



EXHIBIT 1: STAFF REPORT

DATE: HEARING Friday April 10, 2026

RE: Application No. for the request submitted by the Port of Port Angeles to vacate approximately 15,557 square feet of City right-of-way.

LOCATION: 914 - 1014 Marine Drive, Port Angeles, WA 98362.

APPLICANT: Port of Port Angeles

OWNER: City of Port Angeles

PLANNER: Angel Torres, Long Range & Special Projects Administrator | Associate Planner

I. SUMMARY

A street vacation petition was submitted by the Port of Port Angeles to vacate approximately 8150+/- square feet of City right-of-way within Blocks 105 and 110 of the Townsite of Port Angeles. The requested vacation area is located landward of Marine Drive and is proposed to be incorporated into adjoining industrial property under common ownership. This request is evaluated under Chapter 35.79 RCW, which governs the vacation of streets and requires action by ordinance of the legislative authority following a public hearing and recommendation.

II. PROPOSAL

Property Description: The petition requests the vacation of a narrow strip of City right-of-way located between Marine Drive and W 4th Street. The area functions as an internal segment within a larger industrial site and it is proposed to be incorporated into the Port’s existing property holdings.

Address: 914-1014 Marine Dr.

Property ID / Tax Parcel ID: 01-0536, 01-0515, 01-0506, 01-0500, 01-0350, 01-0340, 01-0310, 01-0305, 01-0300

Zoning: IH, Zone Chapter 17.34 PAMC

Comprehensive Plan Future Land Use Designation: Industrial and Parks & Open Space

Dimensions: Vary

Area: Approximately 8150+/- Square Feet

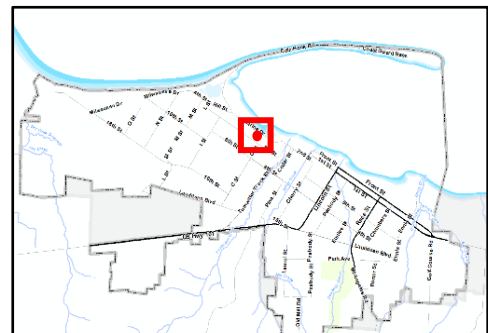


Figure 1: General location of the proposal

The proposal consolidates currently unimproved right-of-way into the Port's industrial holdings (lots) to facilitate maritime manufacturing expansion. The site is suited for Industrial Heavy (IH) uses, including structures up to 75 feet in height.



Figure 2: STV 26-0045 Site Map

III. PROCEDURE

On February 14, 2026, the Port of Port Angeles submitted a Street Vacation Petition application to vacate approximately 15,557 square feet of City right-of-way. The application was determined complete on February 18, 2026. During review, staff requested additional information related to valuation documentation and confirmation of abutting property ownership. Pursuant to Chapter 35.79 RCW, a public hearing is required prior to action by the legislative authority. PAMC 2.18.050(C) provides that the Hearing Examiner shall conduct a hearing and make findings, conclusions, and a recommendation to the City Council. Noticing materials are listed as Exhibit 4.

Notice of the application and public hearing was provided on the following dates and in the following manner:

- 3/19/2026: A notice sign was posted on Marine Drive adjacent the subject property subject property and on the City Hall Notice board.

- 3/19/26: Published in the Peninsula Daily News.
- 3/19/26: Mailed to all Property owners within 300’ of subject property

The Hearing Examiner will conduct the public hearing and forward findings, conclusions, and a recommendation to the City Council. Final action on the street vacation will be taken by the City Council by ordinance in accordance with RCW 35.79.030.

IV. COMMENTS

Public Comment:

See Exhibit 5, Public Comment Memo. The written comment period remained open through April 2, 2026.

City of Port Angeles Departmental Comments:

Comments received from City of Port Angeles Departments have been incorporated into this report’s findings and conditions.

V. FINDINGS OF FACT & STAFF ANALYSIS

Analysis and findings of fact from Department of Community and Economic Development (DCED) staff are based on the application materials, Port Angeles Municipal Code (PAMC), standards, plans, public comment, and other relevant materials available during the review period. The findings and analysis section of this report is a summary of the completed review by DCED staff.

Public Use of Right-of-Way

Staff Analysis: The subject right-of-way has been evaluated to determine whether it is required for current or reasonably foreseeable public use, including vehicular circulation, pedestrian access, and public infrastructure. The right-of-way is not required for essential public use, subject to the retention of easements for utilities and public services.

Comprehensive Plan

All Street Vacation Petitions must be consistent with the Port Angeles Comprehensive Plan. The following Port Angeles Comprehensive Plan policies are identified by Planning Staff to support the proposal in STV Application No. 26-0045:

Land Use Element:

Goal LU-5: Industry and Maritime. Maintain and promote active use of industrial lands and waterfronts to maintain a diverse economy while stewarding the community's natural resources and desired development patterns.

Policy LU-5.1: Develop and promote a cooperative intergovernmental plan for the comprehensive development of industrial infrastructure and amenities to attract and support light and heavy industry.

Policy LU-5.2: Develop infrastructure that makes sites attractive and ready to develop, including transportation facilities and utilities at industrial parks. For example, proactively increase the capacity of utility lines.

Economic Development Element:

Goal ED-1: Diversify Port Angeles’s economy, building on and expanding beyond the area’s traditional natural resource industries to create and maintain a balanced local economy.

Policy ED-1.10: Support continued development of a strong maritime-related industry in the Port Angeles Harbor.

Transportation Element:

Goal T-4: Strengthen connections for industry and commerce while promoting prosperity, safety, and equity.

Policy T-4.1: Improve turning movements between the roadway network and industrial sites by prioritizing safety, accessibility, and efficiency, while considering traffic flow and maneuvering space.

Utilities and Public Services Element:

Goal U-1: Provide utility services efficiently and cost-effectively.

Policy U-1.6: Provide infrastructure to all industrial lands to encourage development.

Policy U-1.9: Utilize common utility corridors for urban service facilities located in shoreline areas.

Policy U-1.10: Promote the joint use of transportation rights-of-way and utility corridors for all forms of transportation, including non-motorized.

Staff Analysis: The proposed street vacation is consistent with the Port Angeles Comprehensive Plan. The proposal consolidates an underutilized segment of right-of-way into an existing industrial site, supporting continued maritime and industrial use consistent with Goal LU-5 and Policy LU-5.1. The consolidation of land and infrastructure capacity supports industrial development and site readiness consistent with Policy LU-5.2 and Policy U-1.6. The proposal also supports Economic Development Goal ED-1 and Policy ED-1.10 by facilitating expansion of maritime-related industry within the Port Angeles Harbor. Transportation and utility policies, including T-4.1, U-1.9, and U-1.10, are addressed through the retention of easements and continued accommodation of infrastructure within the proposed vacated area.

RCW 35.79 Criteria

The City of Port Angeles relies on the Revised Code of Washington (RCW) sections that speak to street vacation and includes the requirements for petition, public noticing, public hearing, limitations, ordinance of vacation and title to vacated street or alley. These sections are within Chapter 35.79, RCW and are listed below:

35.79.010 – Petition by owners – Fixing time for hearing.

The owners of an interest in any real estate abutting upon any street or alley who may desire to vacate the street or alley, or any part thereof, may petition the legislative authority to make vacation, giving a description of the property to be vacated, or the legislative authority may itself initiate by resolution such vacation procedure.

The petition or resolution shall be filed with the city or town clerk, and, if the petition is signed by the owners of more than two-thirds of the property abutting upon the part of such street or alley sought to be vacated, legislative authority by resolution shall fix a time when the petition will be heard and determined by such authority or a committee thereof, which time shall not be more than sixty days nor less than twenty days after the date of the passage of such resolution.

Staff Analysis: The Port of Port Angeles submitted a petition for the vacation of right-of-way within Blocks 105 and 110 of the Port Angeles Townsite on February 14, 2026. A public hearing before the City of Port Angeles Hearing Examiner is scheduled and noticed for April 10, 2026.

35.79.020 – Notice of hearing. Objections prior to hearing.

Upon the passage of the resolution the city or town clerk shall give twenty days' notice of the pendency of the petition by a written notice posted in three of the most public places in the city or town and a like notice in a conspicuous place on the street or alley sought to be vacated. The said notice shall contain a statement that a petition has been filed to vacate the street or alley described in the notice, together with a statement of the time and place fixed for the hearing of the petition.

In all cases where the proceeding is initiated by resolution of the city or town council or similar legislative authority without a petition having been signed by the owners of more than two-thirds of the property abutting upon the part of the street or alley sought to be vacated, in addition to the notice hereinabove required, there shall be given by mail at least fifteen days before the date fixed for the hearing, a similar notice to the owners or reputed owners of all lots, tracts or parcels of land or other property abutting upon any street or alley or any part thereof sought to be vacated, as shown on the rolls of the county treasurer, directed to the address thereon shown:

PROVIDED, That if fifty percent of the abutting property owners file written objection to the proposed vacation with the clerk, prior to the time of hearing, the city shall be prohibited from proceeding with the resolution.

Staff Analysis: Public notice was published on March 19, 2026, and posted in accordance with statutory requirements, satisfying the twenty-day notice period.

35.79.030 – Hearing – Ordinance of vacation.

The hearing on such petition may be held before the legislative authority, before a committee thereof, or before a hearing examiner, upon the date fixed by resolution or at the time the hearing may be adjourned to. If the hearing is before a committee the same shall, following the hearing, report its recommendation on the petition to the legislative authority which may adopt or reject the recommendation.

If the hearing is held before a committee it shall not be necessary to hold a hearing on the petition before the legislative authority. If the hearing is before a hearing examiner, the hearing examiner shall, following the hearing, report its recommendation on the petition to the legislative authority, which may adopt or reject the recommendation:

PROVIDED, that the hearing examiner must include in its report to the legislative authority an explanation of the facts and reasoning underlying a recommendation to deny a petition. If a hearing is held before a hearing examiner, it shall not be necessary to hold a hearing on the petition before the legislative authority.

If the legislative authority determines to grant the petition or any part thereof, such city or town shall be authorized and have authority by ordinance to vacate such street, or alley, or any part thereof, and the ordinance may provide that it shall not become effective until the owners of property abutting upon the street or alley, or part thereof so vacated, shall compensate such city or town in an amount which does not exceed one-half the appraised value of the area so vacated. If the street or alley has been part of a dedicated public right-of-way for twenty-five years or more, or if the subject property or portions thereof were acquired at public expense, the city or town may require the owners of the property abutting the street or alley to compensate the city or town in an amount that does not exceed the full appraised value of the area vacated.

The ordinance may provide that the city retain an easement or the right to exercise and grant easements in respect to the vacated land for the construction, repair, and maintenance of public utilities and services. A certified copy of such ordinance shall be recorded by the clerk of the legislative authority and in the office of the auditor of the county in which the vacated land is located. One-half of the revenue received by the city or town as compensation for the area vacated must be dedicated to the acquisition, improvement, development, and related maintenance of public open space or transportation capital projects within the city or town.

Staff Analysis: Per PAMC 2.18.050(C), the Hearing Examiner is authorized to conduct the hearing and provide a recommendation to the City Council. In accordance with RCW 35.79.030, staff requests a utility easement in favor of the City for the operation and maintenance of the existing 42-inch stormwater conveyance located within the subject area.

35.79.035 – Limitations on vacations of streets abutting bodies of water – Procedure.

1. A city or town shall not vacate a street or alley if any portion of the street or alley abuts a body of fresh or saltwater unless:
 - a. The vacation is sought to enable the city or town to acquire the property for port purposes, beach or water access purposes, boat moorage or launching sites, park, public view, recreation, or educational purposes, or other public uses;
 - b. The city or town, by resolution of its legislative authority, declares that the street or alley is not presently being used as a street or alley and that the street or alley is not suitable for any of the following purposes: Port, beach or water access, boat moorage, launching sites, park, public view, recreation, or education; or
 - c. The vacation is sought to enable a city or town to implement a plan, adopted by resolution or ordinance, that provides comparable or improved public access to the same shoreline area to which the streets or alleys sought to be vacated abut, had the properties included in the plan not been vacated.

Staff Analysis: *The portion of right of way being petitioned for vacation is not abutting a fresh or saltwater body.*

2. Before adopting a resolution vacating a street or alley under subsection (1)(b) of this section, the city or town shall:
 - a. Compile an inventory of all rights-of-way within the city or town that abut the same body of water that is abutted by the street or alley sought to be vacated;
 - b. Conduct a study to determine if the street or alley to be vacated is suitable for use by the city or town for any of the following purposes: Port, boat moorage, launching sites, beach or water access, park, public view, recreation, or education;
 - c. Hold a public hearing on the proposed vacation in the manner required by this chapter, where in addition to the normal requirements for publishing notice, notice of the public hearing is posted conspicuously on the street or alley sought to be vacated, which posted notice indicates that the area is public access, it is proposed to be vacated, and that anyone objecting to the proposed vacation should attend the public hearing or send a letter to a particular official indicating his or her objection; and
 - d. Make a finding that the street or alley sought to be vacated is not suitable for any of the purposes listed under (b) of this subsection, and that the vacation is in the public interest.

Staff Analysis: *The right of way to be vacated does not abut a body of water.*

3. No vacation shall be effective until the fair market value has been paid for the street or alley that is vacated. Moneys received from the vacation may be used by the city or town only for acquiring additional beach or water access, acquiring additional public view sites to a body of water, or acquiring additional moorage or launching sites.

Staff Analysis: The right of way to be vacated is not abutting a body of water.

35.79.040 – Title to vacated street or alley.

If any street or alley in any city or town is vacated by the city or town council, the property within the limits so vacated shall belong to the abutting property owners, one-half to each.

Staff Analysis: The right of way to be vacated consists of only half the right of way and will be wholly provided to the petitioner property.

35.79.050 – Vested rights not affected.

No vested rights shall be affected by the provisions of this chapter.

Staff Analysis: The applicant has no permit applications currently requiring vested rights.

Port Angeles Municipal Code

The following PAMC provisions are seen as relevant to this application. Planning Staff provides comments under each provision as demonstration of the analysis that has occurred with the application review process and the findings of fact relevant to the application.

Title 18 – Growth Management

PAMC 18.02.090(A)(2): The following permits or approvals are specifically excluded from the procedures set forth in this title: Street vacations.

Staff Analysis: Analysis indicates that street vacations are explicitly excluded from the procedures set forth in Title 18 and are processed in accordance with Chapter 35.79 RCW and applicable Hearing Examiner procedures.

Title 2 – Administration and Personnel

PAMC 2.18.050(C): The Hearing Examiner is hereby authorized and directed to conduct a hearing and make findings, conclusions, and recommendations to the City Council on street vacations.

Staff Analysis: The Hearing Examiner conducts a public hearing and makes findings, conclusions, and a recommendation to the City Council. The final authority to vacate public right-of-way remains a legislative action of the City Council.

Title 11 – Streets and Sidewalks

PAMC 11.12.010(G)(1): Right-of-way means: A dedicated or owned right-of-way or easement of the City within the boundaries of which may be located a street, highway, sidewalk, alley, avenue or other structure used for pedestrian or vehicular traffic or a utility structure or a utility structure or other related structure or feature. A right-of-way or easement is included within the definition of "right-of-way" whether such right-of-way or easement is currently used or not.

Staff Analysis: The proposal involves City right-of-way subject to regulation under Title 11. Findings indicate that any vacation must account for existing and future transportation functions and utility infrastructure, including the retention of easements where necessary.

Environmental Review

WAC 197-11-800(2)(i) provides a categorical exemption for the “vacation of streets or roads.”

Staff Analysis: The proposal is categorically exempt from environmental review under the State Environmental Policy Act (SEPA).

Consistency

RCW 35.79.030 provides that a hearing on a street vacation petition may be held before a hearing examiner, who shall report a recommendation to the legislative authority. The legislative authority may adopt or reject the recommendation and may, by ordinance, vacate the subject right-of-way. The ordinance may require compensation from abutting property owners and may retain easements for the construction, repair, and maintenance of public utilities and services.

Staff Analysis: The proposal has been evaluated in accordance with Chapter 35.79 RCW. The Hearing Examiner is authorized to conduct the hearing and provide a recommendation, and the City Council retains final legislative authority. Conditions of approval ensure compliance with statutory provisions related to compensation and retention of easements.

Recommendation

It is the recommendation of the Department of Community and Economic Development Staff that the Hearing Examiner forward a recommendation of approval to the City Council for Street Vacation Petition Application No. STV 26-0045, subject to the conclusions and conditions outlined in Section VI of this staff report. This recommendation is based on staff review of the application materials, Chapter 35.79 RCW, the Port Angeles Municipal Code, the Port Angeles Comprehensive Plan, and materials contained within the project record.

VI. CONCLUSIONS & CONDITIONS

Having reviewed and considered the application materials, public comment, and all the information presented, the City staff recommends **approval of** Application No. STV 26-0045 for a Street Vacation Petition citing the following conclusions and recommended conditions:

1. The findings of fact are based on the application materials, Port Angeles Municipal Code, City standards, Comprehensive Plan policies and the full project record. The staff report constitutes the record of review.
2. The Hearing Examiner is authorized to conduct a public hearing and provide findings, conclusions, and a recommendation to the City Council pursuant to PAMC 2.18.050(C). Final action on the street vacation remains a legislative decision of the City Council.
3. The proposal is categorically exempt from environmental review pursuant to WAC 197-11-800(2)(i).
4. The subject right-of-way is not required for current or reasonably foreseeable public use, subject to the retention of easements for utilities and public services.
5. The proposal is consistent with Chapter 35.79 RCW, the Port Angeles Municipal Code, and the Port Angeles Comprehensive Plan.
6. Approval of the street vacation does not authorize development. All future development remains subject to applicable permits and City standards.

Recommended Conditions of Approval

After thorough review of Street Vacation Petition No. STV 26-0045, staff analysis indicates that the **following 10 conditions** are necessary to ensure compliance with Chapter 35.79 RCW and applicable City standards. These conditions are recommended to be placed on the approval to maintain consistency with the Port Angeles Municipal Code and adopted policy framework:

Valuation and Compensation

1. The petitioner shall provide a valuation of the subject property utilizing a professional appraisal service;
2. The applicant shall prepare and provide a quit claim deed or equivalent conveyance instrument acceptable to the City. The petitioner is responsible for recording the deed and all associated costs, fees, and implementation steps required to finalize the transfer of interest.

Infrastructure and Utility Protection

3. Not applicable.

Land Description and Documentation

All that portion of the former Chicago, Milwaukee, and St. Paul Railroad right-of-way lying between the north margin of said Railroad and the north margin of the alley within Block 110 and adjoining lots 1 through 4 of said block together with all that portion of the former Chicago, Milwaukee, and St. Paul Railroad right-of-way lying between the north margin of said Railroad right-of-way and the north margin of the alley within Block 105 and adjoining lots 1 Through 10 of said block.

Payment of the full appraised value.

4. Prior to final City Council action, the petitioner shall provide a final legal description and exhibit map of the area to be vacated, subject to City review and approval.
5. The petitioner shall be responsible for all recording fees, document preparation, and implementation steps required to finalize the vacation.
6. The final ordinance and associated conveyance documents shall be recorded with the Clallam County Auditor. The street vacation shall not take effect until such recording has occurred.

General Compliance

7. Approval of the street vacation does not waive compliance with any other applicable local, state, or federal regulations. All future development activities shall be subject to separate permit review and approval.

VIII. EXHIBITS

Exhibit 2: Application Materials

Exhibit 3: Notice of Complete Application

Exhibit 4: Public Comment Memo