

Summary Minutes
City of Sedona
Planning & Zoning Commission Meeting
City Council Chambers, 102 Roadrunner Drive, Sedona, AZ
Tuesday, January 5, 2016 - 5:30 p.m.

1. VERIFICATION OF NOTICE

Chair Losoff verified the meeting had been properly noticed.

2. CALL TO ORDER, PLEDGE OF ALLEGIANCE, & ROLL CALL

The Chair called the meeting to order at 5:30 p.m., led the Pledge of Allegiance and requested roll call.

Roll Call:

Planning & Zoning Commissioners Present: Chair Marty Losoff and Commissioners Randy Barcus, Eric Brandt, Avrum Cohen, Larry Klein and Gerhard Mayer. Vice Chair Kathy Levin was excused.

Staff Present: Lauren Browne, Warren Campbell, Justin Clifton, Audree Juhlin, Matt Kessler, Adam Langford, Robert Pickels, Donna Puckett, Mike Raber and Ron Ramsey

Councilor(s) Present: Mayor Sandy Moriarty, Vice Mayor Mark DiNunzio and Councilors Scott Jablow, John Martinez, Jon Thompson and Jessica Williamson

3. ANNOUNCEMENTS & SUMMARY OF CURRENT EVENTS BY COMMISSIONERS & STAFF

There were no announcements.

4. PUBLIC FORUM: (This is the time for the public to comment on matters not listed on the agenda. The Commission may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.)

The Chair opened the public forum and, having no requests to speak, closed the public forum.

5. Discussion/public hearing/possible action regarding an ordinance amending the Sedona Land Development Code Article 9, Section 918, Accessory Dwelling Units (ADU), to add clarity in the regulations and remove perceived impediments to the establishment of long-term rental accessory dwelling units.

Presentation, Warren Campbell: Warren indicated that the Commission discussed the proposed ordinance in a work session on December 15th and as a result of that discussion, there were four changes made as shown in the bullet points on the bottom of page one of the memorandum. Warren summarized the changes as follows:

- Restating the size requirements in declarative sentences.
- Eliminating the phrase "*or if the specific use does not warrant parking*".
- Clarifying the process by which an ADU may be subdivided and sold separately from the primary unit.
- Clarifying the illegal ADU section to say that illegal ADUs will be subject to penalties and fines, as the grace period has passed.

Warren noted that staff is looking for a recommendation to move the ordinance forward to the City Council this evening, and the Chair indicated that the Commission went through it in depth last time and asked for any questions or comments of staff.

Commissioner Cohen referenced page 3 of 10 in item G and asked how G and H coordinate with the manufactured home statement on page 2 of 10. He doesn't know how a manufactured home complements architectural design of primarily single-family units, and the other item says they are okay. Warren explained that on page 2 of 10 in D, the manufactured home is the existing unit on the site and the new unit, the ADU, would not be a manufactured home, so the architectural standards are suggesting that the factory-built home, stick-built home would have the appearance of a single-family home. Commissioner Cohen then asked if "new units" should be added some place in H, because it isn't very clear.

The Chair asked if anybody else had a problem with that and Commissioner Brandt stated that he is not clear as to what Commissioner Cohen is not clear about. Commissioner Cohen read item G. on page 3 of 10, "ADUs shall be designed so that the appearance of the structure maintains, to the greatest extent possible, the appearance of a single-family property." He then read in item H, "ADUs shall be designed to preserve or complement the architectural design, style and appearance of the primary single-family dwelling unit. Specifically, whether attached or detached . . ." On the other page, it says, "Manufactured homes, travel trailers and recreational vehicles shall not be used as a detached ADU; however, an ADU meeting all requirements may be added to a property with an existing manufactured home." Those two statements don't mesh as being clear.

The Chair again asked how the other Commissioners felt and Commissioner Klein stated that it is clear and other Commissioners also expressed no concern. The Chair then stated that there is no consensus to make that change.

Commissioner Cohen referenced page 6 of 10 in item 918.05.C.1 and indicated that we are talking about an ADU sold or transferred separately and subdivided, and he assumed that after reading the Land Development Code on subdivisions that we are talking about making this property a subdivision, and that is if he owns a property with an ADU on it and he wants to sell it, in order to do that he has to follow the subdivision rules. He then asked if that is correct, and Audree Juhlin stated for a lot split, yes.

The Chair opened the public comment period at this time.

Marie Baxter, Sedona, AZ: Ms. Baxter indicated that she wasn't at the last meeting and asked what the bullet points are that staff is speaking about. The Chair explained that the Commission can not engage in a dialogue, but when the public forum is closed staff may perhaps respond to some of the questions. Ms. Baxter then asked how much the sewer fee is and if it is going to stay that amount; she has gotten bits and pieces from the City and they said a meeting was going to take place, and she just found out it was today, so she hasn't been to one of these, and she is in the midst of building an ADU. She then asked if the size was going to be changed, because hers has already been built, and if you are grandfathered.

The Chair suggested that Ms. Baxter talk with Warren Campbell or Audree Juhlin if she still has questions after the meeting. The Chair then asked Warren if he would like to address sewer fees, and Warren indicated that he spoke with Ms. Baxter yesterday on the phone and she had questions regarding the sewer fees, and there had been thought that as one of the potential hurdles to doing ADUS, there might be a reduction in the sewer fees, which was discussed in depth last time, but that is going to remain the same at one-half of the standard rate, which is just shy of \$5,000 with the new year; the standard rate is just shy of \$10,000. With the ordinance as written today, there would be no change. The Chair noted that there was a strong consensus to keep it that way at the last meeting, and Warren recalled that it was five to two. The Chair then suggested that Warren get with Ms. Baxter and talk to her. He then asked if staff knew if there would be any increases or decreases and Warren explained that sewer fees are adjusted annually, so they do go up, but for the coming year, it will be just shy of \$5,000.

Having no additional requests to speak, Chair Losoff closed the public comment period.

MOTION: *Commissioner Barcus moved to recommend that the City Council approve an ordinance approving PZ15-00014, amending the Sedona Land Development Code, Article 9, Section 918, Accessory Dwelling Units to add clarity in the regulations and remove perceived impediments to the establishment of long-term rental Accessory Dwelling Units. Commissioner Brandt seconded the motion. VOTE: Motion carried six (6) for and zero (0) opposed. Vice Chair Levin was excused.*

6. Discussion/possible direction regarding the Western Gateway Community Focus Area Plan (CFA's #1 and #2)

Chair Losoff stated that this is one of several meetings on this item, and it is meant to be another work session. He suggested not rehashing what was discussed last time and concentrating on the open items, and then asked about the letter that the Commission received. Mike indicated that the letter and some other recent correspondence would be handed out to the Commission, and regarding the letter, staff can capsule the meeting held today with the property owner to present where staff could see some agreement and some areas where staff did not agree.

Presentation, Mike Raber: Mike indicated that a revised draft plan would be distributed next week that will go with the packet for the January 19th public hearing. The memorandum for this discussion highlights a number of changes that we would make based on the Commission's consensus on December 15th. Handouts were then distributed to the Commission.

Mike indicated that the items highlighted include putting the Vision Statement more prominently in the plan, reducing redundancy, adding a Future Land Use Map, including a narrative and acreage for the examples included in the character areas. Mike then stated that next, staff wanted to talk about the current Community Plan and the zoning designations and entitlements, then discuss changes to the plan's character areas and get clarification to address the Commission's direction on December 15th.

Mike explained that the purpose of the CFA is to find the best outcomes for the planning area, regardless of the existing zoning, which is sometimes misunderstood. Sometimes the existing zoning fits and sometimes it doesn't, and we wanted to look for possible incentives, and changing the zoning can be an important way to do that if we have a plan that suggests something different. In the case of the Cultural Park, the Future Land Use Map designates the north half of the Cultural Park character area as Public/Semi-Public and the south half as Planned Area. The Planned Area designation came from a 2007 Plan Amendment that was carried forward for consideration in the future CFA Plan; it is not an entitlement, but it was something that could be considered in future planning, but remember that the whole area was designated for a CFA Plan, so there are a number of things that need to be considered in that Plan.

Mike then referenced the zoning and indicated that the zoning for the entire Cultural Park area is Planned Development and that was approved in 1995 with a 55-seat amphitheater, festival grounds, an arts village, 150-seat amphitheater and a 1,000 to 1,500-seat performing arts facility on the site. It wasn't realized, but that is the current zoning that is in place and if anything else is proposed, a Zone Change becomes necessary, and the CFA Plan is intended to guide that rezoning.

Mike indicated that on the south side, the parcel next to the Marriott is designated as Commercial on the Future Land Use Map within the Lodging Area Limits, and the zoning is actually an L (Lodging) designation for the whole area, but every time a new lodging proposal comes forward, it has to be rezoned to Lodging again, so a rezoning is required for that, and again, the CFA Plan would guide that rezoning. Mike then asked, "What it is that we want to see in that area and what would accomplish that?"

Mike explained the area around the medical center is very different in the Community Plan, because we have a wide variety of uses and a lot of them were left from past Plan Amendments

with zoning that has been in place for a very long time, so we have Lodging, Commercial, Public/Semi-Public and Planned Area designations within the medical center character area, which was one of the reasons for getting into a CFA Plan to provide some clarity regarding the land uses that should be there. Since a lot of it is old, does it still make sense? We are perhaps proposing something that is a little different, and the CFA Plan would guide the zoning for the area. This entire area is currently zoned PD, Planned Development. The Summit timeshare portion of the development has been constructed and was part of the whole area that was at one time a PD, so parts are built and parts are not. It is a very old plan, so every time we see something new come in, we are going to look at it the same as we would any Zone Change or change to a Planned Development area, and again, another reason for having a CFA Plan is to guide that future zoning. The CFA Plan would set the stage for future Planned Development zoning and new plans, and we wanted to emphasize that the reason for doing the CFA Planning is to guide that rezoning process.

Mike then referenced the changes that might be made to the character areas based on the Commission's last work session, and stated that in response to the development guidelines being overly prescriptive, we wanted to focus more on the purpose of the character areas and recommendations to meet those purposes, so if we want a walkable, vibrant place with a more balanced mix of land uses, we want something more like that than what is currently in place there, and that is contingent on providing significant residential and commercial development, plus potentially limiting the lodging development in the entire CFA. The purpose statements would replace the more prescriptive language currently in those character areas in the development guidelines, but it would recommend that there is a proportion and a link between lodging and housing to ensure we get a good balance of uses. We would also recommend a lodging cap within the Cultural Park of 200 units, which is what the Commission discussed in the last meeting. This approach would create more flexibility in the CFA Plan and require new development proposals to address the character area purposes and development guidelines at the time of a rezoning.

Mike added that, for example, we have a lot of numbers in there now and the way it is portrayed in our guidelines for the Cultural Park area makes it sound mandatory, and we are saying this is our recommended way of achieving the goals of the area, but when we get to a rezoning if there is another way to do that, the applicant needs to make that case, so that is the direction we want to take with the character areas regarding the guidelines.

Mike referenced the South Side character area and indicated that there are a couple of different options that were considered based on the discussion at the last meeting, and both of them would include a share of additional residential, and that would potentially reduce the recommended residential to lodging percentage we discussed in the Cultural Park area. Whichever scenario we go with, we want to see some increase in residential units, and in the first option, it would be to not recommend any lodging on the south side of the highway, and that is what we heard the Commission saying in the last meeting. Instead, we would encourage a bigger mix of residential and commercial use within the area next to the Marriott, which is about three acres that is currently undeveloped. If we weren't to allow lodging on the south side, there would be no need for a rezoning to lodging and the property could be developed with a wide range of commercial uses without that rezoning. Then, it could be difficult to ensure that we get mixed use, a visitor information site, trail access and perhaps a trailhead -- all things that we discussed as community benefits in this area. Other incentives could be considered, such as flexibility with building height and lot coverage, but the rezoning to Lodging provides a better way to achieve community benefits and that needs to be weighed in this discussion.

Mike then indicated that the second option is one that staff recommends and it would include the maximum of 84 lodging units, but also make it tied to providing residential units as well, so if they build enough residential units, they might not end up with 84 lodging units. The overall lodging units would potentially increase, but the overall proportion in the entire CFA is not going to change substantially, because we are including that residential component now, and staff prefers this alternative, because we may be able to address some of those other community benefits through the rezoning process.

Mike explained that in the draft the Commission will get next week, you will see some additional items that will probably lengthen the plan. We are shortening it in some ways and have agreed to reduce some of the redundancy, but there are design guidelines, an implementation section, and some additions in the character area development guidelines that will lengthen the plan, but remember that we have two CFAs combined here, so it is going to be bigger and it is a really important area.

Mike indicated that staff is really looking for input on the less prescriptive approach with the character areas, and staff continues to recommend a proportional link between residential and lodging with a lodging unit cap at the Cultural Park of 200 units. On the south side, we talked about the two options -- one with lodging and one without, so we want more feedback on that from the Commission as well. The relationship between residential and lodging is the area where we may not agree with the Commission, and there may not be consensus in the Commission.

Regarding the letters and comments received, Mike indicated that there were comments from the Sedona Arts Center and two CFA working group members. There was a feeling that there should be more emphasis on the visitors' information site and a comment disagreeing with building tall apartment buildings in the Cultural Park area. There also were comments from the Forest Service regarding the Girdner trailhead and public access on Cultural Park Place to that trailhead, and on the south side, they also considered continued public access to links to the Schuerman Trail and the Red Rock Loop Trail. We also may have discussed other options for trailheads in the area, but we want to ensure public access to those two major trails.

Additionally, Mike referenced the letter received from representatives of the Cultural Park with their comments on the December draft, and staff met with them today. Mike indicated that there was a concern about the references to ratios of lodging to residential, and we are changing the approach to be less prescriptive and more flexible with the purpose statement for the area, and the recommendations on how to get there. Staff continues to recommend that we have a link between residential and lodging, because that is an area that we have discussed in other parts of the city as well, but the way it is characterized in the plan would be more flexible, and instead of this or that percentage, it would be characterized in more of a recommendation, so there is some agreement with the applicant in that we are moving in a direction to be less prescriptive, but perhaps not in terms of the ratio.

Mike indicated that the applicant would also like to raise the limit on lodging to 250, and at the last meeting the Commission had a consensus on 200, so staff supports the 200 limit, and he doesn't know the Commission's feeling about going above that. Staff would also look further into some of the language regarding project phasing, because we want to be assured that the project is rezoned as one Planned Area and there are phasing opportunities, so we will look at that. The property owner also wants assurance that there is flexibility with the trailhead and road locations, and staff concurs with that and believes the current plan provides that flexibility.

Mike stated that there is not agreement to the buffering to the timeshares on the Cultural Park area. We will look into this in the context of a more pedestrian-oriented area, as to whether or not that is needed. There was some concern that if the road is realigned closer to the timeshares, it might need to be buffered, so that is worth looking at in the plan. The property owner wanted to know if there could be flexibility for open space on the knoll in the southwest corner of the project, and if there was an architectural gateway statement that was very positive and made a statement about the Western Gateway, would there be a way to be somewhat flexible with the open space area, or if there was a need to expand into this area a little more with some of the other uses, and there can be that flexibility. The main concern is the prominent hillside and hilltop and making sure we are not creating a negative impact on the viewshed, so it is worth looking at that section to see if an allowance might be made for some architectural statement in that location.

The Chair confirmed that Mike is referring to the December 29th letter, and Mike then referenced the question of if the CFA Plan could support a single user that meets the key goals, and staff could

see some flexibility, but would want to ensure that the focus is on a walkable mixed-use area, but that is an area that requires further discussion as to how a single purpose user would fit the idea of the mixed use and a walkable active area.

Mike indicated that there was also a desire to have other concept plans in the document, and a proposal that the Commission saw previously from the property owner be placed into the plan, and staff believes that the CFA Plan provides quite a bit of flexibility and the examples are intended only as illustrations. Staff even debated whether or not they should be included, and having more than one could be confusing, and we would not want a property owner's plan included in this plan, especially if it was a plan that might be submitted in an application, so that is where we tend to have a disagreement. We have quite a bit of flexibility within these character areas, and as an example, the areas where we might have commercial flexibility, multi-family flexibility, lodging, the trailhead and the open space to some degree. In the example given, we highlight one way that might occur, and at one point, we wondered if we should even include that, and now we are hearing that we might want to add another scenario. We were trying to show that, with some thought behind these other locations, we could come up with something like this.

Mike stated that the property owner's representatives are present if there are questions of them, but we would like to focus on how we characterize the mix of lodging and residential to ensure we get a good mixed-use area, and staff is open for questions.

Commission's Questions and Concerns:

Commissioner Mayer referenced the request for some architectural design in the hilltop area, and asked how big that area is. Mike indicated about 4.2 or 4.5 acres are outlined. The Commissioner then asked if it is all hilltop, and Mike explained that it is the hilltop and also down to the boundaries of the Cultural Park property, and the point of the ridge is roughly where the boundary extends. The Commissioner then indicated that as stated in the letter from the property owner, it is a good idea to have something there, because the solar plant on the high school property is not necessarily a great . . . ; it is a statement in regard to sustainability, but there could be a lot better purpose on this property to see something more The Chair interjected a suggestion to address that as a general comment.

The Chair opened the public comment period and indicated that he had two requests to speak from representatives [Michael Mongini and John Sather] of the Cultural Park property owner, so he invited them to join the discussion instead and closed the public comment period.

Chair Losoff noted that at the last meeting, there was discussion about the redundancy in the plan, and he was an outspoken critic of that, but he looked at it to see what he could recommend to remove and found that it reads fine and as we combined the two CFAs, the size is no longer a problem for him. The major issue was the ratio of residential to lodging, but who is to say what is right or wrong, where do these numbers come from and do we really need a ratio?

Mike explained that after the last meeting, what is most important is to characterize what we are trying to achieve in the area, and if it is really to make sure we have an appropriate mix of uses for a vibrant and walkable place and a more balanced mix of uses, then one way to do that is to have a relationship between residential and lodging. Currently, there is very little residential in this area and there are a lot of lodging units, so it is way out of balance compared to other areas of the community. One way to change that is to bring in more residential, and if the idea is to create a more vibrant place, then staff suggested ways to do that with maybe a ratio. The one in there now maybe can be changed, but that is one way to do that. If there is another way and maybe the ratio isn't working that well when we get to the zoning stage and see something that meets the intent of the area, we should be open to that, but the applicant needs to address that at that point.

The Chair noted that would apply to the entire CFA and not just the Cultural Park, and Mike agreed. Chair Losoff then stated that it would seem that a more general statement to achieve an appropriate mix as opposed to an 80/20 or a 30/40 number might be more sensible. The Chair

then asked if the Commissioners would like to see a specific ratio as opposed to general terminology relating to an appropriate mix of residential and lodging.

Mike indicated that the plan currently states 62% residential and 38% lodging, and we came up with that as its portion of the total CFA to get it at something less heavy in lodging than Uptown, but more heavy in lodging than a lot of the other West Sedona areas. The Chair then stated that there is no rhyme or reason to those ratios; however, Mike stated that there is a reason for those ratios. They are good for comparisons; it is not necessarily a scientific thing, but you can say that we are much heavier in lodging units here than in Uptown or West Sedona, and part of that is because a lot of the area is undeveloped, but the developed area has a lot of lodging, and one way to achieve that balance is to bring in more residential, so staff would suggest still having some ratio, but couched in terms of this being staff's recommendation for the area. If there is another way to achieve that, we wouldn't be closed to doing that, but staff would still like to have that represented in the plan.

Commissioner Klein stated that the Community Plan calls for mixed uses in this area, but the question is if you need to specify a specific ratio. He has a little problem with that; we need to say something to ensure that it will be a mixed-use area, but he doesn't know how you would pick a specific number as a ratio, unless you say it can't be more than some number, but trying to pick a number might be difficult.

Commissioner Barcus indicated that he is pleased that staff explained how these are guidelines and aren't prescriptive. Mike clarified that they are less prescriptive, but there are some areas that we would still want to be more adamant about. The Commissioner then pointed out that in this CFA, we have multiple property owners and his is concerned that this will set-up a first come, first served kind of situation for one property developer wanting to let the rest of the property owners have all of the residential percentages, and he doesn't understand how we can provide guidelines where we don't have a single property owner for the entire area.

Commissioner Mayer recalled talking about having people who work in the development live on that property, so we have less traffic and provide housing for the people, and it might be a desirable area to live, and for that whole Cultural Park property, we can get something that is better than anything else and a really good mix with a totally different approach than what we have anywhere in the other CFAs or Uptown. It is a unique opportunity to do something big and complex here, and an ensemble of all those mixes makes a lot of sense. One leads to the other and they all are complementary. He also has to repeat a village and the ability to have a vibrant neighborhood and walking; all of those things make a lot of sense, and we have the opportunity to put something there that isn't possible anywhere else in Sedona, so we can do something really good and make a statement for Sedona.

Commissioner Brandt indicated that he agreed with Commissioner Mayer as far as the reasoning and that there should be a ratio with a range of approximately this amount, whatever amount you land on, and it should be CFA-wide.

Commissioner Cohen referenced item 2 in Mr. Mongini's letter where he requested for more units and asked how that affects the ratio, what it does for the plan, and then taking that back to Commissioner Barcus's question, since this seems to reflect on that.

Mike Raber stated that staff is recommending 200 units, but if we did recommend a relationship with housing, then it would follow that there would be an increase in housing units if it was increased to 250 units of lodging, and that is where staff sees that there needs to be some ratio relationship, but with the understanding that it is not totally prescriptive and there is the ability to look at alternatives. In response to Commissioner Barcus's question, we are looking at having some ratio for each of those character areas, so that doesn't create a first come, first serve among different owners. That is in the plan now and what we are talking about is continuing that, but the

big difference is on the south side is that we would also say that some residential needs to be included. We didn't do that in the draft and that was a shortcoming.

Mr. Mongini indicated that regarding Mike's comment on the first come, first serve, he agrees that each character area is going to stand on its own with those ratios, because he had the same concern that Commissioner Barcus had. You have 210 units right next to the timeshares, then 100 and some across the street and another 88 more to come, so it is like with that ratio, they would need 600 housing units on the Cultural Park. The Cultural Park will develop based on market forces and what demands there are for those properties, so that is something they have to keep in mind and why they talk about the phasing. There will be components that come first and lodging could be the first one, but it could be the wellness center. Whatever comes forward first, staff was concerned about linking the housing associated with the other uses, and that is something you would see in the zoning process. We are not in a zoning process now; when we come through for zoning is when you would say how you are going to link housing units to whatever activity is taking place. Commercial could be the first thing that comes in what we call the community center, so there is a lot of stuff they need to deal with, and that is why in the letter, we tried to explain that certain aspects will be market driven. The \$100 million projects are not going to show up as they did ten years ago, so you have one particular developer that focuses on a particular activity; for example, the lodging side is one developer and he doesn't want to build residential housing, he wants to focus on the lodging side, and the residential developer will focus on what the market is driving for those type of units.

Mr. Mongini stated that in Sedona, a lot of these homes become second homes, so we have a decline in population, and how do they mix it so you get a vibrant area at the Cultural Park, and that is his client's objective. He wants something vibrant at that Cultural Park, because it will make the property and businesses more valuable.

Commissioner Cohen referenced the economic impact of the difference in the number of lodging units between 200 and 250 and asked if 250 units represent a better return on the dollar that the developer would like to look at. Mr. Mongini stated that they are looking at the bigger number; the wellness center will have components of lodging in it, not to get confused with traditional lodging. The wellness center will have some lodging and they may stay for a month or two to learn how to eat right, exercise, etc., so people will be staying at the wellness center. The Commissioner then asked him to be more specific on what the wellness center will be targeting; however, the Chair pointed out that the Commission is talking about the CFA and we don't have an application before the Commission, so some of those specifics are a little premature. Commissioner Cohen noted that it represents a huge piece of the CFA and it is a significant portion of the property and will reflect heavily on the site, but if you would like to delay it, he is okay with that.

Audree Juhlin then asked that the applicant's representatives formally introduce themselves.

Mike Mongini with Hufford and Horstman in Flagstaff and he is representing SATHCUPA, the owner of the Cultural Park and Mike Tennyson, and John Sather with Swabeck Partners introduced themselves as the applicant's representatives.

Audree then indicated that in response to the question, it is important to separate the two processes. This is a CFA planning process; it is specific for the community and it is the community's vision for this location. We have a property owner that is a large stakeholder in this CFA who at some point in time will bring forward their vision for this property, and we should not get the two mixed up at this point. It is important to hear the property owner's ideas, but keep in mind that this is the CFA for a greater community purpose and we don't want to get into the details of perhaps their future proposal at this point.

Commissioner Cohen then asked what we are looking at if we can't look at the details of the proposal, and Audree stated that she is trying to say that we are not evaluating their application, because we don't have an application before us. You can absolutely question what they think is the

best use for the CFA and consider that as you make recommendations to move forward to the City Council, but as to their specific proposal, it is probably not appropriate, because we don't have an application. Commissioner Cohen then asked what the CFA represents if we are looking at this and the way it is designed. What is the Commission being asked to look at with the CFA then? Maybe we just have too much information.

Mike Raber stated that the CFA is the whole area and what you have been discussing is the letter, which pertains only to the Cultural Park area, although some of their comments extend beyond that. Audree then indicated that the Commission is being asked to create the best vision of the future for this area, and you consider all sources of input and information received from staff, property owners the public, a working group, yourselves, and then make the best recommendation for the community as a whole in what we move forward.

Chair Losoff asked Mr. Mongini and Mr. Sather if they were to include a wellness center in the CFA what would it encompass. Mr. Mongini stated that is why they attached the map; they want to show it is a mixed use. If you overlaid the map that staff has, everything would turn black. John Sather suggested thinking of it as a special purpose community in itself, so it would be a mix of short and longer-term lodging, there might be for sale product within it, there would be a series of practitioners who would offer services within it, it would be a high level of what we would think of as a destination spa, so the theory is that it is the next generation, and if one scans the world and looks at this product type, that is what they are envisioning. It isn't Mii Amo or Canyon Ranch; it is the next level up, and that includes more diverse practitioners who are offering services as well as different types of residents.

Chair Losoff then indicated that from the overall CFA point-of-view, this would fit some of the characteristics of the CFA. John Sather stated yes, and remember this vision is one that they believe is responsive to a lot of the things heard during the Community Plan, so when Audree talks about this as being their proposal, the idea is that they are offering their input to the CFA that is somewhat heavily formed by years of listening to the community about this piece of property.

Commissioner Cohen asked if the wellness center is a medical facility for the next actor that needs to take care of his addiction, and John Sather indicated that it could be under limited services. That would get more technical as it gets to the medical center and what they could provide versus that. The Commissioner then asked how that coordinates with what the Commission is looking at in the CFA with the medical area. John Sather stated that they would be compatible in that they would perhaps have shared services between the two.

Commissioner Klein referenced the lodging at the wellness center and asked if they knew how many units they are talking about. John indicated no, that is equal to the question on the resort lodging. This starts from what they believe the land tells them it could have and be best suited for. When one looks at the north property line, in his background of designing a significant number of high-end resorts around the world, this is clearly what he would call an A+ piece of property with a view, so as a representative to this owner, they are saying this is a really serious use that you could consider. Resorts are difficult to make happen; they have to do a lot with financing and they are not just going out and talking to Ritz Carlton or the Four Seasons. They don't develop, so there is a secondary developer that provides that; that is just the flag. This resort is at a very high level, which is what they want because of the quality of the view. It could be 40 units or Amangiri or it could be 250 or 300 rooms that would be better to support a conference facility. They know there is a limit; they are not recommending 750 units, but they believe they need flexibility, so they can attract that rare developer who is going to come to Sedona and build the quality of property that this city deserves, not just a common hotel that has been dressed up to look like it should live in Sedona, but could change a few details and look like it lives in Palm Springs. That is their goal, and when they looked at the number and ratio, they said it was going to be problematic in attracting. They want flexibility, and they believe the higher the number will help them. If you go to the wellness, it would be the same thing; they may attract a very high-level concept that wants a smaller number of units; it is like Mii Amo. If you look at the isolation of that and the few number of

units they have associated with it, it is rare. It may work under that scenario, but it may work under a few more; so again, they have a desire for flexibility in that number, and that is the gist of them wanting to get rid of the ratios and look more toward policy statements, because we are all on the same page and want something great to happen with that land; it is the last great piece of land in this city. They know from their diverse practice that it has to have flexibility and have great leadership and guidance from the city in relationship building with the master developer and the sub-level developers that will ultimately come in here to make it all happen.

Chair Losoff noted that he didn't know that the Commission should get very specific on how many rooms, etc. for the wellness center. The idea is the big picture and if we are comfortable with 150, 200, 250 units. The Commission raised it to 200 last time, so are we okay with that; the property owner is saying more, do we care? Commissioner Klein indicated that is the question; again, in terms of this whole ratio issue or the number of units, do we want something specific in the CFA? Commissioner Brandt had a good idea about a range or do we want just some general statement that we want mixed uses; that is one of the central questions that we need to answer.

The Chair noted that a lot of time was spent on that and asked if the Commission could come to some conclusion. Mike Raber stated that staff's recommendation would be what was explained before. The 200 for a cap can work without greatly changing the overall mix for the CFA, if we also include residential on the south side through something like a lodging rezoning. It is more problematic for staff to support that without an opportunity to get that mix in other places too.

Chair Losoff suggested a range, not to exceed X, maybe a range of 200 to 250 or 200 to 275 or something. He then asked what the Commissioners were comfortable with. Commissioner Klein stated that Audree's point was that we should be looking at what is best for the CFA and we don't have a specific proposal in front of us, but in a sense, we are talking about a specific proposal, because the developer wants at least 210 units for their hotel, so that is also an issue.

Chair Losoff stated that we are talking about the CFA and 200, a range or not at all. Commissioner Barcus indicated that he is still hung up on the vibrant community issue, which he considers to be a fairly high goal, and the fact that residents aren't typically part of that vibrancy, out there wandering around in the shops, restaurants and public places; it is the folks that are visiting that do that. Chair Losoff then repeated the question, and Commissioner Barcus stated that it should be much higher; he would go at least 300.

Commissioner Mayer stated 300, and Commissioner Brandt asked if the Chair is talking about the Gateway CFA or this one portion. The Chair stated the Gateway CFA; the whole thing. Mike Raber clarified that there are 375 units in there now, and what staff would suggest is that with a link to residential development, it would be another 284, because 84 units would be on the south side and 200 on the north side, and what the Commission needs to clarify is staff heard some discussion about no lodging on the south side, and staff is not in agreement with that, because lodging is one way that we could through a rezoning process achieve the community benefits that might be very difficult to do otherwise, and we might be able to get some of that residential component in conjunction with that lodging. We are trying to split it up, so it is not all on the Cultural Park.

Commissioner Mayer asked if Mike is talking about the three acres on the south side and Mike stated yes; it is limited. The Commissioner then asked if staff had talked to the owner and Mike stated no. The Commissioner then stated this is something that is like how we can talk about something if the owner doesn't have input. Mike explained that they do have input; we've noticed them about the draft plan. Commissioner Mayer then stated that he takes his 300 back, because obviously that was for the whole CFA, and he is not going to put a number to it, because the developer is the one that will determine what is financially feasible rather than putting a number to it. That whole Cultural Park is something unique and there is probably going to be several developers with different development ideas, and that is one of the things he is wondering about. He then asked if there would be somebody coordinating all of the development and components or if that would be left to the developer to do his own thing.

Chair Losoff indicated that staff is hearing from the Commission to err towards the higher number of lodging units in the CFA, and staff can figure out how to put a number on that, but there is a preference to have more rather than less; where they are and how they work in the CFA is something that can go in the final draft.

Commissioner Klein stated that when he heard staff's presentation, he thought Mike stated that on the south side staff's recommendation was no more lodging. Mike explained that he talked about two different options. One was what was heard from the Commission last time, which seemed to indicate no more lodging on the south side, but staff is saying that there is room for more lodging with a cap of 84 units linked to residential as well.

Commissioner Klein asked, if you have the Marriott, a new hotel across street and more lodging on that side, aren't you getting into strip lodging that the Community Plan says should be avoided. Chair Losoff noted that it was discussed at length at the last meeting, and there was a strong consensus to avoid that. Mike explained that is why we have a Lodging Area Limit boundary, which helps break it up so we don't get lodging going down S.R. 89A and can keep it concentrated in this area, and this is within the Lodging Area Limit. In the Cultural Park, it may be outside of that, which the Community Plan says can happen with a CFA Plan, but it is not something associated with the highway and there are also other ways to try to ensure that it doesn't have that strip feel in terms of setbacks and site coverage, etc.

Commissioner Cohen stated that the question isn't if we do 300 units or 250 units. In his mind, the question is how we meet what the city needs in terms of the plan and best benefits and how do we meet what has been raised as a flexible situation so economically it can be successful, and he has no way of evaluating whether we need 300, 284 or 210 units at this time. Is there a way to help clarify that?

Mike Raber explained that staff is basing that on if you go back to the December discussion. We talked about the comparison of areas within a walkable distance and the commercial and lodging areas we have now. They don't correspond to CFAs necessarily, but if we do a similar comparison for the Western Gateway CFA, we can look at how the number of lodging unit percentages versus residential compare with the other areas, and that is one test. Right now, we are looking at trying to maintain a percentage of lodging to residential in the 57% to 59% range given these other numbers. Commissioner Cohen then asked what that equates to in terms of numbers of lodging units, and Mike stated that in terms of lodging units, we are at 375 now and we would be adding 284 more, so that is like 659 in the area. That would be the cap, and the number of residences would be about 59% of the total or 464.

Commissioner Cohen asked how the numbers work, with the Cultural Park being about 50% of the CFA in terms of land size. One responsibility is to make sure what we do in the CFA is viable for residential and the economics for the developers, investors and the city, so that is the area he is grappling in with the numbers and putting 300 or 7,000 or whatever goes on it.

Chair Losoff noted that the Commission is stuck on a dime here; we're getting too hung up on those numbers. Again, why do we have to have a ratio? Who is to say these ratios are good or bad or legitimate? This is a brand new area and one of the major areas for the city; it has been undeveloped for all of these years. Here is a chance to do something different, and do we have to stick to the same ratios? If we do, why and if not, maybe there are some other opportunities, so we aren't hung up on 1,000 or 200. We're just getting stuck on that and there are other issues we should be talking about, so maybe staff should go back and look at that. Should more residential be put in some of the other CFAs -- say Soldiers Pass or some of the other areas that are residential now. Should more residential units be in there, and if we keep ratios, should those ratios be increased? He is just playing devil's advocate and not suggesting that they should or shouldn't.

Mike Raber pointed out that was discussed around the medical center area, because a lot of that is coming in with residential development, but a lot of it is probably not going to be the type of

residential you might see in multi-family and other parts of the community. Some of it will be assisted living and independent living, but more geared towards a self-contained type of development, so it isn't contributing to the infrastructure and things like traffic the way that some of the other residential might, but staff recognizes that there needs to be some kind of residential component that is different from the assisted living and independent living scenario that might be proposed -- one that is more open to the area itself as a vibrant part of the CFA and can contribute to some additional commercial in this area. Staff is not saying there shouldn't be any residential there, but that it is not as much of a percentage, because there is no lodging being proposed there, so we aren't linking that relationship, and the other is because a lot of the area may be taken up by a kind of specialized residential that is not the same as some of the other areas. On the south side, there needs to be some additional residential component maybe in terms of a mixed-use environment that can also provide some service to the residential area through the area being more permeable and walkable to the neighborhood, and staff sees that opportunity being afforded through a new lodging rezoning proposal. It would be minimal, because we don't have the area to have extremely high density. We might have some opportunity for higher densities in the Cultural Park area just given the land and the fact that we are looking at other uses like lodging in that area too. There is land area for that, but there are differences in each one of the character areas; they are not all the same.

Chair Losoff asked if staff had enough information for the final draft and Mike stated that he didn't feel that he had very good closure on the question of do we have some kind of relationship between lodging and residential, however we do that. Staff is suggesting that we provide a suggested ratio and don't make that necessarily cast in stone, but we do show that as a recommendation for achieving this vibrant mixed-use area and there might be an opportunity for that to be dealt with in another way, but that is going to be based on what an applicant brings forward in a proposal to address that. We do need to characterize it somehow, so there is more than just a policy statement, because that sometimes gets lost in the wash, and then it is what did they really mean by that when we are gone and somebody else is here. What did we mean by a vibrant walkable area? It is important to try to define that a little better, and not everybody is in agreement with that, but he feels that needs to happen and if we do it in a way that is not prescriptive and there may be some other ways to achieve that, then he could support that.

Chair Losoff then asked the Commissioners about what Mike just commented on and if there is a preference between a policy statement versus a more specific ratio; however, John Sather responded that there is no magic in these numbers. If we get these numbers right, it doesn't mean that this will be a great walkable area. Those places could all be like Sky Mountain, which are all secondary homes other than five of us who live there permanently. What is the goal? When they first analyzed this and created the plan, it was to create diverse housing, more unique housing, smaller houses, co-housing and live/work housing, age-in-place housing, so he would suggest that this be reduced to a policy statement that says we want this mix of lodging and residential, but the goal of the residential is not to just provide more houses. There isn't a meeting he has facilitated or attended when somebody has raised their hand and said we want more houses in Sedona; everyone who talks about houses says that they need more diverse product to get them out of subdivisions when they age-in-place and they are all living in 5,000 sq. ft. houses and want a 1,200 sq. ft. house and still live in Sedona. That is what they believe, not only in their proposal, but that is the vision that should be part of this CFA and it has nothing to do with numbers and could be very easily accomplished in a well-crafted policy statement.

Audree Juhlin added that staff's frustration is we have heard from the Commission that you want a village, so we asked what the base use for this village would be, and the consensus was residential, so the primary focus would be residential, then we would intersperse commercial and some lodging into that to create the vibrant village atmosphere. Having a policy statement that is up to interpretation of what the village looks like if we don't have something to come back to so we are all on the same page, and if we don't have a base to start with, it makes it very difficult for future staff, future Councilors and Commission members and developers to know where to start. They could come in with a proposal that has 300 lodging units and 25 houses that are all diverse, so is

that what you were looking for or they could come in with 100 houses, but we need to give them a base from which to start, and it is a little difficult in a policy statement to get that right mix, if we don't have something to start from, and that is staff's frustration right now.

Chair Losoff suggested in the next reiteration for staff to come up with two alternatives and the Commission can see which one we like. Commissioner Cohen added that it is very confusing and if it is confusing for the Commission, it has to be confusing for Mike. Mike Raber stated that the other thing that staff needs clarity on is the Commission's thoughts on the south side of the highway, which is linked to this discussion. The ratio applies to both sides, but . . . the Chair interrupted to say that at the last meeting, we had a very strong consensus on that, but do we want to rethink it?

Audree Juhlin indicated that what the Commission is essentially saying is the existing zoning on the south side of S.R. 89A is what you want to see developed, so the Commercial zoning is it. Chair Losoff stated that the Commission didn't want strip development on that side; you already have the hotel and it could be something next to it, and then the two parcels on the corner of the high school. Audree agreed and noted that right now, they can develop commercial; there is nothing in the CFA Plan to provide an incentive for them to do something other than their current entitlement, so do you want something other than their current entitlements or not? Mike added that we need to look at incentives to get something other than what exists, if that is what you want, and that could be the relaxation of some of the development standards for lot coverage, height or massing, etc., but we need something as a benefit.

Chair Losoff asked if staff has a recommendation, and again Mike stated that staff's recommendation was to include lodging there, so there would be the associated rezoning and the opportunity to look at community benefits. The Chair again asked if the Commission wanted to rethink what was concluded last time about the other side of the road.

Commissioner Klein referenced the 84 units on the south side and asked if the current zoning is Lodging or Commercial, and Mike stated that the zoning is Lodging, but as soon as they propose a new development, it triggers a rezoning again; any new lodging units require a rezoning. Every time a lodging development is proposed, regardless of where it is in the city, it is always a rezoning. The Commissioner then commented that if the Commission doesn't want more lodging on the south side, the area that is currently zoned Lodging will have to be rezoned; however, Audree clarified not if they want to do commercial. Mike agreed and stated that they can do commercial uses within that zone.

Commissioner Cohen indicated that in the last discussion, the Commission wanted to not have a alleyway of lodging units as you enter the city; there are quite a number of little towns that have vacation areas that have that, and we want to avoid that ugly feature. He then asked what Mike proposes that the Commission can do to give us a gateway to the City of Sedona that is attractive and economically feasible. Would more lodging units be a good way to go or just commercial?

Mike Raber noted that there are some in the immediate neighborhood that have voiced support for lodging in that area, because of other uses that could go in there that weren't as supported. And again, we have the Lodging Area Limit boundary and we aren't proposing to change that, which deals with the areas adjacent to the highway, including the Marriott and the area next to it, but there wouldn't be any more lodging east of that, because of that boundary. The CFA can address lodging that is not along the highway in the Cultural Park area. Staff feels there is a limit to keep that from becoming a strip. Commissioner Cohen stated that clarifies it for him.

Chair Losoff again asked if the Commission wanted to rethink it or if they were okay with staff's thoughts about including lodging on that side of the street. Commissioner Brandt stated that he is okay with lodging on that side of the street. He doesn't think there should be a maximum for lodging as long as there is a ratio that makes sense for staff and the goals for the CFA, and that means there would be a mixture of residential and lodging in whatever that ratio ends up being; the land is going to be able to support it.

Commissioner Cohen asked, if lodging is put on the south side, what that does for traffic, and Mike indicated that lodging will generate a certain amount of traffic the way any other commercial use would. They may generate more than some commercial uses and less than others. Generally, it is in the range of about eight trips per day per unit, but that depends on the type of lodging. There would be a contribution, but there would be regardless of the commercial use that goes in there.

Chair Losoff noted that raised a new question that we hadn't addressed, which is still out there as to the whole traffic issue in the CFA, let alone the whole city. Commissioner Klein then asked if the way it is zoned now, a gas station or a fast food restaurant could be put there, and Mike indicated that is right. Audree added that she believes it is C-1, so all of the commercial uses in C-1 are essentially in the Lodging district; it just includes Lodging as an acceptable use. Mike noted that the area will be developed and generate traffic, and that is one reason, staff is recommending that lodging contribute some kind of transit system to get people from their locations to other popular spots in town.

Chair Losoff again stated that at the last meeting the Commission said no lodging on that side of the street, so is the Commission okay to change it. Commissioner Cohen stated not I, and Commissioner Klein stated that he didn't know; he has mixed feelings about it. Commissioner Brandt stated he is okay with lodging on the south side of the highway. Commissioner Mayer stated that he is not, and Commissioner Barcus stated that he is okay with lodging on the south side. The Chair then stated there are mixed feelings on the Commission's part. Mike Raber indicated that staff would present the two scenarios.

Commissioner Brandt asked if the concern is that there would be strip lodging, even though there is a restriction to the lodging limits that have been established, and we are only talking about an additional three acres on the south side of the highway. Commissioner Cohen stated that you already have the Marriott, and Commissioner Klein added yes, that is a potential concern. You would have two places right next to each other; this is where people drive into Sedona. He doesn't know that they want to look at a gas station, but is that what people want to be looking at -- the Marriott and then another lodge right next to it and one across the street. Commissioner Brandt responded that he thinks they want to come in and see a real town with things going on, and so that is the primary thing and hotels are part of a tourist town, so if they have already been restricted to a Lodging Area Limit, then you apparently see that it wants to be more restrictive. Commissioner Klein stated that at the last meeting, he was against lodging on the south side, but he sees now that there are some good arguments that can be raised to allow it, so he is not sure.

Chair Losoff indicated that looking at the standards, if some lodging comes in, we could help control the design. Audree also noted the placement, site location and if it is perpendicular to . . . , the Chair agreed and noted that it then doesn't look like a strip mall, etc. Commissioner Mayer commented that we already do look like a strip mall all the way down, and Commissioner Klein indicated that he thought there was something in the Community Plan that says if you were going to have new lodging, it had to be located at an intersection where there is a traffic signal, and if you allow lodging on that three acres, where is a traffic signal? Mike explained that their access is linked to the Marriott site, so there is only a right-in and right-out on the highway, and that is an existing approved access point. The Chair noted that again, there is some apprehension about changing the Commission's mind, but there is some leeway there.

Commissioner Klein referenced #8 in Mr. Mongini's letter about having a statement in the plan to allow flexibility for a single user of the site, such as an Andrew Weil Wellness Center or something equivalent, and asked why he is requesting that. Mr. Mongini explained that the client has been getting calls from different people with regard to the site as a single user. The Commissioner then stated that if you had a single user at this site, how would that comply with the Community Plan that says on page 53 under #3, "Ensure that a balance of land uses is maintained." Mr. Mongini explained that for example, it could be a university that wants to locate in Sedona. The Commissioner then asked what would be there besides a university, and Mr. Mongini stated it would just be the university. The Commissioner then asked how that is a mixed use and Mr.

Mongini stated that it's not; however, John Sather added that it could be a mixed use. He is designing a university in Claremont, California that is a mix of housing, community gathering and restaurants; it is basically a deconstructed version of what we think a university is today, so there is a mix of housing. If anyone knows the analysis of our Secretary of [Commerce], Penny Pritzker, her investments are in building residences adjacent to universities, so the discussion with staff today was that there are many examples of small nine, ten or twelve-acre universities that are highly diverse in their mix of uses in themselves. The other thing they want is flexibility to create something great, so during the Community Plan process, there was a lot of discussion about would this not be a great place for a think tank or Chautauqua-type facility. Those would all become single-purpose users that would be identified by the equivalent of an Abe Miller who came to town to build Tlaquepaque. They believe that this quality of land could attract someone like that, if they got the language in the CFA to at least open the door for something like that.

Chair Losoff indicated that he doesn't see the problem not having or doing it without mixed use. The whole CFA needs to be considered, so we could put mixed-use activities someplace in the CFA, not necessarily there. It doesn't have to be in every single component of the property, so that is another way to look at it. Mike Raber pointed out that there are unique opportunities in this character area to address a lot of that issue of mixed use that may not be as easy to see happen in some of the other areas of the CFA. That is why we would have a concern; we can take a look at the language in the plan to see if there is some opportunity to address the possibility of a single user, but the goals of the CFA and the contribution of this area need to be part of that, as far as addressing the vibrant mixed use, etc., but we aren't completely closed to that as a possibility. Mr. Mongini then commented that it would be something like Apple Computer or something locating their campus there for their think tank. They would have restaurants and everything, and it would be one single owner.

Commissioner Cohen indicated that he keeps going back to the Vision Statement and asking how what we are discussing makes that Vision Statement, because the whole thing becomes a vision statement of welcoming, a distinct, active, vibrant place with a diversity of land uses that attracts both locals and visitors, etc. Whatever we do has got to follow the vision statement or we have to change the Vision Statement. The Chair agreed that the Commission has to remember to keep focusing on that regardless of what specifics we are talking about, and whatever we come up with needs to be compatible with that. He is kind of torn between flexibility and being specific. Mike Raber again stated that staff would provide a couple of different scenarios.

Chair Losoff acknowledged that the Commission has a tendency to be all over the board on this, but we can't be all things to all people, and this CFA is large enough that we could accommodate a lot of ideas and thoughts maybe in different areas of the CFA, but not all specifically at the same time.

John Sather indicated that they spent quite a bit of time in crafting this letter, so they could be respectful of the Commission's time. They recognize that the Commission just got it; they had hoped to email it to you, but your email addresses are difficult, so because of the holiday, he apologizes for it coming so late in timing. If you could just read it as you deliberate more; they believe it represents not specifically what they want, but what they believe are the aspirations of a really great CFA for the Western Gateway. The Chair agreed that the Commission just got it and would need more time to digest it and perhaps at the next session, we can see where we go with it.

Commissioner Klein stated that he agrees with staff in regards to #9 in the letter where you propose that your current bubble concept be included in the CFA -- he would be opposed to that, because it is the developer's proposal, and he doesn't know that is an appropriate thing to put in the CFA. The Commissioner asked if in a way that wouldn't be giving tacit approval to their plan, which they haven't even formally submitted, and Audree indicated yes. Chair Losoff indicated that from a legal standpoint that is a good point, and if and when the CFA is adopted and the Cultural Park is approved, perhaps there could be something at that point, but at this point, it would be premature.

Commissioner Brandt commented that we have been talking about little detailed things and big picture things, but not really talking about the specifics of the plan, but he can summarize by #9 and seeing the plan that, for the goals of the City of Sedona, what the Community Plan set up, and what the CFA is trying to follow through with, this plan is actually heading in an opposite direction from the goals, so he thinks there are things within the draft plan that still need to be tuned to follow the Community Plan better, but again, this is actually going in the opposite direction. It is easy to say that it is more suburban; it is more of a gated community so to speak; it is not integrated in with the city, and the Cultural Park needs to be a benefit for the City of Sedona. It needs to work for and provide Sedona as a whole to be a neighborhood unto itself and to provide the dynamic vibrancy that keeps coming up -- something that works for the locals and for itself as the owners of the Cultural Park, the singular owner actually -- it is a single person or single entity right now that owns it, so he doesn't see it as that big of a deal to say that it needs variances or ways to have a single occupant. If there is a single occupant, why can't they meet the goals that the CFA has just being that it is a single occupant.

Commissioner Brandt then added that since this process started for the Commission back in June, we were asked specific questions of what type of uses should be there, then a few months later, we were asked to do a rating game as to the best five things and the five worse things that shouldn't be included, and then we got back to just the actual draft, and the draft still hasn't been put together entirely for the Commission to comment on, so he thinks we have a few more meetings to discuss this, but that is his opinion.

Chair Losoff indicated that when we get a specific proposal for the Cultural Park, we can talk about it. Frankly, he thinks they are heading in the right direction, but he does agree with the second statement. We have been all over the board on this and to put some perspective to it going forward, give the Commission a specific plan ahead of time, so the Commission can react to specific issues and not be all over the board. Put a final draft together that the Commission can relate to. Right now, we are just getting bits and pieces and we aren't coming to any conclusions. That survey for example, housing was not big in that survey, yet it came up later on, so we seem to be going back and forth, which adds to some of the confusion. Every time we talk about an issue, the next time we seem to (audio unclear). He is not criticizing; we need something more specific to react to.

Mike Raber pointed out that the Commission has a pretty detailed draft and staff needs to more about what you think is not there or missing. He doesn't know if Commissioner Brandt was referencing the things that staff said still needed to be plugged in, but beyond that, he thought that staff had narrowed it down to the one issue where we didn't sense any consensus. You are going to have to be more specific about the others, because he doesn't have enough direction.

Commissioner Brandt indicated that supposedly we started with the big picture that we have been talking about, that there should be a village to create the attraction here. We want the mix of uses, but he doesn't see that. To him, a village is a town and the pictures he has seen so far are like an exit off of the highway; we're not really looking at creating a town. We're just throwing in the mix and expecting it to be good. He understands, for instance, that there is a parking garage in the Cultural Park part, but it is right at the critical intersection that already exists, so to him for a pedestrian street or walking street, it doesn't seem like that is where you would want to have a parking garage. He understands that it is encouraged to have mixed use and storefronts and things like that, but how big can those be if you have a parking garage behind it. It is more like just making it look suitable for use, but if you want restaurants and nice stores, they take up more space and that brushes the parking garage somewhere else. Why put the parking garage at the crossroads in the first place? Realize he is speaking of this in that the property of the Cultural Park started as Open Space, became Public/Semi-Public and now we are looking at development for it, so what is the best it can be. The best it can be is a great neighborhood like we see in cities and small towns, like Uptown used to be. Why can't we have that here in West Sedona? Well, you don't start with dead-ends and one through street. Is that specific enough; he might be the only one

that feels that way. Maybe it does want to be suburban; Sedona is suburban, so maybe this wants to be, and maybe the rest of the board might want to speak to that.

Commissioner Cohen stated that what Commissioner Brandt did for him was he reopened a new idea. This letter is a throw-off from what we are supposed to be doing. If we were doing the specific zoning of the Cultural Park, then the issues presented is one set of things. The original draft of the plan that we were given was a great vision statement with specifics as to how it was to be developed. Should we be talking about it, as Commissioner Brandt was phrasing about those pieces of business at this juncture within the CFA or should we be waiting for a zoning request? It has confused him, and Commissioner Brandt's statement brought his confusion to a head. Mike Raber explained that part of that might be the example we included in each character area that was really intended as an example; not as part of the plan recommendation. It is these other areas in the character areas that we're trying to show are pretty flexible as to where a lot of these uses can go, and this is the example, but that may be where some of the confusion is. We are going to call them Development Guidelines, and that is what we were honing in on in the last presentation in December and where staff wanted to continue the discussion, because that is where the meat of the plan is. He was getting the sense that the Commission was largely on board with most of what was in there, with the exception of this issue with the lodging and residential, and that was why we wanted to focus the discussion there. If there are other things, we need to know what they are.

Chair Losoff reminded the Commissioners that we have this 75-page document, and he would ask them to go back and look at this draft that has been tweaked. There was consensus on some things, and there was a consensus on the cover statement. Some of the things we talked about tonight add to this, and for the next meeting, if there are additional items that you aren't comfortable with we can talk about it, but at that point, we need to come to some conclusions. We can't keep talking about it and come up with different ideas each time we meet, so use this as a base. See what you want to modify that we haven't talked about and come up with the ideas discussed tonight for the CFA big plan, and how that relates to our vision, Community Plan, etc. Aside from that, we could address issues in this letter assuming that we are going to get a perspective coming in soon on the Cultural Park; we could look at some of these questions that relate to them as well as the CFA and staff is going to talk about it in the next meeting. Mike Raber indicated that staff can show where we have addressed some of that.

Mike then stated that in the next draft, the Commission will be able to see the changes between that and the December 9th version. Chair Losoff stated that the issue we can't get past is the ratio issue and the balance of residential versus lodging, so just step back and see where you are with that. The Chair then asked how staff wants to schedule this; we probably need at least one more work session before a recommendation to the Council.

Audree Juhlin agreed based on tonight's conversation, we aren't ready to make a recommendation to move forward as anticipated on January 19th. It would be her hope that we were ready, but she doesn't think we are. We need to include those items in the final draft and we had anticipated getting that out next week, but she is not sure we will be able to, because we need to look at a few other things that were brought up tonight and we don't want to have the same discussion over and over again. We need to have something that is pretty final as far as what we are hearing from the Commission, property owners and our professional opinions on what we think is the best.

Chair Losoff asked if staff met with one of the property owners today, and Audree stated that we met with the Tennyson folks. The Chair then stated to incorporate that into the recommendations next time. Audree explained that in the Staff Report, we will discuss how we addressed that letter. She would hope to have a final draft by the 19th for consideration, but she is not going to promise that. The Chair asked about having a special meeting and Audree explained that staff needs to draft the draft, and we're getting further direction that isn't by consensus. You are just saying go back and figure it out, so staff needs to do that, and that is going to take time and to have a draft by the beginning of next week is not feasible. After today's discussion, she doesn't see that as a reality -- probably another week at least if not two, so we are looking into February.

Commissioner Brandt noted that the more work we do now, the easier it is for the future. It is like pulling teeth now, but that is better than having dentures in the future. Commissioner Cohen commented that it is also better for the confusion to happen here than at the City Council meeting. Chair Losoff then added that we don't have answers tonight, because we are all over the board. Come back with your specifics; you have heard enough of it.

7. Discussion regarding the future update of the Sedona Land Development Code.

Audree Juhlin indicated that we are moving forward with the draft Sign Code Ordinance; we should have that in the springtime. We will be putting together a RFP for a consultant to do those elements of the Land Development Code that we are going to amend; we don't have the time or expertise so that will be happening this spring as well.

8. FUTURE MEETING DATES AND AGENDA ITEMS

- a. Thursday, January 14, 2016; 3:30 pm (Work Session)**
- b. Tuesday, January 19, 2016; 5:30 pm (Public Hearing)**
- c. Thursday, January 28, 2016; 3:30 pm (Work Session)**
- d. Tuesday, February 2, 2016; 5:30 pm (Public Hearing)**

Audree Juhlin stated that on January 14th, we could have a discussion on the Western Gateway CFA, but she doesn't think we are ready. The Chair suggested leaving it on at this point, but if staff feels the same way, it will be canceled. He will not be available on the 14th.

Audree then indicated that on the 19th, we had scheduled a public hearing for the CFA, and again, we're not going to be ready for that, but we could have another work session on that date. The Chair suggested if we don't meet on the 14th, we could meet on the 19th. Audree explained that the concern is the frustration that might cause for the Commission if the final draft isn't ready and you haven't had time to review it. She would look at the earliest time to have a work session as January 28th. We should have the draft done and to you in advance. Commissioner Cohen asked if the 14th and 19th are on a tentative hold, and Audree said possibly for cancellation. February 2nd is a public hearing for a Conditional Use Permit for Sedona Off-Road Adventures.

9. EXECUTIVE SESSION

If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Planning and Zoning Commission may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3)**
- b. Return to open session. Discussion/possible action on executive session items.**

No Executive Session was held.

10. ADJOURNMENT

Chair Losoff called for adjournment at 7:40 p.m., without objection.

I certify that the above is a true and correct summary of the meeting of the Planning & Zoning Commission held on January 5, 2016.

Donna A. S. Puckett, *Administrative Assistant*

Date