

REPORT TO CITY PLAN COMMISSION

Plan Commission Public Hearing Meeting Date: February 9, 2015

Common Council Meeting Date: February 18, 2015

Item: Special Use Permit #1-15 – Heavy Manufacturing Facility (paper manufacturing facility from raw materials) – Neenah Paper, Inc.

Case Manager: Don Harp

GENERAL INFORMATION

Owner/Applicant: Neenah Paper, Inc., owner, / AECOM Technical Services, Albert Cole, applicant

Location/Parcel #s: 600 South Vulcan Street / 31-4-0270-00, 31-4-0270-02, 31-4-0271-02, 31-4-0271-00 and 31-4-0273-00

Petitioner's Request: The applicant is requesting a Special Use Permit for the construction of a new heavy manufacturing facility to produce specialty filter papers. The facility will include separate areas for manufacturing equipment with related utility rooms, office space, and restrooms; a covered delivery area for processed materials; a covered tank farm for methanol storage; and a truck dock for product loading and unloading. (See attached Plan of Operation)

BACKGROUND

The property, including the expansion, is located in the industrial area generally known as the "Industrial Flats", between the Fox River and West's Canal and East South Island Street. This area has historically been utilized industrially with a focus on the paper industry. The site in question has been used for heavy manufacturing (paper manufacturing facility from raw materials) since 1887.

STAFF ANALYSIS

Zoning Ordinance Requirements: In the M-2 General Industrial District, a Special Use Permit is required for a heavy manufacturing facility (paper manufacturing facility from raw materials).

Land Area: The land area utilized by the heavy manufacturing facility is approximately 10.5 acres.

Project Summary: The owner is proposing to construct a new 44,000 square foot manufacturing facility for the production of specialty filter papers. The facility will house the manufacturing process equipment, a canopied materials delivery area for tank trucks, and a covered tank farm for storage of methanol used in the manufacturing process. The project will include relocation of an existing sanitary sewer main and new installation of two sanitary sewer laterals, a water lateral, fire protection line, and electrical and phone service. Stormwater management features will include a bio-filter and grassed filter strip for the treatment of site runoff and an oil/water separator catch basin for collection of runoff within the truck dock.

Development Plan:

	Existing	Proposed
Manufacturing Facility (gross floor area)	120,000 square feet	44,000 square feet
Loading/Unloading Truck Docks	8	2
Off-Street Parking Stalls	130 (east side of Vulcan Street)	22
Hours of Operation	24 hrs. per day – 7 days per week	24 hrs. per day – 7 days per week
Employees	50 on the day-shift & 25 on the	3-4 operating employees per shift
4	other two shifts	plus 6 to 8 admin., research and
	11	development staff in the future

Surrounding Zoning and Land Uses:

North: M-2 General Industrial District – Fox River South: M-2 General Industrial District – Manufacturing

East: M-2 General Industrial District – Office and parking lot

West: PD/R-3 Planned Development Multifamily District – 60 unit Multifamily Residential

(effective date February 10, 2015)

M-2 General Industrial District - Undeveloped

Appleton Comprehensive Plan 2010-2030: The City's Comprehensive Plan identifies the industrial flats as a mixed-use area in accordance with the Fox River Corridor Plan. The intent of the mixed use designation is to provide the maximum degree of flexibility to permit the continuance of existing industrial uses while also making it possible to redevelop with a combination of suitable uses.

Overall Community Goals:

Goal 1 – Community Growth (Chapter 10 – Land Use)

Appleton will continue to provide opportunities for residential, commercial and industrial growth, including appropriate redevelopment sites within the downtown and existing neighborhoods and greenfield development sites at the City's edge.

Goal 8 – Economic Development (Chapter 9)

Appleton will pursue economic development that brings good jobs to the area and supports the vitality of its industrial areas, downtown, and neighborhood business districts.

- 8.2 OBJECTIVE: Preserve important natural features and enhance environmental quality throughout the community in order to secure economic, recreational, and health benefits for area residents.
 - 8.2.4 Identify, implement, and educate the public about "best management practices" for stormwater management to mitigate non-point pollution and improve stormwater quality.

- 9.4 OBJECTIVE: Encourage new development and redevelopment activities that create vital and attractive neighborhoods and business districts.
 - 9.4.1. Ensure a continued adequate supply of industrial and commercial land to sustain new business development.
 - 9.4.3. Ensure quality development by requiring that all new construction meets or exceeds the minimum design criteria determined appropriate for the area in which the site/building is located.

Appleton Comprehensive Plan 2010-2030 Findings: This proposal will contribute to job retention and creation opportunities in the manufacturing, administrative, research and development job sector. In addition, this project identifies the use of a bio-filter and grassed filter strip for the treatment of stormwater runoff and an oil/water separator catch basin for collection of runoff within the truck dock. It appears the existing and proposed heavy manufacturing facility (paper manufacturing facility from raw materials) supports the goals and objectives with the Appleton Comprehensive Plan 2010-2030.

Zoning Ordinance Finding of Fact: Prior to the granting of any Special Use Permit, the Plan Commission may recommend and the Common Council may place such conditions and restrictions upon the establishment, location, construction, maintenance and method or hours of operation of the special use as is deemed necessary for the protection of the public interest and to secure compliance with the standards specified in Section 23-66 (e)(1-6). This request was reviewed in accordance with the standards for granting a Special Use Permit under Section 23-66 (e)(1-6) which were found in the affirmative.

The existing and proposed heavy manufacturing facility (paper manufacturing facility from raw materials) operation should not create a negative impact on adjacent properties or appear to be incompatible with the neighborhood character of this mixed use area or the purpose and intent of the Zoning Ordinance or the 2010-2030 Comprehensive Plan. Conditions are drafted for this request to offset any potential impacts to the public interest (safety, welfare or well-being of the general public) and potential incompatibility impacts with surrounding neighborhood.

Technical Review Group Report (TRG): This item was discussed at the January 20, 2015 Technical Review Group Report meeting.

- **Engineering Division Comments:** The Engineering Division reviewed the Special Use Permit and indicated the following:
 - The project shall meet all requirements of stormwater regulations and site plan approval process.

Neighborhood Input: We have not received any concerns, questions, or comments from the surrounding neighborhood.

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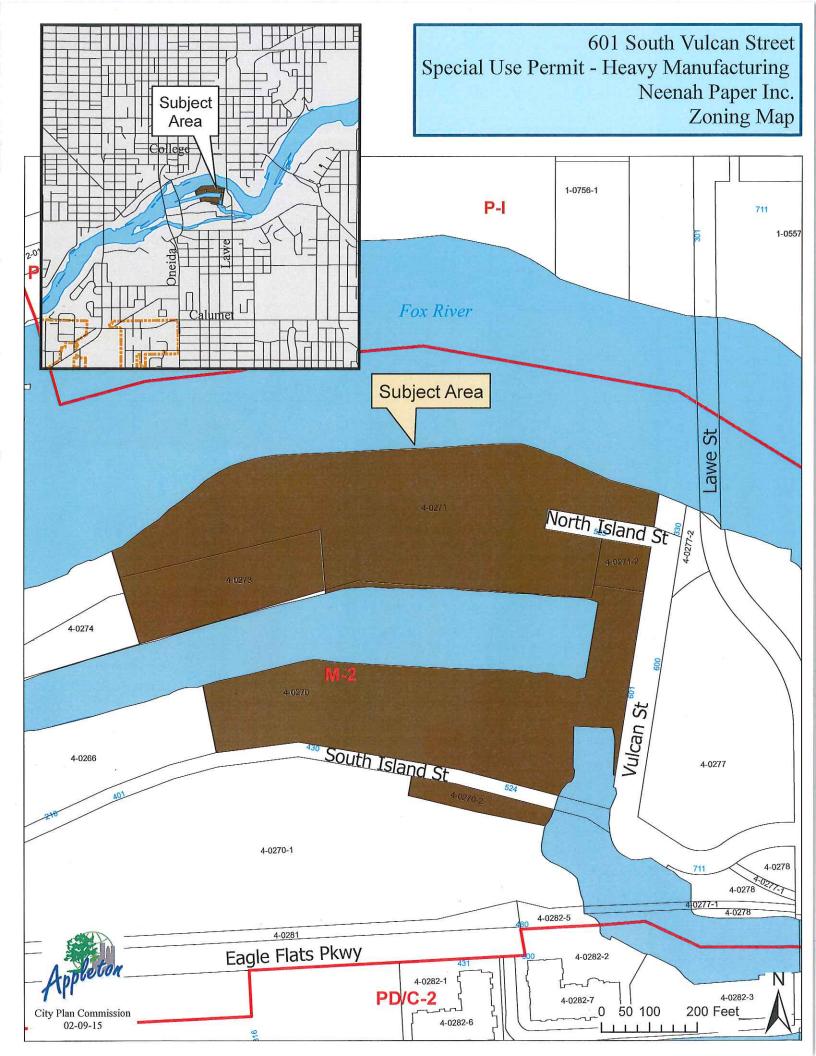
Future Actions:

- A Certified Survey Map shall be prepared and submitted for review by City Staff prior to Site Plan approval to combine two (2) or more lots into one (1) lot.
- A minor change to the Special Use Permit may be requested in writing by the applicant to be reviewed and voted on by the Plan Commission. If the Plan Commission determines the modification is a major change, the applicant will be required to file a new Special Use Permit application.

RECOMMENDATION

Staff recommends, based on the above and attached materials, that Special Use Permit #1-15 for a heavy manufacturing facility (paper manufacturing facility from raw materials) located on Tax Parcel Numbers 31-4-0270-00, 31-4-0270-02, 31-4-0271-02, 31-4-0271-00 and 31-4-0273-00, to run with the land, **BE APPROVED** and subject to the following conditions:

- 1. The owner is responsible for compliance with all applicable local, state, and federal rules and regulations and must obtain all appropriate permits and approvals.
- 2. Site Plan review and approval is required for the new manufacturing facility pursuant to Section 23-570 of the Zoning Ordinance prior to the issuance of a building permit by the Inspections Division.



PLAN OF OPERATION AND LOCATIONAL INFORMATION FOR LIGHT/HEAVY MANUFACTURING USES

Business information:
Name of Business: Neenah Paper, Inc.
Years in operation:100+
Describe the operational characteristics (manufacturing process, major equipment used, products produced and stored) of the existing and proposed use (detailed explanation of business):
Existing Use: Manufacturing and minor converting of fine paper rolls. Rolls shipped for further finishing at other locations. Total of approximately 100 employees; 50 on day-shift, 25 on other two shifts. Proposed Use: Manufacturing of specialty filter paper from raw paper using a proprietary system. Raw paper will continue to be produced at Neenah Paper's mill at 430 E. South Island St., transported by truck to the new facility at E. North Island St., and then transformed to filter paper. Final product will be loaded back onto trucks for final converting back at the mill. Methanol used in the process will be delivered by semi-trucks to a covered unloading area, and transferred to storage tanks within the new facility.
Explain if the existing and proposed use is not to be conducted completely within enclosed structure:
Existing Use: Paper Manufacturing with some outside storage. Proposed Use: All new manufacturing, materials delivery and storage will be conducted within an enclosed structure.
Taking into account location, size, design and operational characteristics of the existing and proposed use, describe how your proposal is compatible with the surrounding area and development of adjacent properties:
The proposed facility will be located on property historically used for industrial purposes for over 100 years. Existing buildings south, east and west of the proposed facility are industrial or manufacturing facilities. This facility is considered an expansion to Neenah Paper's existing mill located at 430 E. South Island St.
Describe the number of people/employees/customers associated with the proposed use:
3-4 operating employees per shift plus 6 to 8 administrative, research and development staff at a later date.
Hours of Operation: 24 hrs/day Days of Operation: 7 days/week
Gross floor area of existing manufacturing facility: 120,000
Gross floor area of proposed manufacturing facility: <u>34,000 sq ft (main building area) + 6000 sq ft (storage tank area) + 4,000 sq ft (canopied truck delivery area) = 44,000 sq ft. total area</u>

Identify location, number, capacity and flammable liquid materials stored in storage tanks:

The storage tank area will include up to 20 storage tanks for methanol and resin mixtures. Table below provides a list of the proposed storage tanks.

The storage tanks will be installed in three phases as the market for filter paper develops:

- Phase I tanks will be installed as part of initial facility construction.
- Phase II tanks are expected to be installed between 12 and 36 months after startup.
- Phase III tanks are expected to be installed between 36 and 60 months after startup.

If the market matures faster than predicted, this schedule may be accelerated.

The storage tanks will be equipped with a vapor return line to vent vapors generated during tank loading back into the truck or vented back to the resin digester if this is the source. Each storage tank will also be equipped with conservation vents set to a minimum of 2.5 psig to eliminate breathing losses.

Tank ID	Capacity (Gallons)	Contents	Construction Phase
1	5,000	Inorganic Acid	1
2	9,250	Aqueous Resin	3
3	9,250	Aqueous Resin	3
4	9,250	Aqueous Resin	- 2
5	9,250	Aqueous Resin	1
6	9,250	Aqueous Resin	1
7	9,250	Aqueous Resin	2
8	5,000	Methanol	1
9	9,250	Methanolic Resin	2
10	16,500	Methanol	1
11	16,500	Methanol	1
12	16,500	Methanol	2
13	16,500	Methanol	3
14	5,000	Methanolic Resin	1
15	9,250	Methanolic Resin	1
16	9,250	Methanolic Resin	1
17	9,250	Methanolic Resin	2
18	9,250	Methanolic Resin	1
19	9,250	Methanolic Resin	1
20	9,250	Methanolic Resin	2

Describe any potential smoke, odors emanating from the proposed use and plans to control them:

No smoke or odors are anticipated

Describe any potential noise emanating from the proposed use:

A. Describe the noise levels anticipated from all mechanical equipment:

Normal noise levels associated with process fans, truck traffic, loading/unloading of truck trailers

B. How will the noise be controlled?

Process fans – by equipment design, and sound dampening materials or enclosures, if required. Truck Traffic – limited drive and access locations. Loading/unloading of truck trailers – Storage tank unloading will occur within a canopied/partially enclosed area; Raw paper and product movement will be done at one location on east side of new building, in a depressed truck dock area.

Is street access to the subject property adequate or are any street improvements, such as a new turning lane, necessary to minimize impacts on traffic flow?

The existing street access is considered adequate. Existing traffic is primarily truck and personal vehicles related to the existing Neenah Papers mill, south and east of the proposed new manufacturing site. There is little general public use of the adjacent Vulcan St.

Number of off-street parking spaces associated with the existing and proposed use on site:

Existing parking: 130

Proposed: Additional 21 standard vehicle spaces, 1 handicap accessible space (south of proposed new building).

Number of loading spaces or loading docks associated with the existing and proposed use on site:

Existing: 8 loading docks

Proposed: Additional 2 lane truck dock on east end of proposed new building.

Plant Expansion
Neenah Paper Mill
430 South Island Street, Appleton, WI
Project No.: 60326998 2015-01-06

DEVELOPMENT PLAN

AECOM FIGURE 1

