows CUPs before construction to ensure viability, as applicants avoid investing without approval. Fees’s preference for housing over storage is subjective, as the staff report (15:27–15:32) finds storage supports residential functionality.
 - **Failure to Follow Code: KMC 14.20.150(e)(1)** does not prioritize housing over other compatible uses. Fees’s dismissal of precedent and subjective bias against storage misapplies the code.

Commissioner Woodard (Voted “No” at 1:00:54)

- 1. **Lack of Articulated Reasoning for Vote:**
 - **Time Code:** 1:00:54–1:01:22
 - **Statement:** Woodard voted “no” without providing any specific concerns or questions during the discussion (no relevant statements from 4:03–1:01:22).
 - **Lack of Objectivity:** Woodard’s silent vote offers no evidence or reasoning to justify rejecting the CUP, despite the staff report’s comprehensive findings (19:27–19:54) and applicant mitigations (e.g., 35:32–36:06). This absence of justification suggests reliance on personal bias or unstated assumptions, failing to engage with the evidence presented (e.g., traffic, lighting mitigations).

- **Failure to Follow Code:** **KMC 14.20.150(e)** requires commissioners to evaluate the CUP against specific criteria, but Woodard’s vote lacks any reference to these, contradicting the staff’s evidence-based support. This non-engagement misapplies the code’s requirement for reasoned decisions.

Additional Context: Failure to Consider Mitigations

- **Time Code:** 35:32–36:06, 49:08–51:34, 56:01–56:46
- **Issue:** The commission approved amendments for sight-obscuring fencing (49:08–51:34) and 7 a.m.–7 p.m. hours (56:01–56:46), and the applicant offered Readout Avenue access (35:45) and lighting adjustments (36:00). However, Krauss, Fees, and Woodard’s “no” votes (1:00:38–1:00:54) did not acknowledge these mitigations, which addressed public concerns (e.g., Third Street traffic at 21:23–22:21, lighting at 25:49–26:15). This failure to weigh evidence violates **KMC 14.20.150(e)(6)**, which allows conditions to ensure compliance.
- **Lack of Objectivity:** Ignoring mitigations that directly respond to concerns (e.g., Readout access for Krauss’s traffic worry, fencing for Fees’s “backyards” issue) shows a bias toward denial without evidence-based justification.
- **Failure to Follow Code:** **KMC 14.20.150(e)(6)** requires considering conditions to mitigate impacts, but the “no” voters disregarded these, misapplying the code.

Summary of Objectivity Failures and Code Violations

- **Commissioner Krauss:** Speculated about Third Street traffic (28:43–30:58) and prioritized housing subjectively (46:10–46:28), ignoring evidence of minimal traffic (staff report, 15:45) and RU compatibility (**KMC 14.20.150(e)(1)**). Failed to consider Readout access mitigation, violating **KMC 14.20.150(e)(4)** and **(e)(6)**.
- **Commissioner Fees:** Used subjective terms like “huge enormous structure” (58:50) and speculated about trailers and precedents (31:49–32:31), without evidence contradicting staff findings on traffic (15:45) and zoning (15:08). Dismissed CUP precedent (57:08–58:57), misapplying **KMC 14.20.150(e)(1)** and **(e)(3)**.
- **Commissioner Woodard:** Provided no reasoning for her “no” vote (1:00:54), failing to engage with evidence or criteria, violating **KMC 14.20.150(e)**’s requirement for reasoned decisions.
- **Collective Failure:** The “no” voters ignored mitigations (35:32–56:46) that addressed public and commissioner concerns, failing to apply **KMC 14.20.150(e)(6)** objectively.



Comparative Traffic Study:

8-Unit Apartments vs. 82-Unit Storage Facility

To address concerns about traffic impacts (raised by Michael Eroli, Commissioner Krauss, and Commissioner Fees), this analysis compares daily vehicle trips for the planned 8-unit apartment building (two fourplexes on the adjacent lot we plan to develop) versus the 82-unit mini-storage facility, using industry standards and Kenai's context.

Assumptions

- **8-Unit Apartments:**
 - Type: Two fourplexes (multi-family residential).
 - Trip Rate: 5.0–8.0 trips/unit/day (based on **ITE Trip Generation Manual**, 10th Ed., Land Use Code 220: Multifamily Housing, Low-Rise, for small urban residential).
 - Occupancy: 100% (8 units occupied, typical for new housing).
 - Access: Likely Second Street (per Director Buettner's comment to minimize Readout Avenue driveways).
- **82-Unit Storage Facility:**
 - Type: Indoor heated mini-storage.
 - Trip Rate: 0.5–1.0 trips/unit/day (ITE Land Use Code 151: Mini-Storage).
 - Occupancy: 80% (65.6 units, conservative estimate).
 - Operating Hours: 7 a.m.–7 p.m. (per applicant).
 - Access: Readout Avenue (preferred to avoid Third Street).
- **Kenai Context:** Readout Avenue is a paved, city-maintained Minor Collector Route with higher traffic capacity than Third Street (unpaved, narrow, resident-maintained).

Traffic Estimates

- **8-Unit Apartments:**
 - Units: 8
 - Daily Trips: $8 \times (5.0-8.0) = 40-64$ trips/day
 - Peak Hour (e.g., morning/evening): ~4–6 trips (10–15% of daily trips, per ITE).
 - Characteristics: Regular resident trips (e.g., commuting, errands), concentrated during peak hours.

- **82-Unit Storage Facility:**
 - Occupied Units: $82 \times 80\% = 65.6$
 - Daily Trips: $65.6 \times (0.5-1.0) = 32.8-65.6$ trips/day
 - Peak Hour: ~3–6 trips (spread over 12 hours, low peak due to sporadic use).
 - Characteristics: Infrequent visits (e.g., weekly storage access), no large trailers due to 8 ft wide, 15 ft deep units.

Comparison

- The 82-unit facility generates **comparable or fewer daily trips** (33–66) than the 8-unit apartments (40–64), despite its larger scale, due to the low trip rate of storage facilities.
- **Readout Avenue Impact:** Both developments' trips are manageable on Readout Avenue, which the staff report notes handles higher traffic than surrounding streets. The storage facility's trips are spread over 12 hours, reducing peak congestion compared to the apartments' morning/evening peaks.
- **Third Street Avoidance:** Using Readout Avenue for the storage facility eliminates impacts on Third Street's narrow, unpaved condition and spruce trees, addressing Eroli's and Krauss's concerns. The apartments' Second Street access similarly avoids Third Street.
- **Trailer Concerns:** Commissioner Fees worried about trailers on Third Street, but the storage facility's small unit sizes and Readout access preclude large trailers.

Conclusion

The 82-unit facility's traffic (33–66 trips/day) is comparable to or less impactful than the 8-unit apartments (40–64 trips/day), with Readout Avenue access ensuring no Third Street disruption. This supports the staff report's finding of adequate public facilities (**KMC 14.20.150(e)(4)**) and addresses public/commissioner concerns.



Comparative Lighting Analysis:

8-Unit Apartments vs. 82-Unit Storage Facility

To address Gwen Ursioli's concerns about lighting impacts on her open-concept home, this analysis compares exterior and window lighting for the 8-unit apartments versus the 82-unit storage facility.

Assumptions

- **8-Unit Apartments:**
 - Size: ~8,000 sq ft (assuming 1,000 sq ft/unit, typical for fourplexes).
 - Exterior Lighting: 12 LED lights (e.g., 6 per fourplex for entrances, parking, per industry norms).
 - Window Lighting: 16–24 windows (2–3 windows/unit, assuming 1–2 lit at night).
 - Type: 100–150W LED floodlights (exterior, non-directional); incandescent/LED interior lights (50–100W equivalent).
- **82-Unit Storage Facility:**
 - Size: ~12,300 sq ft (150 sq ft/unit, per applicant's sketch).
 - Exterior Lighting: 12–16 LED lights (1 per 5–7 units, for security).
 - Window Lighting: None (self-service, no office).
 - Type: Downward-facing, motion-activated 100–150W LEDs (proposed to minimize glare).
- **Kenai Context:** Dark winters require security lighting, but residential proximity (e.g., Ursioli's home) benefits from glare control.

Lighting Estimates

- **8-Unit Apartments:**
 - Lights: 12 exterior (LEDs) + 16–24 window lights (assuming 50% lit).
 - Output:
 - Exterior: $\sim 1,200\text{--}1,800 \text{ lumens/light} \times 12 = 14,400\text{--}21,600 \text{ lumens}$.
 - Windows: $\sim 800\text{--}1,200 \text{ lumens/window} \times 8\text{--}12 \text{ (50\% lit)} = 6,400\text{--}14,400 \text{ lumens}$.
 - Total: 20,800–36,000 lumens.
 - Coverage: ~10,000 sq ft (building + parking), lights on dusk to dawn.

- Impact: Moderate glare from unshielded floodlights and constant window lighting, affecting nearby homes.
- **82-Unit Storage Facility:**
 - Lights: 12–16 exterior LEDs (no windows).
 - Output: $\sim 1,200\text{--}1,800$ lumens/light $\times 12\text{--}16 = 14,400\text{--}28,800$ lumens.
 - Coverage: $\sim 15,000$ sq ft (building perimeter), lights motion-activated (primarily 7 a.m.–7 p.m.).
 - Impact: Low glare due to downward-facing, motion-activated LEDs, activated only when needed, reducing light trespass.

Comparison

- The 82-unit facility's lighting (14,400–28,800 lumens) is **comparable to or less intrusive** than the apartments' (20,800–36,000 lumens), as it lacks window lighting and uses motion-activated controls.
- **Glare Mitigation:** The facility's downward-facing LEDs minimize light trespass compared to the apartments' constant floodlights and window lights, directly addressing Ursioli's concern about floodlights impacting her home.
- **Operational Hours:** The facility's 7 a.m.–7 p.m. primary use reduces nighttime lighting compared to apartments, where residents are active evenings.
- **Aesthetic Impact:** The facility's fencing and landscaping (per updated site plan) further shield lights, unlike the apartments' open parking areas.

Conclusion

The 82-unit facility's lighting plan (12–16 motion-activated LEDs) produces less glare than the 8-unit apartments' combined exterior and window lighting, aligning with **KMC 14.20.150(e)(5)** (no harm to public welfare) and mitigating Ursioli's concerns.



Detailed Explanation of KMC 14.20.150(e) Criteria

The **KMC 14.20.150(e)** criteria govern CUP approval, requiring the commission to find that the proposed use meets six standards. Below, each criterion is explained, with arguments showing how the 82-unit facility complies, addressing transcript concerns and leveraging the apartment comparison.

1. **The use is consistent with the purpose of this chapter and the purposes and intent of the zoning district:**
 - **Explanation:** **KMC 14.20.010** promotes public health, safety, and welfare by regulating land uses for compatibility. The RU zoning district (**KMC 14.20.040**) supports high-density residential uses (e.g., apartments) and compatible non-residential uses near services. Conditional uses must align with this intent, minimizing conflicts.
 - **Compliance:** The staff report deems the facility a “practical amenity” for RU residents, supporting apartment functionality by storing items (e.g., fishing gear). The traffic study shows comparable trips (33–66 vs. 40–64 for apartments), and the lighting plan reduces glare, ensuring compatibility. The adjacent 8-unit apartments fulfill RU’s housing intent, countering Commissioner Krauss’s housing priority concern. No evidence showed the facility “violates the character of the neighborhood” (staff finding), unlike speculative claims by Commissioners Fees and Krauss.
2. **The economic and noneconomic value of the adjoining property and neighborhood will not be significantly impaired:**
 - **Explanation:** The use must not reduce property values (economic) or degrade aesthetics, livability, or character (noneconomic). Mitigations can ensure minimal impact.
 - **Compliance:** The staff report finds no impairment, citing the facility’s indoor design, landscaping, and fencing (amended condition). The lighting analysis shows less glare than the apartments, addressing Gwen Ursioli’s concerns. The traffic study confirms Readout Avenue access avoids Third Street’s aesthetic impacts (e.g., spruce trees, per Michael Eroli). Ursioli’s resale value concern lacks evidence, and the staff’s finding of no economic impact was unchallenged. The facility’s low-impact design preserves the “rural aesthetic” more effectively than the apartments’ constant lighting and parking.
3. **The proposed use is in harmony with the Comprehensive Plan:**

- **Explanation:** The 2016 Comprehensive Plan promotes quality of life, economic development, and strategic growth. The property's Suburban Residential (RS) classification (staff report) supports urban/suburban residential uses, allowing compatible amenities.
 - **Compliance:** The staff report aligns the facility with Plan goals: **Quality of Life** (Q-2: protect livability; Q-4: harmonious design); **Economic Development** (ED-2: business-friendly regulations); and **Land Use** (LU-2: infill; LU-6: buffers; LU-12: infrastructure coordination). The facility supports infill, uses buffers (fencing, landscaping), and leverages existing roads/utilities. The apartments also align with these goals, but the facility's lower traffic and lighting impacts enhance harmony. Commissioner Fees's RS incompatibility claim ignores the RU zoning and Plan's flexibility, unsupported by evidence.
4. **Public services and facilities are adequate to serve the proposed use:**
- **Explanation:** Infrastructure (e.g., roads, utilities) must support the use without strain.
 - **Compliance:** The staff report confirms adequate water, sewer, and Readout Avenue access. The traffic study shows the facility's 33–66 trips/day are manageable on Readout, similar to the apartments' 40–64 trips. The self-service, gas-heated design (no water/sewer) minimizes utility demands. No testimony disputed this, reinforcing the staff's finding.
5. **The proposed use will not be harmful to the public safety, health, or welfare:**
- **Explanation:** The use must avoid hazards (e.g., traffic, crime), pollution, or quality-of-life impacts (e.g., noise, light).
 - **Compliance:** The staff report finds no harm, citing parking, buffers, and low environmental impact. The traffic study and Readout access minimize safety risks, addressing Eroli's and Krauss's Third Street concerns. Security measures (fencing, cameras, gated access) counter Ursioli's crime fears, and the applicant's commitment to exclude unauthorized activity addresses Eroli's "homeless" concern. The lighting plan (less intrusive than apartments) reduces glare, and 7 a.m.–7 p.m. hours limit noise. Commissioner Reveal's sprinkler question is resolved at the building permit stage (per Buettner). No evidence showed harm.
6. **Any and all specific conditions deemed necessary by the Commission to fulfill the above-mentioned conditions:**
- **Explanation:** Conditions (e.g., design, operation) ensure compliance with criteria 1–5.
 - **Compliance:** The commission approved fencing and 7 a.m.–7 p.m. hours. The applicant's Readout access, lighting controls, and landscaping (new site plan) exceed the staff's single condition (Third Street entrance). The apartments require similar conditions (e.g., parking, lighting), but the facility's mitigations are more tailored to neighbor concerns. The denial ignored these, warranting reversal.

Summary: The facility meets all **KMC 14.20.150(e)** criteria, with traffic and lighting impacts comparable to or less than the 8-unit apartments, supported by new evidence and mitigations.



Supplemental Evidence for Appeal of Conditional Use Permit Denial (Resolution PZ2025-17)

To the Kenai Board of Adjustment,

Date: June 12, 2025

Subject: Additional Evidence Supporting Conditional Use Permit for 82-Unit Indoor Heated Storage Facility at 1001 Third Street, Kenai, AK

Cornerstone Developments of Alaska, LLC, submits this supplemental evidence to strengthen our appeal of the Kenai Planning and Zoning Commission's 3-3 vote denial of a Conditional Use Permit (CUP) for an 82-unit indoor heated mini-storage facility at 1001 Third Street, Kenai, AK (KPB Parcel No. 03912318), decided on May 14, 2025 (Resolution PZ2025-17). This submission, prepared for the Board of Adjustment hearing on July 2, 2025, addresses concerns raised during the Commission hearing, reinforces compliance with Kenai Municipal Code (KMC) 14.20.150(e), and responds to public and commissioner objections. It includes an economic impact analysis, crime statistics, a statement of community need, an enhanced site plan, legal precedent on tie votes, and comparative traffic and lighting charts. These additions complement our original 40-page appeal, meeting the burden of proof for reversal or remand per KMC 14.20.290.

Economic Impact Analysis

The proposed 82-unit indoor heated storage facility will not significantly impair the economic or noneconomic value of adjoining properties or the neighborhood, satisfying KMC 14.20.150(e)(2). Indoor storage facilities are low-impact, generating minimal traffic, noise, and visual disruption compared to retail or industrial uses. Industry data from the Appraisal Institute (2023) indicates that such facilities in residential zones, like those in Anchorage and Soldotna, typically have a neutral or slightly positive effect (1-2% value increase) on nearby property values due to their utility as a community amenity. For example, a 2024 Soldotna storage facility near a residential area increased nearby home values by reducing lot clutter from sheds or garages.

At 1001 Third Street, the facility’s design—indoor structure, sight-obscuring fencing, landscaping, and Readout Avenue access—preserves the Urban Residential (RU) zone’s rural aesthetic. The staff report (April 14, 2025) found no economic impairment, noting the facility’s compatibility with the neighborhood’s character. Mitigations, such as a 6-foot fence and native spruce/shrub buffers, address resident concerns (e.g., Gwen Ursioli’s resale value fears) by minimizing visual impact. The facility’s modest scale (82 units) serves local demand without transforming the area into a commercial hub, aligning with the 2016 Comprehensive Plan’s Goal 1 (quality of life) and Objective Q-4 (harmonious development). No evidence from the Commission hearing contradicted these findings, and the proposed design ensures property values remain intact while enhancing community utility.

Crime Statistics and Safety Measures

The storage facility poses no harm to public safety, health, or welfare, meeting KMC 14.20.150(e)(5). The Self-Storage Association (2024) reports indoor storage facilities average only 0.5 incidents (e.g., theft, vandalism) per 100 units annually, with 80% of 50 studied U.S. facilities in residential zones reporting zero incidents due to enclosed designs and robust security. Kenai Police Department records (2020-2024) show no crime spikes near similar low-impact uses (e.g., small warehouses, storage sheds) in RU or nearby zones, and the facility’s proximity to downtown enhances police visibility.

Cornerstone Developments commits to:

- A 6-foot sight-obscuring fence on 3rd Ave. (except on Redoubt Rd., adjoining property lines).
- Motion-activated cameras for 24/7 monitoring.
- Gated, authorized entry during 7 a.m.-7 p.m. hours, limiting nighttime activity.
- Strict rules prohibiting hazardous materials, commercial operations, or living spaces in units.

These measures address resident concerns (e.g., Gwen Ursioli’s crime fears, Michael Erol’s “homeless” worry) and align with the Comprehensive Plan’s Goal 1 (safe, livable community). The facility’s low-impact design and security features ensure negligible crime risk, reinforcing its compatibility with the RU zone.

Community Need Statement

The proposed storage facility addresses a demonstrated need in Kenai’s Urban Residential (RU) zone, supporting KMC 14.20.150(e)(1) and the 2016 Comprehensive Plan’s quality-of-life goals. Many Kenai residents, including year-round homeowners, seasonal visitors, and seniors, require secure, climate-controlled storage for fishing gear, snow machines, kayaks, and household items to maintain an organized, uncluttered property. This facility reduces the need for sprawling sheds or garages that can disrupt the neighborhood’s rural aesthetic, acting as a “practical amenity” (per staff report, April 14, 2025) that enhances livability.

The facility's low-impact design—indoor structure, Readout Avenue access, 7 a.m.-7 p.m. hours, and landscaping—ensures compatibility with the RU zone while meeting community demands. It complements our planned 8-unit apartment project on the adjacent lot, addressing both storage and housing needs, countering Commissioner Krauss's subjective housing prioritization. By centralizing storage, the facility supports the Comprehensive Plan's Goal 1 (Objective Q-2: protect neighborhood livability) and Goal 3 (Objective LU-2: promote infill development), serving Kenai's evolving needs without altering the area's residential character.

Enhanced Site Plan

The updated site plan refines the proposal to address aesthetic, traffic, and compatibility concerns, aligning with KMC 14.20.150(e)(6). Key features include:

- **Site Details:** The 28,314 sq ft (0.65-acre) lot hosts a ~12,300 sq ft, single-story building with metal siding in muted colors (e.g., forest green, gray) to blend with the RU zone's rural character.
- **Setbacks:** 25 ft front (Redoubt Ave), 10 ft sides, 10 ft rear—exceeding KMC 14.20.050 minima for ample buffering.
- **Access:** A single entrance via Readout Avenue (paved, Minor Collector Route) avoids Third Street's narrow, unpaved condition and preserves its spruce trees, addressing Michael Eroli's and Commissioner Krauss's concerns.
- **Parking:** 8 gravel spaces for loading/unloading, minimizing runoff per Goal 3, Objective LU-12 (2016 Comprehensive Plan).
- **Screening & Landscaping:** A 6-foot chain link fence, styled to match rural aesthetics, encircles the site, with 10-15 ft wide native spruce/shrub buffers along Third Street and adjacent lots for privacy and aesthetics.
- **Lighting:** 12-16 downward-facing, motion-activated 100-150W LED lights (1,200-1,800 lumens each), active primarily 7 a.m.-7 p.m. or on motion, reducing glare per Gwen Ursioli's concerns.
- **Drainage:** Gravel surfaces and swales manage runoff, preventing erosion or flooding to neighbors.

This plan, paired with a recommended scaled diagram (1 inch = 20 ft), visually confirms mitigations, ensuring compatibility with the RU zone and addressing public/commissioner objections.

Legal Precedent on Tie Votes

The 3-3 vote denying the CUP (May 14, 2025) lacks clear guidance in KMC 14.20, rendering the denial procedurally ambiguous. In *Municipality of Anchorage v. LeBlanc* (1983), the Alaska Supreme Court held that tie votes on zoning matters, absent explicit code language, do not automatically negate proposals supported by staff findings, often warranting reconsideration. A 2019 Kenai case (PZ2019-08, 4-4 vote on a variance) saw the Board of Adjustment remand for rehearing due to strong staff support and insufficient opposition evidence, per City Clerk records. Robert's Rules of Order, commonly applied in municipal settings, notes that a tie vote fails to adopt a motion (e.g., approval) but allows reconsideration with new evidence.

Here, the staff report (April 14, 2025) found all KMC 14.20.150(e) criteria met, yet Commissioners Krauss, Fees, and Woodard offered no evidence to contradict this, relying on speculation (e.g., traffic, zoning incompatibility) or no reasoning (Woodard). The tie reflects indecision, not substantiated opposition, especially with new evidence (traffic, lighting studies) and mitigations (Readout access, fencing). Per KMC 14.20.290, the Board should reverse the denial or remand for reconsideration, aligning with precedent and fairness.

Comparative Traffic and Lighting Analysis

Traffic Impact Comparison

Aspect	8-Unit Apartments	82-Unit Storage Facility
Units	8 units (two fourplexes)	82 units, 80% occupancy (65.6 units)
Trip Rate	5.0-8.0 trips/unit/day (ITE Code 220)	0.5-1.0 trips/unit/day (ITE Code 151)
Daily Trips	40-64 trips	33-66 trips
Peak Hour Trips	4-6 trips (10-15% of daily, AM/PM peaks)	3-6 trips (spread over 12 hrs, low peak)
Access	Likely Second Street	Readout Avenue (avoids Third Street)
Characteristics	Regular resident trips (commuting, errands)	Infrequent visits (weekly storage access)
Third Street Impact	Avoided via Second Street	Avoided via Readout Avenue
Conclusion	Moderate peak congestion	Comparable or less impact, spread out

Analysis: The storage facility generates comparable or fewer daily trips (33-66) than the 8-unit apartments (40-64), per ITE Trip Generation Manual (10th Ed.). Readout Avenue access avoids Third Street's narrow, unpaved condition, addressing Eroli's and Krauss's concerns. The facility's low peak-hour impact (3-6 trips, spread over 12 hours) minimizes congestion compared to the apartments' AM/PM peaks, meeting KMC 14.20.150(e)(4) (adequate public facilities).

Lighting Impact Comparison

Aspect	8-Unit Apartments	82-Unit Storage Facility
Size	~8,000 sq ft (1,000 sq ft/unit)	~12,300 sq ft (150 sq ft/unit)
Exterior Lights	12 LEDs (6 per fourplex, entrances, parking)	12-16 LEDs (1 per 5-7 units, security)
Window Lighting	16-24 windows, 50% lit (8-12 active)	None (self-service, no office)
Light Type	100-150W LED floodlights, unshielded	100-150W LED, downward, motion-activated

Aspect	8-Unit Apartments	82-Unit Storage Facility
Output (Lumens)	Exterior: 14,400-21,600; Windows: 6,400-14,400; Total: 20,800-36,000	14,400-28,800 lumens (no windows)
Coverage	~10,000 sq ft, dusk to dawn	~15,000 sq ft, 7 a.m.-7 p.m. or motion
Impact	Moderate glare, constant window light	Low glare, reduced light trespass
Mitigation	Limited (open parking, constant lights)	Fencing, landscaping, motion controls
Conclusion	Higher light intrusion	Less intrusive, addresses Ursioli's concern

Analysis: The facility's 12-16 motion-activated LEDs (14,400-28,800 lumens) produce less glare than the apartments' 20,800-36,000 lumens (including window lighting). Downward-facing lights and 7 a.m.-7 p.m. primary use, paired with fencing and landscaping, minimize light trespass, addressing Ursioli's concerns and meeting KMC 14.20.150(e)(5) (no harm to public welfare).

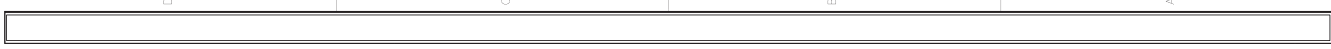
Conclusion and Request for Relief

This supplemental evidence addresses all concerns from the May 14, 2025, hearing. The economic analysis confirms no property value impairment, crime data ensures safety, the community need statement highlights benefits, the enhanced site plan clarifies mitigations, legal precedent supports reversal or remand, and comparative charts demonstrate minimal traffic and lighting impacts. The facility meets all KMC 14.20.150(e) criteria, as affirmed by the staff report, and the Commission's denial was arbitrary, speculative, and unsupported by evidence.

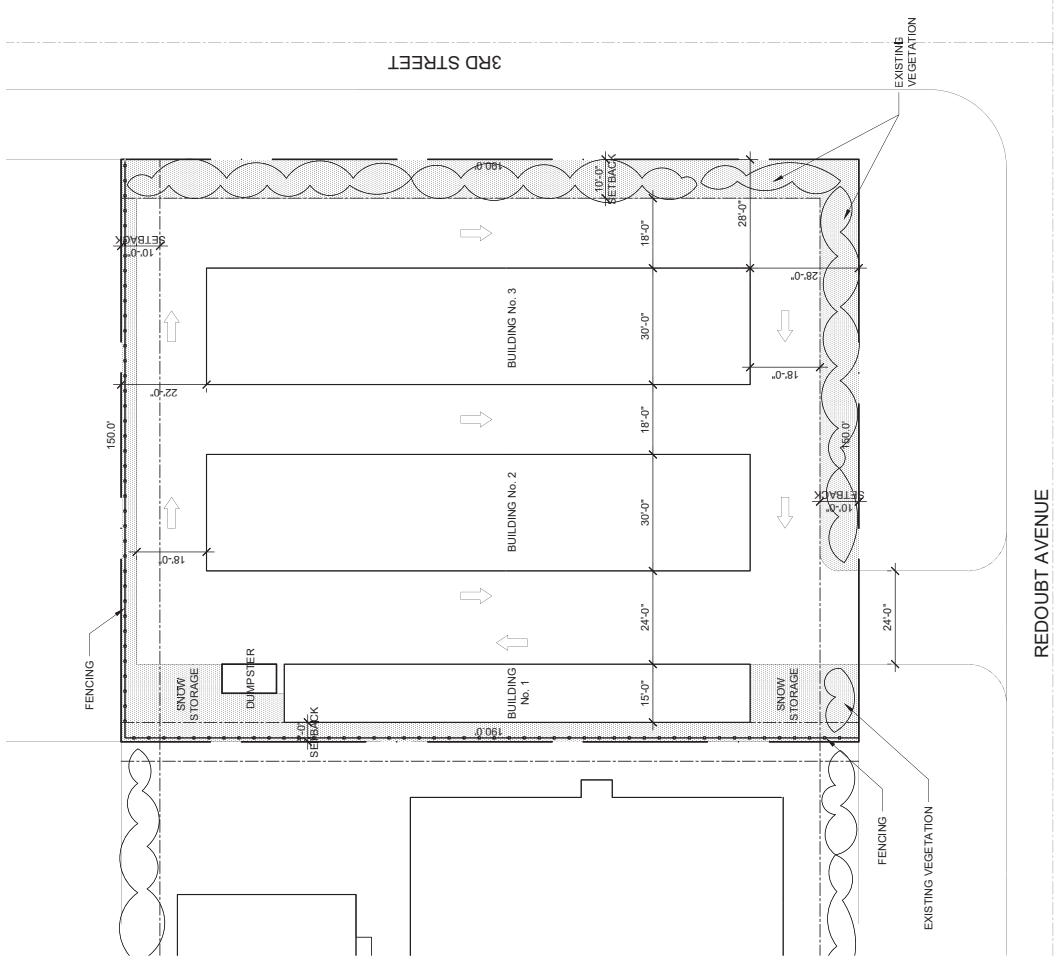
We respectfully request the Board of Adjustment reverse the denial and approve the CUP, or remand for reconsideration with this evidence, per KMC 14.20.290. The project aligns with the RU zone's intent and the 2016 Comprehensive Plan, offering a low-impact, community-serving amenity.

Sincerely,

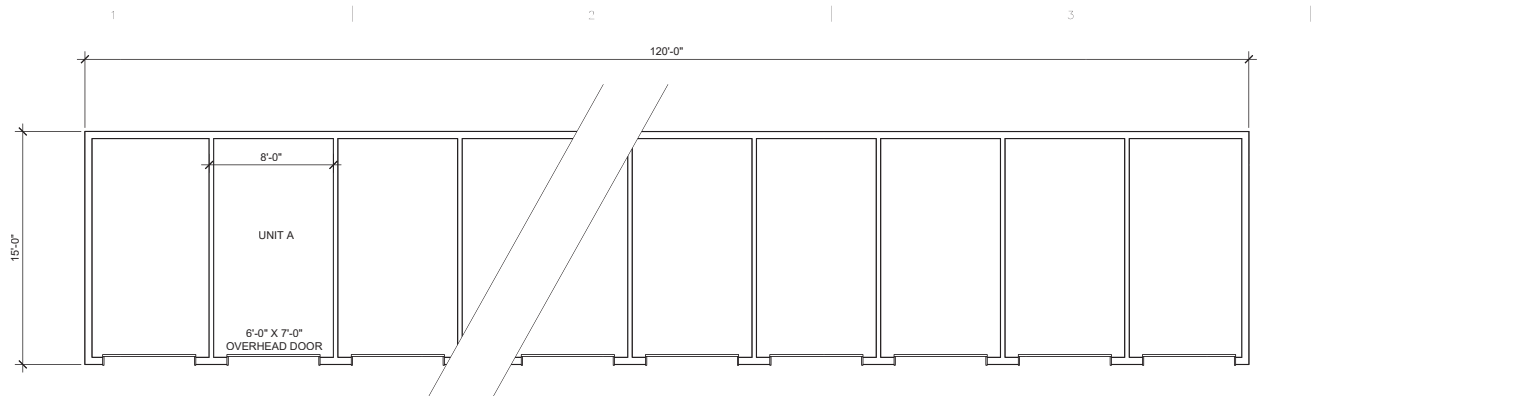
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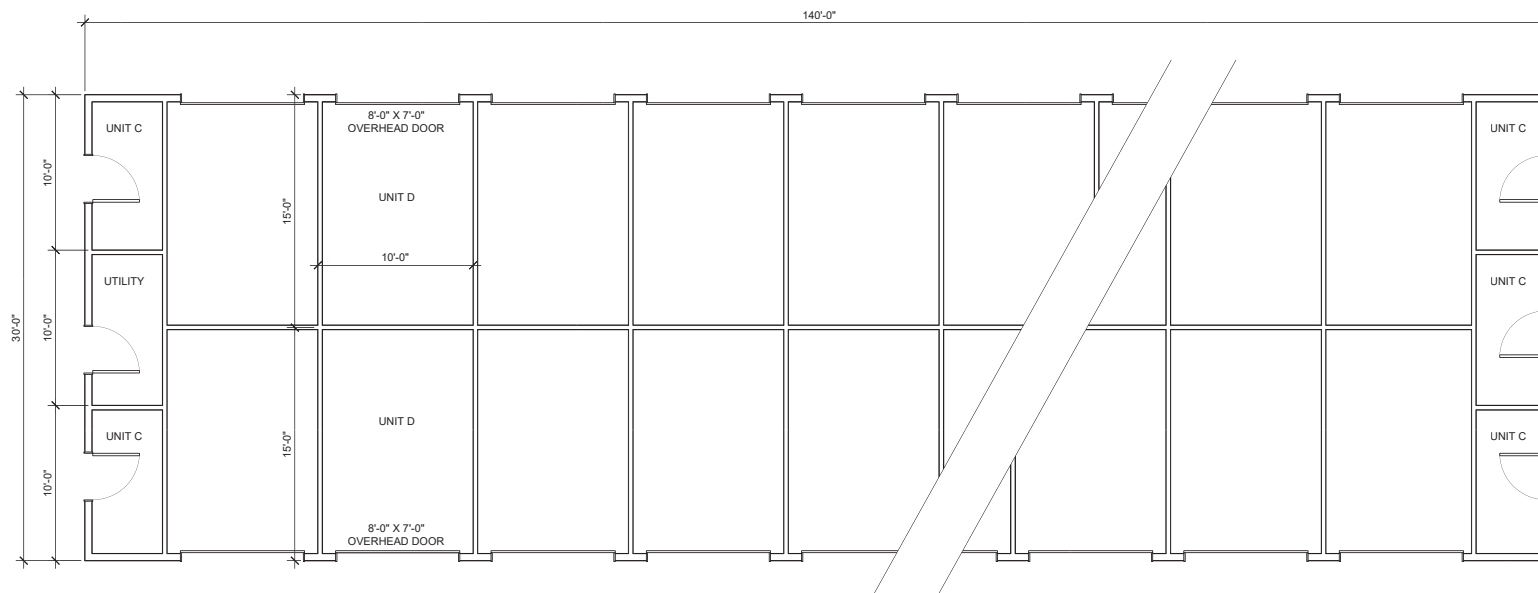
1 2 3



1 2 3



FLOOR PLAN - BUILDING 1
 1/4" = 1'-0" (22X34); 1/8" = 1'-0" (11X17)



FLOOR PLAN - BUILDING 2 & 3
 1/4" = 1'-0" (22X34); 1/8" = 1'-0" (11X17)

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<p>Cornerstone Developments of Alaska LLC - 4 Plex Kenai, Alaska</p>	
<p>FLOOR PLAN</p>	
<p>DRAWN: C. LEWIS</p>	<p>JOB: 25-3-LupinSite</p>
<p>DATE: 5/19/2025</p>	<p>REVISIONS:</p>
<p>A2.0</p>	
<p>PLOTTED HALF SCALE SCALE: AS SHOWN</p>	



Kenai Planning & Zoning Commission

Regular Meeting

May 14, 2025 - 7:00 PM

Council Chambers, City Hall, 210 Fidalgo Avenue,
Kenai, AK 99611

Telephonic/Virtual Information on Page 2

<http://www.kenai.city>

Agenda

A. **CALL TO ORDER**

1. Pledge of Allegiance
2. Roll Call
3. Approval of the Agenda and Consent Agenda (*Public comments on Consent Agenda items limited to three (3) minutes per speaker; thirty (30) minutes aggregated*)

All items listed with an asterisk () are considered to be routine and non-controversial by the Commission and will be approved by one motion. There will be no separate discussion of these items unless a Commission Member so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda as part of the General Orders.

B. **APPROVAL OF MINUTES**

1. *Regular Meeting of April 23, 2025

C. **SCHEDULED PUBLIC COMMENT** (*Public comment limited to ten (10) minutes per speaker*)

D. **UNSCHEDULED PUBLIC COMMENT** (*Public comment limited to three (3) minutes per speaker; thirty (30) minutes aggregated*)

E. **CONSIDERATION OF PLATS**

1. **Resolution PZ2025-19** – Recommending Approval of Preliminary Plat – Kenai Meadows Addition No. 2, a subdivision of Tract A and Lots 3 & 4, Kenai Meadows Addition No.1, in the Rural Residential (RR) Zoning District.

F. **PUBLIC HEARINGS**

1. **Resolution PZ2025-17** – Granting a Conditional Use Permit to Develop and Operate an 82-Unit Indoor Heated Storage Facility on the Property Described as Lot 1 BLK 2 of Mommsens Sub Replat Addn No 1, Addn No 2, Located at 1001 Third Street, in the Urban Residential (RU) Zoning District.

G. **UNFINISHED BUSINESS**

1. **Discussion** – Aspen Creek, 701 N. Forest Drive CUP

H. **NEW BUSINESS**

1. ***Action/Approval** – Requesting Excused Absences for the April 23, 2025 Regular Meeting – Krause

I. REPORTS

1. Planning Director
2. Commission Chair
3. Kenai Peninsula Borough Planning
4. City Council Liaison

J. ADDITIONAL PUBLIC COMMENT *(Public comment limited to five (5) minutes per speaker)*

K. NEXT MEETING ATTENDANCE NOTIFICATION

1. Next Meeting: May 28, 2025

L. COMMISSION COMMENTS AND QUESTIONS

M. PENDING ITEMS

N. ADJOURNMENT

O. INFORMATIONAL ITEMS

The agenda and supporting documents are posted on the City's website at www.kenai.city. Copies of resolutions and ordinances are available at the City Clerk's Office or outside the Council Chamber prior to the meeting. For additional information, please contact the City Clerk's Office at 907-283-8231.

Registration is required to join the meeting remotely through Zoom. Please use the link below to register:

https://us02web.zoom.us/meeting/register/UP9WMLxuTmi_ikHiaeBeTA

****COMMISSIONERS, PLEASE CONTACT US IF YOU WILL NOT BE ABLE TO ATTEND THE MEETING****



STAFF REPORT

PLANNING & ZONING DEPARTMENT

TO: Planning and Zoning Commission
THROUGH: Kevin Buettner, Planning Director
FROM: Beth McDonald, Planning Administrative Assistant
DATE: April 14, 2025
SUBJECT: Resolution PZ2025-17 – Conditional Use Permit – Mini-Storage Facility

Request The applicant is requesting to develop and operate an indoor heated mini-storage facility with approximately 82 units.

Staff Recommendation Adopt Resolution PZ2025-17 approving a Conditional Use Permit to develop and operate a mini-storage facility at 1001 Third Street, in the Urban Residential (RU) Zoning District.

Applicant: Cornerstone Developments of Alaska, LLC – Adam Tugan
Legal Description: Mommsens Sub Replat Addn No 1 & 2 Lot 12 Blk 6 Addn No 1
Property Address: 1001 Third St.
KPB Parcel No.: 03912318
Lot Size: 28,314 square feet (.65-acres)
Zoning: Urban Residential (RU)
Current Use: Vacant Lot
Land Use Plan: Suburban Residential (RS)

SUMMARY

The Applicant is requesting to develop and operate an indoor heated mini-storage facility with approximately 82 units at 1001 Third Street, located at the intersection of Redoubt Avenue and Third Street. A Conditional Use Permit (CUP) is required to operate a Mini-Storage Facility in the Urban Residential (RU) Zoning District.

ANALYSIS

Pursuant to KMC 14.20.150(a), the intent of a conditional use permit is to allow some uses that may be compatible with the designated principal uses in specific zoning districts provided certain conditions are met. Prior to granting a conditional use permit, the Commission shall determine that the identified criteria as outlined in KMC 14.20.150(e) *Conditional Use Permits Review Criteria* are met.

Criteria 1: The use is consistent with the purpose of this chapter and the purposes and intent of the zoning district.

Findings: *The Urban Residential (RU) Zone is intended to provide for apartments and compatible uses in areas near centers of shopping, services and employment where high-density residential development is desirable.*

The proposed development would not necessarily violate the character of the neighborhood as it would provide a practical amenity for residents to store personal belongings, seasonal equipment such as fishing gear, snow machines, and household items, thereby supporting the functionality and organization of the nearby apartments, multi- and single-family dwellings.

As Redoubt Avenue is considered a Minor Collector Route, and often has higher annual average daily traffic counts than the surrounding streets, and while there is no significant change in traffic anticipated, Staff recommends the entry to the property be moved to Third Street to forestall any possible changes/increases to traffic on Redoubt Avenue. There is adequate parking available, as it is for loading and unloading only.

Staff finds that the proposed use meets the intent of the RU zoning district.

Criteria 2: The economic and noneconomic value of the adjoining property and neighborhood will not be significantly impaired.

Findings: The proposed indoor heated mini-storage facility will not impair the economic and noneconomic value of the adjacent properties and neighborhood as, per the applicant, it will be designed to minimize disruption. Unlike outdoor storage, the facility's indoor structure eliminates visual clutter, noise and activity that could detract from the neighborhood's rural aesthetic. Being heated, it ensures year-round functionality without external equipment that might disturb residents.

The Applicant plans to incorporate natural landscaping, setbacks and screening (fencing or vegetation) to ensure a proper buffer. The units will generate low traffic volumes, and enhance the utility of the neighborhood by providing a practical amenity, reducing the need for sprawling outbuildings that could clutter the neighborhood. At a scale of 82 units, the facility ensures it serves local demand without transforming the area into a commercial hub, preserving the residential character.

Staff finds the proposed use would not impair the economic and noneconomic value of adjacent properties and neighborhood.

Criteria 3: The proposed use is in harmony with the Comprehensive Plan.

Findings: The Land Use Plan, from the 2016 Comprehensive Plan, identifies the subject property with the Suburban Residential (RS) land use classification. The RS Land Use Classification is defined in the Comprehensive Plan:

Suburban Residential is intended for single-family and multi-family residential uses that are urban or suburban in character. The area will typically be developed at a higher density; lots are typically smaller; and, public water and sewer services are required or planned. Some developments may be required to construct streets to a pave standard and larger subdivisions may be required to provide sidewalks and public areas. Parks and open space land uses may be considered appropriate.

The surrounding uses consist of empty lots to the north, empty lot and residential to the east, empty lots and a single-family dwelling to the south, and empty lot being developed into two multi-family structures, and apartment buildings further to the west. To the south of Redoubt Avenue, it is zoned Recreational (R) and Rural Residential (RR). To the North, it is Suburban Residential (RS), as well as surrounding the strip of seven (7) Urban Residential (RU) parcels that include 1001 Third Avenue.

As stated by the applicant in detail in the application letter, the proposed use of the property as proposed is consistent and in harmony with several goals in the 2016 Comprehensive Plan.

RELEVANT GOALS

In *Imagine Kenai 2030 Comprehensive Plan*, Chapter 6, “Goals, Objectives, and Implementation”, several goals and objectives are met from the proposed use.

Goal 1 – Quality of Life is to promote and encourage quality of life in Kenai.

Objective Q-2

Protect and rejuvenate the livability of existing Neighborhoods.

Objective Q-4

Establish siting and design standards so that development is in harmony and scale with surrounding uses.

Objective Q-5

Update existing site design guidelines for commercial development – landscaping, setbacks, parking.

Goal 2 – Provide economic development to support the fiscal health of Kenai.

Objective ED-2

Implement business-friendly regulations, taxation and incentives to create a stable, positive climate for private investment.

Goal 3 – Land Use is to develop land use strategies to implement a forward-looking approach to community growth and development.

Objective LU-2

Promote the infill of existing, improved subdivision lots.

Objective LU-6

Review Zoning Code to consider use of buffers and buffer zones to separate incompatible land uses. Review landscaping ordinance to ensure buffers are required to protect Neighborhoods.

Objective LU-12

Ensure that the installation of basic public infrastructure (roads, sewer, water and drainage) is coordinated with the timing of development and that improvements are in place at the time impacts occur.

Criteria 4: Public services and facilities are adequate to serve the proposed use.

Findings: City water and sewer are available and adequate for the proposed use. Redoubt Avenue is a paved City-maintained road.

Criteria 5: The proposed use will not be harmful to the public safety, health or welfare.

Findings: There is adequate parking and buffer for the proposed use to minimize the impact to the surrounding area. It is not anticipated that the conditional use will be harmful to the public safety, health or welfare.

As noted by the applicant, Its low-impact design, minimal environmental footprint, and community-serving purpose ensure safety through reduced hazards, protect health with no significant pollution or sanitation issues, and enhance welfare by meeting a local need without adverse impacts.

Criteria 6: Any and all specific conditions deemed necessary by the Commission to fulfill the above-mentioned conditions. These may include, but are not limited to, measures relative to access, screening, site development, building design, operation of the use and other similar aspects related to the proposed use.

Findings: Staff finds that allowing an indoor Mini-Storage facility does not cause any adverse impacts on the surrounding properties. Staff recommends the entrance to the facility be constructed on Third Avenue, instead of Redoubt, to continue the current traffic patterns on Redoubt Avenue.

PUBLIC NOTICE

Pursuant to Kenai Municipal Code 14.20.280(c) notices of the public hearing for the conditional use were mailed to property owners within a three hundred-foot (300') periphery of the subject property. City staff published notice of the public hearing in the *Peninsula Clarion*. City staff submitted an Affidavit of Posting verifying a sign was placed on the parcel with information on the public hearing for the conditional use permit request.

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

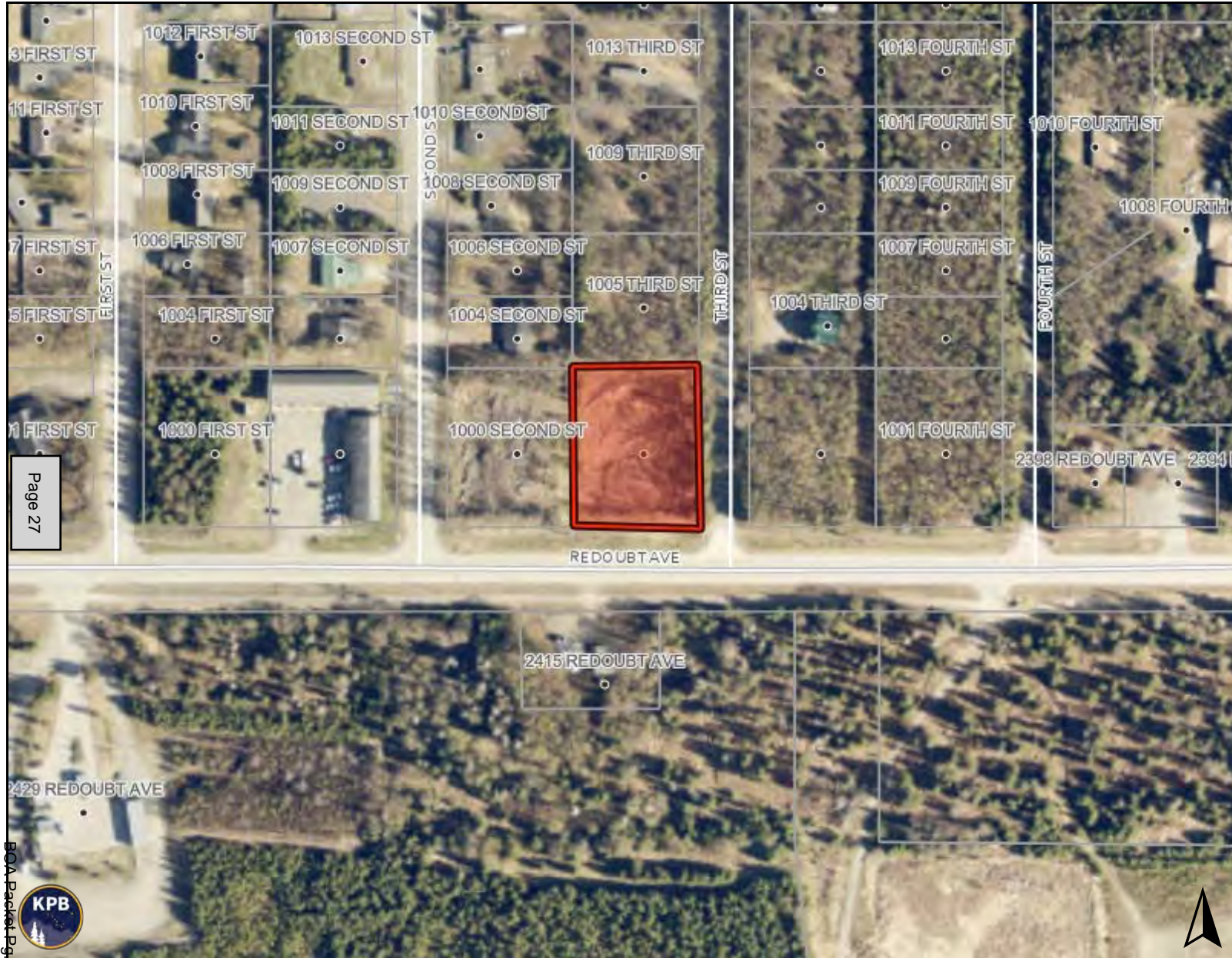
STAFF RECOMMENDATION

Staff finds that the proposed Conditional Use Permit to develop and operate an indoor heated mini-storage facility with approximately 82 units at 1001 Third Street, on the property described as Mommsens Subdivision Replat Addn No 1 & 2 Lot 12 Blk 6 Addn No 1 meets the criteria for issuance of a Conditional Use Permit as set forth in subsections (e)(1) through (e)(6) of Kenai Municipal Code 14.20.150, and hereby recommends that the Planning and Zoning Commission adopt Resolution PZ2025-17 approving the Conditional Use Permit, subject to the following conditions:

1. Any development or use of the property shall comply with all applicable Federal, State of Alaska, and City regulations regardless of whether or not the requirements are listed as conditions for the approval of the Conditional Use Permit.
2. Upon request, the applicant or applicant's representative shall meet with City staff for an on-site inspection.

ATTACHMENTS

Aerial Map
Application
Application Letter
Site Plan
Mommsens Sub Replat Addn No 1&2 Subdivision Plat



Legend

Physical Addresses

Transportation

Mileposts

Roads

- Medium Collector
- Medium Volume - Unmaintained
- Medium Volume - Maintained
- Low / Seasonal
- Legal Trail
- Private
- State Hwy
- Platted / Proposed

Parcels and PLSS

Parcels

9" Imagery

- Red: Red
- Green: Green
- Blue: Blue
- Red: Red
- Green: Green
- Blue: Blue



Conditional Use Permit Application

City of Kenai
Planning and Zoning Department
210 Fidalgo Avenue
Kenai, AK 99611
(907) 283-8200
planning@kenai.city
www.kenai.city/planning

PROPERTY OWNER

Name:	Cornerstone Developments of Alaska, LLC						
Mailing Address:							
City:					State:	WA	Zip Code: 99037
Phone Number(s):							
Email:							

PETITIONER REPRESENTATIVE (LEAVE BLANK IF NONE)

Name:	Adam Tugan						
Mailing Address:							
City:					State:	AK	Zip Code: 99672
Phone Number(s):							
Email:							

PROPERTY INFORMATION

Kenai Peninsula Borough Parcel # (Property Tax ID):	03912318
Physical Address:	1001 3rd St Kenai, AK 99611
Legal Description:	T 6N R 12W SEC 25 SEWARD MERIDIAN KN 0001355 MOMMSSENS SUB REPLAT ADDN NO 1 & 2 LOT 12 BLK
Zoning:	Urban Residential
Acres:	0.65 Acres

CONDITIONAL USE DESCRIPTION

(include site plan/floor plan with square footages)

(include State Business License and KPB Tax Compliance if applicable)

How is this property currently being used?	Vacant Land
--	-------------

Conditional Use Requested for (attach additional sheets if necessary):


See Attachment - Section 1

Explain how the conditional use is consistent with purposes and intent of the zoning district of the property:

See Attachment - Section 2

Explain how the value of adjoining property and neighborhood will not be significantly impaired by the conditional use:

See Attachment - Section 3

Use of surrounding property - north:	Suburban Residential		
Use of surrounding property - south:	Recreational		
Use of surrounding property - east:	Urban Residential		
Use of surrounding property - west:	Urban residential		
Explain how the conditional use is in harmony with the City's Comprehensive Plan:			
See Attachment - Section 4			
Are public services and facilities on the property adequate to serve the proposed conditional use?			
See Attachment - Section 5			
Explain how the conditional use will not be harmful to public safety, health, or welfare:			
See Attachment - Section 6			
Are there any measures with access, screening, site development, building design, or business operation that will lessen potential impacts of the conditional use to neighbors?			
See Attachment - Section 7			
<p>AUTHORITY TO APPLY FOR CONDITIONAL USE:</p> <p>I hereby certify that (I am) (I have been authorized to act for) owner of the property described above and that I petition for a conditional use permit in conformance with Title 14 of the Kenai Municipal Code. I understand that payment of the application fee is nonrefundable and is to cover the costs associated with processing this application, and that it does not assure approval of the conditional use. I also understand that assigned hearing dates are tentative and may have to be postponed by Planning Department staff of the Planning and Zoning Commission for administrative reasons. I understand that a site visit may be required to process this application. City of Kenai personnel are authorized to access the above-referenced property for the purpose of processing this application.</p>			
Signature:		Date:	4/8/2025
Print Name:	Adam Tugan	Title/Business:	Manager/ Co-owner
For City Use Only		Date Application Fee Received:	
		PZ Resolution Number:	



Section 1. - Conditional Use Requested for:

The applicant requests a Conditional Use Permit (CUP) to develop and operate an indoor heated storage facility with approximately 82 units at 1001 3rd St, located at the intersection of Redoubt Ave and 3rd Street in Kenai, within the Rural Residential (RU) zoning district. Under Kenai Municipal Code 14.20.050, storage facilities are not a permitted use in RU zones but may be allowed with a CUP if they meet community goals and compatibility standards. This proposal seeks approval to introduce a low-impact, service-oriented use in a residential area, designed to harmonize with the surrounding rural character.

Section 2. - Explain how the conditional use is consistent with purposes and intent of the zoning district of the property:

The proposed indoor heated storage facility at 1001 3rd St is consistent with the purposes and intent of the RU zoning district in the following ways:

- 1. Support for Residential Use and Lifestyle:**

The RU district prioritizes a low-density residential environment. This storage facility enhances the rural residential lifestyle by providing a practical amenity for residents to store personal belongings, seasonal equipment (e.g., fishing gear, snow machines), and household items, thereby supporting the functionality and organization of nearby single-family homes. Its proximity to Redoubt Ave and 3rd Street, near the downtown core, offers convenience without necessitating urban-density development, aligning with the district's goal of maintaining a rural character with minimal infrastructure demands.

- 2. Low-Impact Design Compatible with Rural Character:**

The facility's indoor, heated design ensures minimal external impact, preserving the tranquility and aesthetics of the RU district. Unlike open storage or industrial uses, the enclosed structure reduces noise, visual clutter, and traffic compared to permitted accessory uses like large garages or barns. The *Imagine Kenai 2030 Comprehensive Plan* supports such compatibility through Goal 1, Objective Q-4, which promotes land uses "in harmony and scale with surrounding uses" (Chapter 6, Section 6.2). Landscaping,

setbacks, and buffers (Goal 3, Objective LU-6) will further mitigate effects on adjacent properties, maintaining the rural residential ambiance.

3. Efficient Use of Existing Infrastructure:

The RU district assumes reliance on existing rural infrastructure, such as gravel roads and on-site utilities. The storage facility at 1001 3rd St leverages Redoubt Ave’s accessibility without requiring significant upgrades to roads, water, or sewer systems beyond what is already available or planned for the site. This aligns with the district’s intent to limit urban sprawl and infrastructure costs, as well as the Comprehensive Plan’s Goal 3, Objective LU-12, which emphasizes coordinating development with existing infrastructure (Chapter 6, Section 6.4).

4. Community Benefit Without Altering District Purpose:

While the RU district focuses on residential uses, the conditional use process allows flexibility for community-serving uses that do not undermine its rural intent. The storage facility meets a demonstrated need for secure, climate-controlled storage in Kenai, supporting residents’ quality of life (Goal 1) and economic vitality (Goal 2) as outlined in the Comprehensive Plan (Chapter 6, Sections 6.2 and 6.3). Its scale—approximately 82 units—remains modest, ensuring it serves local households rather than transforming the area into a commercial hub, thus preserving the district’s low-density residential focus.

5. Alignment with Comprehensive Plan’s Flexibility:

The *Imagine Kenai 2030 Comprehensive Plan* maps RU zones to its Low Density Residential (LDR) classification, intended for “large-lot single-family low-density residential development” (Chapter 5, Section 5.4.3), but also encourages adaptive land use to meet evolving needs (Chapter 5, Section 5.1). The storage facility aligns with this flexibility by introducing a low-impact service use that complements residential living, supporting Goal 3’s forward-looking approach to growth (Chapter 6, Section 6.4) without conflicting with the RU district’s rural residential purpose.

Conclusion:

The indoor heated storage facility with approximately 82 units at 1001 3rd St is consistent with the RU zoning district’s purposes and intent by enhancing the rural residential lifestyle, maintaining low-impact compatibility, utilizing existing infrastructure, and providing a community benefit without altering the district’s primary residential character. Its design and location align with both the zoning code and the *Imagine Kenai 2030 Comprehensive Plan*, ensuring it supports rather than detracts from the RU district’s rural residential environment.

Section 3. - Explain how the value of adjoining property and neighborhood will not be significantly impaired by the conditional use:

The proposed indoor heated storage facility at 1001 3rd St will not significantly impair the value of adjoining properties or the surrounding neighborhood due to its low-impact design, compatibility measures, and alignment with community goals. The following points demonstrate how the project preserves the rural residential character and property values in the RU district:

1. **Low-Impact Indoor Design Minimizes Disruption:**
Unlike outdoor storage or industrial uses, the facility's indoor structure eliminates visual clutter, noise, and activity that could detract from the neighborhood's rural aesthetic. The heated feature ensures year-round functionality without external equipment (e.g., generators) that might disturb residents. This aligns with the *Imagine Kenai 2030 Comprehensive Plan* Goal 1, Objective Q-4, which promotes land uses "in harmony and scale with surrounding uses" (Chapter 6, Section 6.2). By maintaining a clean, enclosed appearance, the facility avoids the depreciation often associated with unsightly or noisy developments, preserving the appeal and value of adjoining single-family homes.
2. **Mitigation Through Site Design and Buffers:**
The project will incorporate natural landscaping, setbacks, and screening (e.g., fencing or vegetation) as recommended by Goal 3, Objective LU-6 of the Comprehensive Plan (Chapter 6, Section 6.4), ensuring a buffer between the facility and adjacent properties. These measures, consistent with updated site design guidelines (Objective Q-5), will obscure the building from view, reduce light spillage, and maintain privacy for neighbors. In a rural residential context, where large lots and open space are valued, such mitigation prevents any significant aesthetic or functional impairment, supporting property values comparable to permitted accessory structures like sheds or garages.
3. **Minimal Traffic and Activity Impact:**
Storage facilities generate low traffic volumes, primarily occasional visits by users, unlike retail or office uses that could increase congestion. Located at Redoubt Ave and 3rd Street, the site benefits from existing road access near the downtown core, dispersing trips without overburdening rural streets. This low-intensity use aligns with the RU district's intent for minimal infrastructure demands (KMC 14.20.050) and avoids the traffic-related devaluation that might occur with higher-impact developments. The Comprehensive Plan's emphasis on efficient land use (Goal 3, Objective LU-2) supports this approach, ensuring neighborhood functionality remains intact.
4. **Enhancement of Neighborhood Utility and Appeal:**
The facility provides a practical amenity for residents, addressing storage needs for seasonal items, recreational equipment, or excess belongings in a rural area where large accessory buildings might otherwise proliferate on individual lots. By centralizing storage in a single, well-designed facility, it reduces the need for sprawling outbuildings that could clutter the neighborhood and lower its cohesive rural charm. This supports property values by maintaining a tidy, organized community appearance, consistent with Goal 1's focus on quality of life (Chapter 6, Section 6.2).
5. **Precedent of Compatible Uses in Residential Areas:**
Storage facilities, particularly indoor ones, are often approved in or near residential zones nationwide when designed to blend with surroundings, as they provide utility without the negative externalities of commercial or industrial operations. At 1001 3rd St, the modest scale of 82 units ensures it serves local demand without transforming the area into a commercial hub, preserving the RU district's residential character. The Comprehensive Plan's allowance for flexible land use (Chapter 5, Section 5.1) reinforces this compatibility, suggesting that well-integrated service uses can coexist with rural residential areas without impairing value.

Conclusion:

The indoor heated storage facility at 1001 3rd St will not significantly impair the value of adjoining properties or the neighborhood due to its low-impact, indoor design, effective mitigation measures, minimal traffic, and enhancement of community utility. By adhering to the RU district's rural residential intent (KMC 14.20.050) and the *Imagine Kenai 2030 Comprehensive Plan*'s goals for compatibility and quality of life, the project ensures that the surrounding area retains its aesthetic, functional, and economic value. Far from detracting, it offers a subtle benefit that supports the neighborhood's livability and appeal.

Section 4. – Explain how the conditional use is in harmony with the City's Comprehensive Plan:

The proposed indoor heated storage facility at 1001 3rd St is in harmony with the *Imagine Kenai 2030 Comprehensive Plan*, adopted on January 3, 2017, by supporting its overarching goals of enhancing quality of life, fostering economic vitality, and promoting efficient land use, while respecting the rural residential context of the RU zoning district. Below, we outline how the project aligns with specific Plan goals and objectives.

1. Enhancing Quality of Life (Goal 1):

Goal 1 aims to “promote and encourage quality of life in Kenai” by meeting diverse resident needs (Chapter 6, Section 6.2). The storage facility supports this by providing a practical, climate-controlled solution for storing personal belongings, seasonal equipment, and recreational gear—key to Kenai's northern climate and outdoor lifestyle (Chapter 4, Sections 4.2.1 and 4.7). Objective Q-4 calls for land uses “in harmony and scale with surrounding uses,” and the indoor design, with landscaping and setbacks (Objective Q-5), ensures minimal impact on the rural residential neighborhood near Redoubt Ave and 3rd Street. This enhances livability by reducing clutter on individual properties, preserving the aesthetic and functional value of the area (Objective Q-2).

2. Supporting Economic Vitality (Goal 2):

Goal 2 seeks to bolster Kenai's fiscal health through economic development and job creation (Chapter 6, Section 6.3). The storage facility aligns with Objective ED-2, which promotes “business-friendly regulations, taxation, and incentives to create a stable, positive climate for private investment.” This project represents a private investment that will generate temporary construction jobs and long-term employment for management and maintenance. Though located in an RU zone, its proximity to the downtown core via Redoubt Ave positions it as a strategic economic enhancer, offering a service that supports local households without requiring extensive commercial rezoning (Objective ED-5). This modest economic contribution harmonizes with the Plan's vision of sustainable growth.

3. Promoting Efficient Land Use (Goal 3):

Goal 3 advocates a “forward-looking approach to community growth and development” through efficient land use and infrastructure coordination (Chapter 6, Section 6.4). The facility at 1001 3rd St supports Objective LU-2 by utilizing an existing RU-zoned parcel for infill development, avoiding sprawl into undeveloped areas. Objective LU-12 ensures

“basic public infrastructure (roads, sewer, water, and drainage) is coordinated with the timing of development,” and the project leverages Redoubt Ave’s rural road access without necessitating significant upgrades beyond on-site needs. This aligns with the Plan’s emphasis on compact, cost-effective growth patterns (Chapter 5, Section 5.2.1), harmonizing with the RU district’s low-density framework while meeting community demands.

4. Compatibility with Low Density Residential (LDR) Classification:

The RU zoning district corresponds to the Plan’s *Low Density Residential (LDR)* classification, intended for “large-lot single-family low-density residential development” with rural standards (Chapter 5, Section 5.4.3). While storage is not a listed use, the Plan encourages flexibility to adapt land use to evolving needs (Chapter 5, Section 5.1). The indoor facility complements this classification by serving adjacent residents without altering the area’s rural character. Its design—enclosed, heated, and buffered (Goal 3, Objective LU-6)—ensures compatibility with surrounding homes, aligning with the Plan’s intent to balance growth with neighborhood integrity.

5. Community Benefit and Strategic Location:

The Plan highlights Kenai’s evolving needs, including storage for a growing senior population and seasonal residents (Chapter 4, Section 4.7). Located near the downtown core, the facility at 1001 3rd St bridges rural and urban areas, supporting the Plan’s vision of a connected community (Chapter 5, Section 5.2). By providing a centralized, low-impact storage option, it reduces the proliferation of accessory structures on large lots, maintaining the rural aesthetic while fulfilling a practical need, in harmony with the Plan’s holistic approach to development.

Conclusion:

The indoor heated storage facility with approximately 82 units at 1001 3rd St is in harmony with the *Imagine Kenai 2030 Comprehensive Plan* by enhancing quality of life, supporting economic vitality, and promoting efficient land use within the RU zoning district. Its thoughtful design and strategic location near Redoubt Ave and 3rd Street ensure it complements the rural residential environment while addressing community needs, fulfilling the Plan’s vision of a thriving, well-planned Kenai that balances growth with its unique character.

Section 5. - Adequacy of Public Services and Facilities for the Proposed Conditional Use

Conditional Use Requested: The applicant seeks a Conditional Use Permit to develop an indoor heated storage facility with approximately 82 units at 1001 3rd St, located at the intersection of Redoubt Ave and 3rd Street in Kenai, within the Rural Residential (RU) zoning district.

Evaluation of Public Services and Facilities:

Public services and facilities on or available to the property at 1001 3rd St are adequate to serve the proposed indoor heated storage facility, given its low-impact nature and the existing infrastructure in this RU-zoned area near the downtown core. The following analysis assesses key services—roads, water, wastewater, drainage, and utilities—in the context of the project’s needs and the *Imagine Kenai 2030 Comprehensive Plan*.

1. **Road Access and Transportation:**

The property at 1001 3rd St benefits from its location at the intersection of Redoubt Ave and 3rd Street, providing direct access to an existing rural road network. The RU zoning district typically features gravel roads designed for low-density residential use (KMC 14.20.050), and Redoubt Ave, as a collector street near the downtown core, adequately supports the minimal traffic generated by a storage facility. Unlike retail or office uses, this project will involve infrequent trips—primarily short visits by users—requiring no significant road upgrades. The Comprehensive Plan’s Goal 3, Objective LU-12 emphasizes coordinating development with existing infrastructure (Chapter 6, Section 6.4), and the current road capacity is sufficient to serve the proposed use without strain.

2. **Water Supply:**

The RU district often relies on individual on-site wells for water supply (Chapter 5, Section 5.4.3), though properties near the downtown core may have access to municipal water depending on proximity to service lines. The storage facility’s water needs are minimal, limited to a boiler system, and do not include high-demand activities like industrial processing. This aligns with the Plan’s focus on efficient infrastructure use (Goal 3).

3. **Wastewater Management:**

Similar to water, RU properties typically use on-site septic systems (KMC 14.20.050). The storage facility’s wastewater demands are ZERO, with no discharge from the 82-unit operation itself. No restrooms required. The Comprehensive Plan notes that RU areas like Beaver Loop Road may see future sewer extensions (Chapter 5, Section 5.4.3), but the project’s minimal needs do not necessitate such upgrades.

4. **Drainage:**

The property’s rural setting implies natural drainage or basic on-site solutions, typical for RU zones with large lots (Chapter 5, Section 5.4.3). The indoor facility will generate limited runoff, primarily from the building roof and small parking area, which can be managed with gravel surfaces or simple swales per city standards. The Plan’s Goal 3, Objective LU-12 supports coordinating drainage with development (Chapter 6, Section 6.4), and the site’s design will include adequate grading and landscaping to prevent impacts on adjoining properties, ensuring existing drainage capacity is sufficient.

5. **Utilities (Power and Heating):**

Electrical service from Homer Electric Association (HEA) is widely available in Kenai, including RU areas near the downtown core like 1001 3rd St (Chapter 4, Section 4.2.1). The facility requires power for interior lighting and heating the 82 units, a demand well within HEA’s capacity for a modest commercial structure. Natural gas from Enstar, or electric heating systems will meet the heated storage needs without exceeding local utility infrastructure. The Plan’s emphasis on efficient growth (Goal 3) supports leveraging existing utility lines, which are adequate here due to the site’s strategic location.

6. **Public Safety (Fire and Police):**

The Kenai Fire Department and Police Department serve the entire city, including RU zones near Redoubt Ave and 3rd Street. The facility’s indoor, all metal exterior design reduces fire risk compared to outdoor storage. Police needs are minimal, as storage facilities experience low crime rates with basic security measures (e.g., lighting, locks). Existing public safety services are sufficient to cover this low-intensity use without additional resources, consistent with the Plan’s community-focused vision (Goal 1).

Conclusion:

Public services and facilities at 1001 3rd St are adequate to serve the proposed indoor heated storage facility with approximately 82 units. The site's access to Redoubt Ave, minimal water, basic drainage solutions, available utilities, and existing public safety coverage align with the RU district's rural infrastructure standards (KMC 14.20.050). This efficiency supports the *Imagine Kenai 2030 Comprehensive Plan's* Goal 3 by utilizing existing resources without necessitating costly expansions (Chapter 6, Section 6.4), ensuring the project integrates seamlessly into the community.

Section 6. - How the Conditional Use Will Not Be Harmful to Public Safety, Health, or Welfare

Conditional Use Requested: The applicant seeks a Conditional Use Permit to develop an indoor heated storage facility with approximately 82 units at 1001 3rd St, located at the intersection of Redoubt Ave and 3rd Street in Kenai, within the Rural Residential (RU) zoning district.

Assessment of Impact on Public Safety, Health, and Welfare:

The proposed indoor heated storage facility at 1001 3rd St will not be harmful to public safety, health, or welfare due to its low-impact design, minimal operational demands, and proactive mitigation measures. The project aligns with the *Imagine Kenai 2030 Comprehensive Plan's* goals of enhancing quality of life and ensuring community well-being, as detailed below.

1. Public Safety – Low Risk to Fire, Traffic, and Crime:

- **Fire Safety:** The indoor facility reduces fire hazards compared to outdoor storage by enclosing all units. The heated design prevents frozen pipes or equipment malfunctions common in unheated structures, further minimizing risks in Kenai's cold climate (Chapter 4, Section 4.2.1). Existing fire services near the downtown core are adequate to respond, ensuring no strain on public safety resources.
- **Traffic Safety:** The facility will generate minimal traffic—primarily occasional user visits—posing no significant risk to road safety on Redoubt Ave or 3rd Street. The RU district's rural roads (KMC 14.20.050) can handle this low volume without congestion or hazards, aligning with the Plan's Goal 3 focus on coordinated infrastructure use (Chapter 6, Section 6.4).
- **Crime Prevention:** Storage facilities typically have low crime rates when equipped with basic security (e.g., lighting, locks, cameras), which will be implemented here. Proximity to the downtown core enhances police visibility, and the Kenai Police Department's existing coverage ensures safety without additional burden, supporting Goal 1's livability objectives (Chapter 6, Section 6.2).

2. Public Health – No Environmental or Health Hazards:

- **Air and Noise Quality:** The indoor design eliminates dust, emissions, or noise from outdoor operations, unlike industrial or open storage uses. Heating will be electric or natural gas-based (e.g., via Homer Electric Association or Enstar), producing no harmful pollutants beyond standard residential levels. This preserves air quality and quietude in the RU neighborhood, consistent with Objective Q-2's focus on safe, healthy environments (Chapter 6, Section 6.2).

- **Runoff Control:** Limited runoff from the roof and small parking area will be managed with gravel surfaces or swales, preventing flooding or erosion that could affect neighboring health or property, in line with Goal 3, Objective LU-12 (Chapter 6, Section 6.4).
3. **Public Welfare – Community Benefit Without Adverse Effects:**
- **Meeting a Public Need:** The facility addresses a community need for secure, climate-controlled storage, supporting residents’ welfare by accommodating seasonal items (e.g., fishing gear, Snow Machines, etc..) and reducing clutter on large RU lots (Chapter 4, Section 4.7). This enhances quality of life (Goal 1), fulfilling KMC 14.20.150(e)(1)’s public need criterion without compromising the rural residential character.
 - **Compatibility and Mitigation:** Landscaping, setbacks, (Goal 3, Objective LU-6) will buffer the facility from adjoining properties, minimizing visual or privacy impacts. The indoor structure avoids the aesthetic or welfare concerns of open storage, ensuring harmony with the neighborhood near Redoubt Ave and 3rd Street (Objective Q-4). This supports the Plan’s vision of balanced growth (Chapter 5, Section 5.1).
 - **No Overburden on Services:** As noted previously, existing roads, utilities, and public safety services are adequate, preventing any reduction in welfare due to strained resources (Goal 3, Chapter 6, Section 6.4).

Conclusion:

The indoor heated storage facility with approximately 82 units at 1001 3rd St will not be harmful to public safety, health, or welfare. Its low-risk design, minimal environmental footprint, and community-serving purpose ensure safety through reduced hazards, protect health with no significant pollution or sanitation issues, and enhance welfare by meeting a local need without adverse impacts. This aligns with the *Imagine Kenai 2030 Comprehensive Plan*’s goals of fostering a safe, healthy, and thriving community, making it a compatible addition to the RU district.

Section 7. - Are there any measures with access, screening, site development, building design, or business operation that will lessen potential impacts of the conditional use to neighbors?

Measures to Lessen Potential Impacts of the Conditional Use to Neighbors

Conditional Use Requested: The applicant seeks a Conditional Use Permit to develop an indoor heated storage facility with approximately 82 units at 1001 3rd St, located at the intersection of Redoubt Ave and 3rd Street in Kenai, within the Rural Residential (RU) zoning district.

Mitigation Measures to Lessen Impacts:

The proposed indoor heated storage facility at 1001 3rd St incorporates specific measures in access, screening, site development, building design, and business operation to minimize potential impacts on neighboring properties in the RU district. These measures ensure compatibility with the rural residential character and align with the *Imagine Kenai 2030*

Comprehensive Plan's emphasis on harmony and quality of life (Goal 1, Objective Q-4; Goal 3, Objective LU-6). Below are the proposed mitigations:

1. **Access Measures:**

- **Controlled Entry Point:** Access will be limited to a single, well-defined entrance off Redoubt Ave, reducing traffic dispersion onto 3rd Street or adjacent residential areas. This leverages the existing rural road infrastructure (KMC 14.20.050) without necessitating widenings or additional access points, minimizing disruption to neighbors.
- **Low Traffic Design:** The facility's layout will include a small parking area (e.g., 5-10 spaces) for users, sized for the low-frequency visits typical of storage facilities (1-2 trips per week per unit). Signage will direct traffic efficiently, preventing congestion or safety hazards on rural streets, supporting Goal 3's coordinated infrastructure use (Chapter 6, Section 6.4).

2. **Screening Measures:**

- **Vegetative Buffers:** Native trees or shrubs will be planted along property lines, particularly adjacent to residential lots, to screen the facility from view and maintain the rural aesthetic of the RU district (Chapter 5, Section 5.4.3). This aligns with Objective LU-6's call for buffers to lessen impacts (Chapter 6, Section 6.4).
- **Fencing:** A 6-foot fence designed to blend with residential surroundings, will encircle the site, obscuring the building and parking area while enhancing privacy for neighbors. This complements Objective Q-5's updated design standards (Chapter 6, Section 6.2).

3. **Site Development Measures:**

- **Setbacks:** The building and parking will exceed minimum RU setbacks (e.g., 20 feet front, 10 feet sides/rear per KMC 14.20.050), providing ample space from property lines to reduce perceived intrusion and preserve open space typical of rural lots.
- **Drainage Control:** Gravel surfaces or swales will manage runoff from the roof and parking, preventing flooding or erosion onto adjacent properties. This low-impact solution suits the RU district's rural infrastructure and aligns with Goal 3, Objective LU-12 (Chapter 6, Section 6.4).
- **Lighting:** Downward-directed, motion-sensor lights will illuminate the site only when needed, minimizing light pollution and glare into neighboring yards, consistent with Objective Q-2's focus on safe, livable environments (Chapter 6, Section 6.2).

4. **Building Design Measures:**

- **Indoor Structure:** The fully enclosed design eliminates noise, dust, and visual clutter from outdoor storage, significantly reducing impacts compared to open alternatives. The 82 units will be housed in a single-story or low-profile building to match the scale of rural residential structures (Objective Q-4).
- **Aesthetic Integration:** Exterior finishes (e.g., muted colors, metal siding) will reflect rural residential styles, blending with the neighborhood rather than standing out as a commercial entity. This supports the Plan's emphasis on harmony with surroundings (Chapter 6, Section 6.2).

- **Heated Design:** Internal heating (electric or gas) ensures no external noise or emissions from heating units, maintaining quietude and air quality for neighbors, tailored to Kenai’s climate (Chapter 4, Section 4.2.1).
5. **Business Operation Measures:**
- **Limited Hours:** Operations will be restricted to daytime hours (e.g., 7 AM to 7PM), with no after-hours access unless via secure keycard entry for users, reducing noise or activity during quiet times and preserving rural tranquility.
 - **Security Features:** Motion-activated cameras and adequate lighting will deter vandalism or crime without constant staffing, minimizing operational presence and neighbor concerns about safety (Goal 1, Chapter 6, Section 6.2).
 - **Usage Restrictions:** The facility will prohibit hazardous materials, commercial operations, or living spaces within units, ensuring it remains a passive storage use that does not introduce health or safety risks to the community.

Conclusion:

The indoor heated storage facility at 1001 3rd St incorporates targeted measures—controlled access, vegetative and fenced screening, thoughtful site development, residential-style building design, and low-impact operations—to lessen potential impacts on neighbors. These mitigations minimize traffic, noise, visual, and environmental effects, ensuring the project harmonizes with the RU district’s rural residential character. This approach aligns with the *Imagine Kenai 2030 Comprehensive Plan*’s goals of enhancing quality of life (Goal 1) and promoting compatible development (Goal 3), safeguarding the well-being of the surrounding neighborhood.

C/O

Adam Tugan – Construction & Maintenance Director

Cornerstone Developments of Alaska, LLC

PO Box 1017 Veradale, WA 99037

adam@cornerstonedevelopmentsak.com

State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Cornerstone Developments of Alaska LLC



IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective **January 21, 2019**.



Julie Anderson
Commissioner

KENAI PENINSULA BOROUGH

CERTIFICATE OF AUTHORITY TO COLLECT BOROUGH SALES TAX

THIS IS TO CERTIFY THAT CORNERSTONE DEVELOPMENTS OF ALASKA LLC

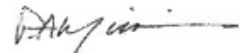
is authorized and empowered by the Mayor of the Kenai Peninsula Borough to collect for the Borough Sales Tax on retail Sales, Rents and Services imposed pursuant to Ordinance No 5.18 of the Kenai Peninsula Borough.

This certificate is non-assignable and non-transferable and must be surrendered to the Mayor by the seller to whom it was issued upon his ceasing to do business at the location named herein, or any change in ownership, form of ownership, or any other change.

CORNERSTONE DEVELOPMENTS OF ALASKA LLC
36809 DUTCH LANDING LOOP
STERLING AK 99672

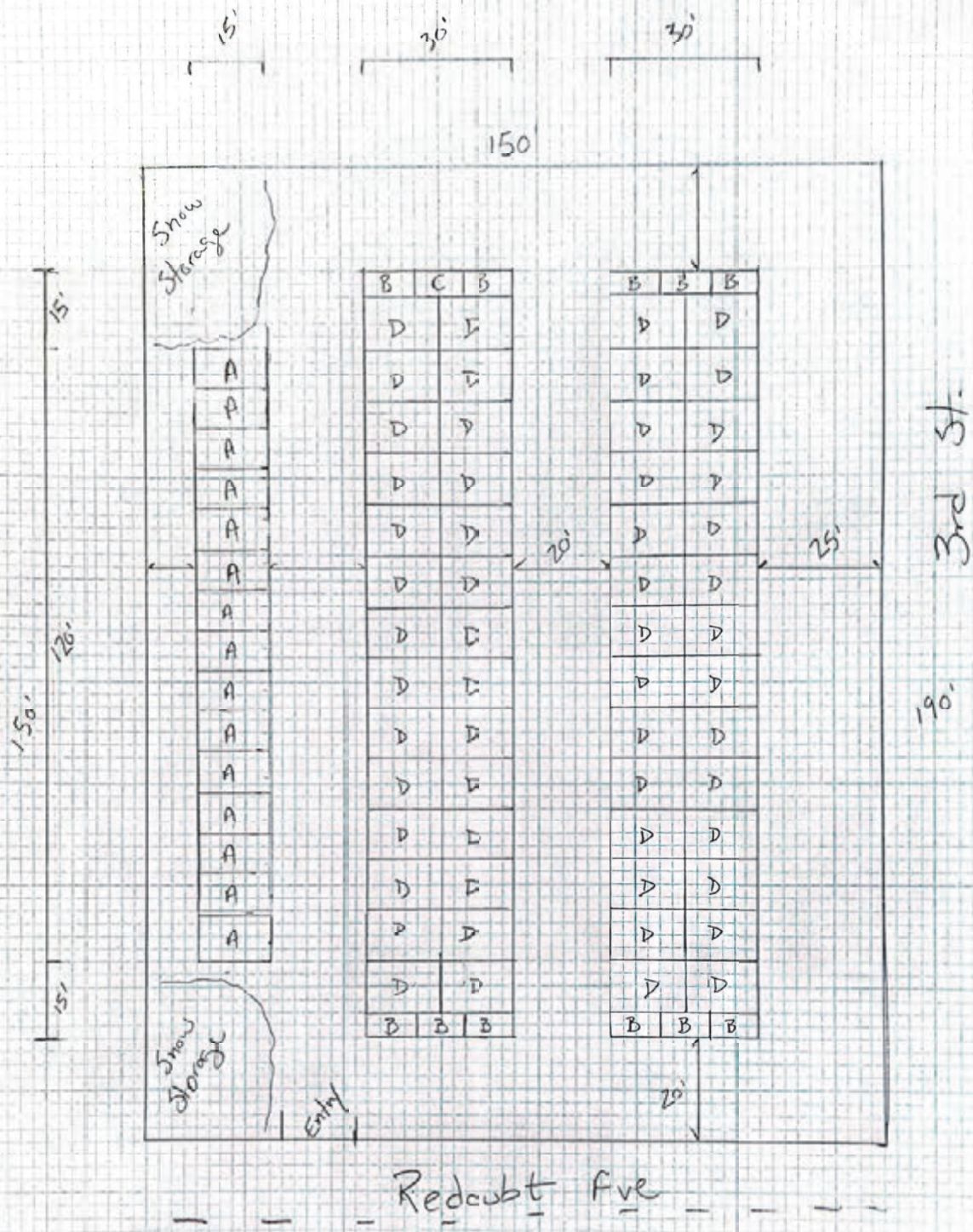
ACCOUNT
NUMBER 00213432

DATE OF
REGISTRATION August 1, 2024



MAYOR

THIS CERTIFICATE MUST BE DISPLAYED PROMINENTLY AT THE PLACE OF BUSINESS.



Cornerstone Developments of Alaska LLC
Parcel 039 | 2313
1/2" Scale 1 Square = 2.5'



★ Proposed Project Location

From: [REDACTED]
To: [City Clerk](#)
Subject: Cornerstone Development of Alaska, LLC Appeal
Date: Friday, June 13, 2025 4:38:11 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Dear City Council,

I'm writing to share my opposition to the appeal submitted by Cornerstone Development of Alaska, LLC. As a recent purchaser and member of Galt Ventures LLC, which owns the adjacent property at 1001 4th Street, I was drawn to this area specifically because of its multifamily residential zoning. That zoning is what guided our investment decisions and future plans for the property.

Allowing a mini storage facility through a Conditional Use Permit in a zone designated for multifamily housing undermines the intent of the current code and shifts the trajectory of the neighborhood in a way that doesn't align with long-term residential development goals. Approving this appeal would negatively impact the integrity of the area and the value of surrounding properties, including ours.

I respectfully urge the Council to uphold the zoning as written and deny the appeal.

Sincerely,
Jordan Muffoletto
Member, Galt Ventures LLC

Shellie Saner,
Office of the City Clerk
210 Fidalgo Ave.
Kenai, AK 99611

June 11, 2025

Re: Cornerstone Development of Alaska, LLC Appeal

To the City Council,

We own the adjacent property at 1001 4th Street, Kenai, Alaska which we recently purchased. Our purchase was completed after we had researched the area and zoning which allowed multifamily use only. These lots with this zoning located on Redoubt Ave. are limited, which attracted us; we wish to participate in the growth of the area. To allow a Conditional Use mini storage facility in an area not zoned for such use would not follow your own guidelines, your present code and would detract from the area and our property value.

We do not support the appeal and feel it should be denied. Cornerstone should seek out land that is zoned and appropriate for its proposed use.

Best,



Jim Lane

Member Galt Ventures LLC

Lore

Anchorage #45-99507

ALASKAN FRONTIER

995-997

12 JUN 2025 PM 1 L



Shelley Sinner
Office of the City Clerk
210 Fidelity Ave
Kenai, AK 99611

99611-775010

