

Summary Minutes
City of Sedona
Planning & Zoning Commission Meeting
Vultee Conference Room, 102 Roadrunner Drive, Sedona, AZ
Tuesday, May 17, 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, Vice Chair Kathy Levin and Commissioners Randy Barcus, Eric Brandt and Avrum Cohen. Commissioners Larry Klein and Gerhard Mayer were excused.

Staff Present: Warren Campbell, Roxanne Holland, Audree Juhlin, Matt Kessler, Cynthia Lovely, Cari Meyer, Ryan Mortillaro, Donna Puckett, Mike Raber and Ron Ramsey

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

Audree Juhlin announced that on May 24th the City Council will be having a public hearing on the Western Gateway, and in April, the City sponsored an appreciation lunch for our volunteers and the Planning & Zoning Commission, Historic Preservation Commission, Citizens Engagement Workgroups and many others were invited. Awards were given out this year to various members of the volunteer group and two Planning & Zoning Commissioners received awards. She then read the following for the Objectivity Award and the Consensus Builder Award

Objectivity Award went to Kathy Levin – “As a longtime resident and volunteer in Sedona and as Vice Chair of the Planning & Zoning Commission, Kathy is very knowledgeable of the community and how it has changed over the years. She also is very committed to the community’s future vision for Sedona and remains focused on that vision as projects come before her as a Commissioner. Her prior experience as one of the City’s first Planning Commissioners and her experience as a City planner combined with her knowledge of the Sedona Community Plan gives Kathy a unique and very well-rounded perspective that fosters new and creative ideas to achieve the community’s vision. Her objectivity in critiquing projects, with the Community Plan as her guide, is a great service to staff, the Commission and our community.”

Consensus Builder Award went to Marty Losoff – “Have you ever heard that saying that you can lead a horse to water, but you can’t make him drink. Well getting that horse to drink might describe Marty Losoff’s task at times as the Chair of the Planning & Zoning Commission, and more often than not, he succeeds. It can take a skillful facilitator to get a group of independent thinkers to agree on something besides an agreement to disagree, and Marty gained a lot of practice for that role while serving as a member of the Citizens Steering Committee for the Community Plan update for over three years, while also serving on the Commission. If you have attended Planning & Zoning Commission meetings, you have probably heard Marty ask, ‘Do we have a consensus?’ more than once. With Marty’s personal perseverance and commitment, we can definitely say . . . Yes Marty; there is a consensus that you are a consensus builder.”

4. DISCUSSION REGARDING THE PROJECT UPDATE SUMMARY

The Chair complimented Cari for a summary that was very well done and Cari indicated that Commissioner Cohen had identified a mistake on the last page under the Western Gateway. As Audree announced, it is a public hearing with the City Council on May 24th, not the Planning & Zoning Commission.

Chair Losoff noted that May 27th is coming up and asked if the Park Place project is going to die, and Cari explained that means that the amendment to the project will, so it will be in the situation it was before the amendment. There was a change to 12 of the buildings and that will expire, so all of the Development Review will expire, but the Zoning is still Multi-Family and the subdivision still has 88 units on the plat, so if they want to do what was approved, they could resubmit that or if they want to do something else they would have to go through the amendment process. The Chair asked if staff lets them know and Cari stated yes, she talked with the property owner within the last couple of weeks. There is a for sale sign on the property, so we don't know what will be happening, but if this project expires, then the Commission will see it again before they can get building permits.

Commissioner Cohen asked if Tlaquepaque is still going to open in June and Cari stated that she didn't know their schedule; they are still working on some engineering corrections regarding ADA. Roxanne Holland added that Engineering did their final inspection today so it will be approved. Cari then indicated that would be for the site and the shell buildings. All of the tenants are doing their tenant improvements inside the buildings. The Commissioner then asked when the CVS Pharmacy is scheduled to open and Cari indicated by the fall, depending on whom you talk to – the contractor or the developer.

Chair Losoff asked about the Marriott and Cari indicated she hasn't heard any updates from them, but they seem to be making some good progress. Commissioner Cohen then noted that Nexus already has a tenant and Cari clarified that they had tenants when they came through the process. The Commissioner then asked when it would be completed and Cari stated that she didn't know.

Chair Losoff then asked if there is an interest on the Commissioners' part to do a walk-through of approved projects once they are open. Vice Chair Levin indicated yes. The Chair then asked Cari to talk with Audree and see what staff thinks about having maybe a pre-opening or something so we could walk through as these projects come to completion. Cari noted that staff tried to do that for Mariposa before it was opened to the public, but because you have public meetings, the public is invited, so we need to make sure it is safe. The Chair agreed and noted that it wouldn't be an inspection; it would just be for information. Cari then continued to say that at the time, Mariposa was technically still a construction site and we couldn't guarantee safety.

The Chair then asked about Sedona Rouge and if they are working on the crosswalk, etc. Cari indicated that she had just received a voicemail from them and she hasn't returned their call yet, but it is our understanding that they are. Audree Juhlin agreed and stated yes, they are. The Chair then commented that the Temporary C of O is only good until they do that and asked if there is a timeframe on that permit. Audree explained that they have to keep renewing it every 30 days.

5. APPROVAL OF THE FOLLOWING MINUTES:

a. April 19, 2016 (R)

The Chair stated that he would entertain a motion for the April 19th minutes.

MOTION: Commissioner Cohen so moved. Vice Chair Levin seconded the motion. VOTE: Motion carried five (5) for and zero (0) opposed. Commissioners Klein and Mayer were excused.

6. **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.)

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

7. **Discussion regarding a request for Development Review to construct a new 3,808 square foot commercial/warehouse building and associated site improvements at 60 Sinagua Drive. The property is zoned C-2 (General Commercial). A general description of the area affected includes but is not limited to the east side of Sinagua Drive south of Southwest Drive. APN: 408-24-319. Applicant: Larry and Denise Garnello/Dan Surber Architect Case Number: PZ16-00001 (DEV)**

The Chair invited the applicant's representative, Architect Dan Surber, to join the Commission at the table for the discussion.

Presentation, Cari Meyer: Cari pointed out the subject property on a vicinity map and showed an aerial view of the site and surrounding area. She noted that there is not a lot that is natural about the site; it was previously used as an outdoor nursery and this Development Review is for a warehouse. Staff worked with them on the design, and they have responded. The site plan generally shows the building and parking area on the site, and we have the elevations. It is a fairly straight-forward building, but one comment outlined in the memo that was not particularly addressed was that we look for ways to provide connections to adjoining lots in every application, and we had wanted the opportunity to connect to the neighboring lot to allow less area to be used as turnaround areas on each site. If every site has to have some kind of hammerhead, it takes up a lot of area that could be used for landscaping or non-paved surfaces, and as we get more redevelopment, we are looking for connections to get cars off of the highway.

The Chair asked if they are willing to do that and Cari explained where staff was looking for a connection and indicated that staff hasn't talked to the property owner specifically about that connection, but staff would be willing to facilitate that interaction if they are willing to discuss it. It would be kind of the same thing that we did with the Nexus, where they ended their parking lot at a spot where it could connect to the next site if that site is redeveloped. The Chair noted that they were willing to do that and asked who is in the building shown. Cari indicated that it is a guy who builds furniture. Applicant Larry Garnello, who was present in the audience, stated that he builds concrete furniture.

Cari then explained that we are tentatively scheduled for a public hearing in three week on June 7th, so we are looking for any additional information needed by the Commission or any questions you need to have answered.

Commission's Questions, Comments and Concerns:

Vice Chair Levin referenced the aerial and asked if it appears that there is a building over a property line. Cari explained that because of the way the aerials and property lines are layered, they don't always line up. The Vice Chair commented that it looked pretty significant and Cari explained that there would have to be a survey. The Vice Chair then asked if staff was looking for a potential access between the two structures, and Cari indicated yes. She then identified the location of an existing driveway that loops around.

Warren stated that he spoke with the owner of the property to the north of Giant and he had the same question, so staff looked into it further and that building is much closer to a zero setback, but he doesn't believe it is over the line, so that is how much it is off. It looks like several feet, but he believes it is right on it. Cari added that there is no setback required between two commercial

properties. Chair Losoff then noted that the Commission would still encourage aerial photos, but we have to remember that there is a little bit of a discrepancy.

Commissioner Cohen referenced the document sent out and stated that regarding the connection, it said that the applicant would like to proceed as is. Cari indicated that was their response, but they can address that more.

Dan Surber, Architect, explained that basically because of existing utilities and because the owner also owns the building in front to the south of this site. He owns the two properties, which are part of his business, and one of these warehouses is going to be part of that business, so the parking lot in-between, the unloading, and the relationship of the two parcels was crucial to him, as far as laying it out this way. Dan then indicated that he believes the one with the connection was just bought recently by that person, but they didn't really reach out to him. Dan then pointed out where the City drainage easement is and indicated that there is access from that and along the side of this property, so there may be some point where he would bring in a truck to unload on the side, and there is nice access now between the north and south properties.

Vice Chair Levin noted that is not public access and Dan Surber agreed. Commissioner Brandt asked if you can get all the way through along the water easement, and Dan stated yes. The Commissioner then indicated that kind of acts as the same thing, although it takes you off of the highway, not the side street, and Cari agreed.

Commissioner Brandt referenced a neighbor's comment regarding trees, and Dan identified the trees she was specifically talking about, which they are not going to touch. They are right on the line and on her property. The Commissioner then referenced a big tree to the east and asked if it is on this property or the neighbor's property, and Larry Garnello stated it was on the neighbor's property.

Commissioner Brandt then indicated that there was another comment about moving the building, and Dan explained that basically they have a drainage easement there, so they can't go any further and that was just so it didn't block the sunshine from their property. Cari then asked if they met with her and Dan explained that they have corresponded through emails.

Chair Losoff asked about any more discussions with the neighbors or surrounding landowners, and Cari stated no, staff hasn't heard anything, but we will be doing one more outreach to the neighbors prior to the public hearing and the official notice will probably go out tomorrow.

The Chair then confirmed that the heights of the buildings are in compliance, and Cari showed the color board to the Commission. The Chair then noted that the only major issue was the connectivity, and Cari stated that staff can continue to work with them. Obviously, there are no buildings that are specifically blocking it, but she doesn't know what the turn would be and if that is something they would be interested in, but we can contact the neighboring property owner to see what his interest is and see how that might work with this configuration.

The Chair asked if staff is comfortable with the slight change in turning the building, and Cari indicated that she talked with Dan about the discrepancy in the offset. It was supposed to be a 6 ft. offset and we don't know why it got changed, and Dan then stated that it is 6 ft.

Vice Chair Levin referenced staff's interest in the connectivity and indicated that if these businesses relate to one another, then there is a natural need to connect them, but then asked, since we are only looking one property in depth or maybe three, why it is necessary to connect through when there is easy access from Sinagua, Southwest out. Cari explained that one of the issues is providing proper turnarounds for loading and unloading, so the trucks aren't backing up onto the street. Some of the older properties just have one way in and out, but they don't have a turnaround at the end, so if we can provide ways for trucks to pull through, you aren't losing land. If you look on this site plan, this is the kind of hammerhead that would be required on every lot to allow for the

three-point turn. The Vice Chair pointed out that on S.R. 89A, it is a huge problem, but here we are only looking at one adjacent business that it could potentially affect, which is the property the City purchased. Cari indicated that as we're looking at what could happen in the future, there is some potential for significant redevelopment in the area, so we are looking at ways to allow for redevelopment of parcels in conjunction with each other. Vice Chair Levin then stated it is really the long view.

Commissioner Barcus indicated that the design with the hammerhead wouldn't preclude future connection with the adjacent lot to the east; it would just occupy some land with some kind of driveway material. Cari then explained that staff would have to look at where the property lines and buildings come in and what kind of turn that would be. Our comment probably would be that it would be a little more obvious if the building was flipped and closer, to make it a straight shot through, but we can look at what it would take to make that; it might be feasible. The Commissioner then stated that the dimensions of the hammerhead don't look like a 65' semi-truck would be able to make a U-turn there, so even with this design, it is not alleviating any backing out onto that Sinagua cul-de-sac. He then asked if the hammerhead is a specific design required by the City and Cari indicated that it is a Fire District standard.

Commissioner Brandt asked if it is possible to connect to the property to the north that has a dead-end to the parking, and Dan Surber explained that there is a significant change in elevation there of probably about 5'. The Commissioner then stated that the connection to the owner's property to the south seems like a no-brainer and asked why we aren't talking about that instead, and Cari noted that is being shown. The Commissioner then asked what the fine print says and Cari indicated that it says with permission of the owners, so this is basically what Nexus showed. They could do a connection here as long as the neighboring owners agree, and they said that they are the neighboring owners. The Commissioner then asked why we aren't just saying that should be the connection, and Cari stated that we are saying that is the connection; we are just looking at to see if there are other ways to connect. Commissioner Brandt indicated that it doesn't sound like a done deal there; it sounds like it is a maybe or it could be there and Cari noted that staff could clarify their position on that.

Chair Losoff indicated that on the short-term, we ask ourselves how important it is, but looking down the road, anytime we can get activity for future planning, and he is thinking of the Hyatt where at the time, we thought the trucks would come at night, but they don't and it becomes a safety hazard. They block traffic and there is no place for them to turn around, so as we go forward, if and when we can affect some type of long-range planning, then it might help.

Commissioner Cohen stated that the owner owns the long building, and asked if it is a separate property from the one being presented today, and if so, one of the things we have talked about is if the owner sells one of the pieces, does it affect what is being built today in terms of the traffic flow. The City doesn't have to deal with an agreement to let them separate as long as they are two separate properties. Cari indicated that is something we can talk to the applicant about before your meeting as to how permanent that is going to be. The Commissioner then stated that part of what they are doing is building the bays they are going to use – some of them for themselves and some according to the proposal will be rented, so how will that affect the traffic flow? Cari explained that the connection for their business goes out to a driveway, and we are trying to find ways to get people out to the streets, and then to the highway, kind of concentrating traffic away from the driveways, so if there is a pull-through, there wouldn't be any back-up and if there is no pull-through, they hammerhead out. Commissioner Cohen asked if tenants wouldn't be able to use the long driveway along the side of the building, and Cari indicated that is something that staff can clarify with the applicant, but even if that gets blocked off, all of the traffic would be coming out to Tortilla Drive or over to Dry Creek. Commissioner Cohen noted that makes sense, because there is a traffic light to deal with the traffic on S.R. 89A by the library. Coming out by the Giant and Nick's is kind of a tough move. Cari noted that City employees often use the Dry Creek Road light, but at this point, they are all public streets and we can't make people drive over to Dry Creek Road although it is an option.

Chair Losoff summarized that the issue is that staff is recommending that perhaps there should be some discussion with the applicant in terms of achieving some kind of connectivity. We aren't making any decisions today, but it would be nice if there was something to coincide with what your interests are. He then asked if they would continue talking with them and have some results by our next meeting, and Cari stated yes.

Applicant Larry Garnello then requested to speak as the property owner. He owns Crystal Magic, Magic Clothing and the lot off of Sinagua that we are discussing. He knows the Commission has a question about the driveway going down the access on the side of the building between Giant and that long rectangle building, but that is always going to have access for him as the business owner of both properties. He is always going to allow that to happen; there is a gate there, but the gate is going to be open, because he wants privacy and has dogs that run around there. As far as the other suggested access, he has spoken with the other property owner and he doesn't have any desire to open that up, so realistically, people are going to pull in . . . this is a four-bay warehouse and three of the bays will be for him. One of the bays, on the far left-hand side, will be for an electrical contractor in town, so there will only be one rental, and he will pull in and out and go either of two ways. This property will be fenced in too, and he pointed out the location of where an electric gate will be placed plus the existing electric gate, again because he has animals and he wants them to be able to run around.

Vice Chair Levin asked Mr. Garnello to repeat the third business and Mr. Garnello stated that it would be Crystal Magic Wholesale.com. When they buy minerals and specimens in Tucson at the gem show, which is once a year, they have to stock up for the whole year, and rocks are heavy and come from around the world. If he doesn't buy them at the gem show in large quantities, then he has to pay freight throughout the year, so he needs an area to process all of the rocks, and they are starting a store called Crystal Magic.com, so they will need an area to take pictures, process and ship rocks, etc.

The Vice Chair then asked if Mr. Garnello had any idea of the volume of vehicles and Mr. Garnello indicated that the electrical contractor who will be in that bay is going to keep his trucks, but he is going to keep them inside. He has two vehicles, and for Crystal Magic.com, he will have somebody running it, shipping, and taking pictures, so probably about three vehicles there. The Vice Chair then asked if staff has an idea of the existing delivery volume based on the existing businesses, and then a projection on . . ., you said basically one delivery from the gem and mineral show. Mr. Garnello explained that he does that himself; he makes three or four trips in January. The Vice Chair stated that she wanted to know the volume of large vehicles now, and Mr. Garnello explained that there are no large vehicles; he has a truck and big trailer that hauls the merchandise, and then they have UPS deliveries, but that is about it for large vehicles. When he goes to Tucson, he has a super heavy-duty trailer that can haul lots of weight and he makes four or five trips. The Vice Chair then asked about the inventory for Magic Clothing and Mr. Garnello indicated that UPS delivers, and the Vice Chair then confirmed that we aren't looking at 18-wheelers.

Mr. Garnello indicated that he would like to do whatever it takes for the Commission to have a good understanding of what he is trying to do; it is something that he has been working on for a while with Cari and Dan.

Chair Losoff indicated that the Commission doesn't have any specific concerns with the overall project. He asked the Commission about needing any more information for the next meeting and there were no requests. Larry Garnello explained that regarding trucks, it is not going to be an overwhelming thing. He owns the properties in front and regarding the comments about him selling the parcel, etc., he doesn't know that he will see that happen, but he can't promise that it won't. His children are involved in his business and he isn't planning to sell his businesses. He plans to turn them over to his children. This is the third generation that is involved and hopefully we can keep it going further, but the value of the properties wouldn't be increased if he sold them individually; however, to sell it, he would have to sell it as a unit, because the last thing any retailer would want would be to sell the building next door to another retailer – that would be like McDonalds and

Burger King and he wouldn't want that to happen, so he would think if he were to sell anything it would have to be as a block, but he has no intentions of doing that. It is a family business and three generations are involved in it, so hopefully, his children will have children and maybe there will be four generations involved.

The Chair again stated that he didn't think there were any major issues and from a development point-of-view, the Commission is okay with it.

8. Discussion regarding existing and future lodging uses.

Chair Losoff stated that in our past meetings we talked about future concepts in the CFAs, some big picture items and where we're going with some of the concepts, and we decided it would be nice to have a general discussion in terms of lodging and what the expectations are in terms of low growth, high growth, no growth, etc., and staff put together a great white paper that spelled out the issues as clear as can be.

Audree Juhlin indicated that staff prepared a memorandum about existing and future conditions related to lodging, and then provided some significant related data. Both Cynthia and Mike will talk about it and this is something that we have presented in part to the City Council, and they were talking about no lodging, more lodging and how they stand on lodging in general. In the end of that discussion, they basically said that lodging needs to be considered on a case-by-case basis, and that is where they left it. It is still a policy that we will look at lodging and we are not saying no to lodging; there is no reason to put a moratorium on it, but we want to look at it on a case-by-case basis, recognizing the pros and cons that go along with it.

Mike Raber stated that he wanted to talk a little about the background and the relationship between lodging and the Sedona Community Plan. Prior to 1998 and that update of the Community Plan, hotels, timeshares and bed & breakfasts were allowed anywhere in the Commercial zone. In 1998, the Community Plan provided some specific locations for lodging uses in Focused Activity Centers, and those were the areas that were mostly around major intersections. We tried to confine lodging to those areas for two reasons. One was that there was good signalized access, so we could better control turning movements onto the highway, and also most of the activity was located in those areas, which meant the potential for more pedestrian use and a larger number of land uses. In 1999, we initiated a rezoning for the existing lodging uses that were consistent with the Community Plan, and any existing lodging that didn't meet those criteria were considered grandfathered or basically legal nonconforming uses. In 2002, the Community Plan carried over the 1998 Plan and we further reduced some of the areas in those Focused Activity Centers, and the new Sedona Community Plan then replaced those Focused Activity Centers with Lodging Area Limits basically using the same boundaries. The new Plan also established Community Focus Areas (CFAs) to highlight those areas that are in need of more specific planning. The new lodging is supported within the Lodging Area Limits, shown in yellow on the map, and can also be supported within the larger CFA boundaries, which are shown as red circles, if the Plan calls for that in going through the planning process. The map in the packet shows the existing commercial in gray, the lodging in darker blue, the Lodging Area Limits in yellow and the CFAs in red circles.

Chair Losoff asked if we are legally bound by the Lodging Area Limits or is this more conceptual, and Mike explained that zoning is supposed to follow the Community Plan, so if you lay out a Land Use Map in the Plan, the zoning is supposed to be consistent with that, so while there are other things in considering a rezoning, by saying you can't do that within the Lodging Area Limits, you have to have some other reasons; you couldn't just say from a land use perspective.

Vice Chair Levin asked if the Commission concluded that we have enough, but we have Lodging Area Limits, would that be a Prop 207 issue if a development came through and we said we don't want to see any more lodging. Mike stated that we dealt with that in the Soldiers Pass Road area by saying that the Lodging Area Limits covered the area where lodging could occur, but then there is a budget within that Limit and you can only have so much within it, so there are ways to do it

within that Limit. Vice Chair Levin then asked about establishing a budget within the CFA and Audree Juhlin requested that Ron Ramsey address that. Chair Losoff then asked if it would be a violation of anything if in essence we have a limit that we don't want to exceed and someone wants to develop an area that would exceed the limit.

Ron Ramsey explained that Mike Raber made a good point. What is in the Community Plan has been adopted by the City Council and approved by the electorate. It is fairly binding and the statute says that when you rezone, you are supposed to rezone so it is consistent and conforms with, so to maneuver outside of what the Plan has delineated as the lodging districts would be difficult. The flip side is also difficult and that is to say we don't like those circles or limits, and even though you are in those limits and you are in the numbers, we don't want you there – that is very dangerous. The City Council is going to have to take another step and decide if they want to further refine what the lodging limits are, and they have done a good job, but they are trying to focus on where there is signalized access; trying to spread out the lodging so you don't have a hotel row, and trying to make sure that when you do have lodging, you have supportive-type commercial businesses around it so people can walk, and those are all legitimate planning issues, but to extend it beyond . . ., Commissioner Barcus interrupted to say they aren't issues, they are goals, and Ron then continued to state that to extend it beyond what you see here would have to be a Council policy decision. He knows the Commission has wrestled in the past with looking at the Gateway and deciding the total number of units that should be allocated among the properties, and he doesn't think the Community Plan goes that far.

Vice Chair Levin indicated that there was a striking number about lodging establishments that are actually in the Lodging Area Limits, and 40% are not within the Lodging Area Limits. She then asked if there is another number about which ones are actually near intersections and meet the other criteria. Cynthia referenced the second page of the inventory, and Mike Raber mentioned the number 45. Vice Chair Levin then asked about a percentage for the existing that would otherwise meet the criteria for new lodging establishments that you would encourage near intersections and other ancillary businesses. She then stated that she would have to find it.

Chair Losoff noted that we talked about Lodging Area Limits and asked if we have a number of lodging units that we cannot exceed, and Mike Raber stated no, not citywide unless we do it in the CFA Plan. The Chair then commented that if the issue comes up of do we have enough lodging areas and we don't need any more, all we can go back to are the area CFA issues, not the actual number of units. We don't have a limit on units citywide.

Commissioner Cohen referenced the population statistics on page 1 and the unit growth on lodging, and indicated that he loved the lists of concerns and additional considerations on page 2, but we have a concern that we need to look at in terms of these statistics and issues – adding the character of Sedona. What do we want it to look like over the future? Do we want it to look like something people want to live in or do we want it to look like something that people just want to visit? We are having problems with our trails; some of them are in bad condition. We are having trouble with parking for the trails and that is what people are coming for, so he has a concern as to whom we are planning for and how we are going to achieve maintaining the ambience through our planning. How do we deal with the concerns and how do we deal with the problem? The problem for him is spelled out very clearly. If we don't build more lodging units, the Village of Oak Creek will, and we will still get all of the same problems, so that is a conundrum for planning and by putting it together like that, we are giving you more gray hairs.

Mike Raber indicated that is a good segue to what we have done in the past and the effect. He referenced the table in the memo and indicated that from 1990 to 1997, the hotel and bed & breakfast units increased by about 26% and timeshares increased by over 500%. Since 1998 when we did the first Community Plan and recommended locations for lodging, growth in those units has been less in the 17 years than in the 7 years prior to 1998, so there is something going on and you can see it reflected a little more in the top half of the graph that shows the actual new hotel and timeshare projects that were constructed between 1970 to present, which has both new hotels

and additions. You can see how it looked both before and after incorporation. Looking at the incorporation line, we had a lot of activity going on, and then we started putting design standards and other things in place, so maybe things weren't moving quite as fast as they were, and then we had a little spike. We adopted the criteria for where lodging could be located and you can see that there was a shift in the activity after that, and part of that is due to constrained locations.

Commissioner Barcus indicated that to be fair, if we don't superimpose two recessions and all of those other things, we end up attributing numbers to facts that can't support those numbers, because it is a multi-dimensional problem. Mike Raber agreed and explained that a lot of the flat lining is from the recession. The Commissioner noted that we always remember those, but we don't remember back-to-back recessions in the early 1990s as well. Typically, what we know about recessions is that one of the things that is most affected is leisure travel – that is usually the first thing that people pull back. Mike Raber agreed that it is not the only reason, and Commissioner Barcus stated that we always need to be careful in implying that there aren't a couple of other things going on as well.

Commissioner Cohen added that there is another complication and that is the illegal rentals; there are quite a few of them. Commissioner Barcus stated that is like a sidebar just in the City limits, but we do have lodging construction outside the City limits that competes with these lodging units, and they are in our neighborhood and general address; they still call it Sedona if they are in the Village. Vice Chair Levin added that when Ducey signed the Airbnb, she thought she would see what was in Sedona and there were 300 listings.

Chair Losoff indicated that he would like to concentrate on the narratives and any concerns, or considerations, and do we have enough or not enough, should we build more or put some brakes on, etc., instead of getting bogged down in statistics. Vice Chair Levin stated that she liked the fact that they took a broad approach and listed the economic value of tourism to the community and of the lodging industry, plus the downside that if it wasn't that, it could be something else.

Chair Losoff noted that in the list of concerns, you see the ongoing concern about the growing segregation in the Uptown area, and he lives in that area and he isn't really concerned. When they moved to town about 13 years ago, they were told the Uptown area is shops, tourists, etc., and the businesses – banks, tailors, dry cleaners, etc., were in West Sedona, but he never looked at it as a problem. He never looked at Uptown's Main Street as his sense of a grocery store or anything like that so he doesn't know where that comes from. Vice Chair Levin stated that it is from a transition, because before, there were reasons to go to Uptown. There was a bookstore, a bank and a library, and we were mixing visitors and residents, so there is a history that at one time it wasn't tourists only. Chair Losoff asked if it is still an issue, since people get used to it and the market dictates what people do. The Vice Chair explained that it just helps understand that the proportionality now is different between lodging and residential, and that the preponderant of retail uses are geared toward our visitors.

Commissioner Cohen stated that we also have tourist traffic and parking issues now in the area above the stores in Uptown. When we have a lot of tourists in town, the parking is going up the hill and we haven't even put in the parking meters yet. Chair Losoff suggested that the Commission talk about lodging; however, Commissioner Cohen stated parking is part of that and some of the illegal rentals are in that area.

The Chair asked how the new law that the Governor just signed will affect that, and Commissioner Cohen stated that the Governor signed, in the ADU business, that you can rent short term, so all of a sudden we have . . . Chair Losoff interrupted to say that we have short term rentals all over the place and Commissioner Barcus asked if that is something we can discuss. Ron Ramsey responded that tangentially we're talking about lodging and it probably affects lodging.

Commissioner Brandt asked when it was approved by the Governor and Vice Chair Levin stated Monday. Audree Juhlin added that she believes it becomes effective August 5th and taxing begins

January 1st. The Commissioner then asked if subdivisions will still have the control and Vice Chair Levin stated yes, if they are HOAs. Ron Ramsey explained that the HOAs and the zoning are always distinct, so if you had deed restrictions or homeowner association restrictions, you enforce those on your own. Commissioner Brandt then stated that the subdivisions still control that, but the City can't; however, Ron Ramsey clarified that the City never could control what went on in your private subdivision. The Commissioner then referenced the City's ordinance against short-term rentals and indicated that subdivisions had that also in their CC&Rs. Ron then explained that the CC&Rs are recorded by the developer or property owners; they are self-imposed, self-enforced and self-interpreted. Commissioner Brandt then asked if CC&Rs prohibit short-term rentals and Ron responded that they may. The Commissioner then commented that the City also had an ordinance, but Ducey says that is illegal or you can't do that anymore. Ron explained that it says the cities can't, and the Commissioner added that subdivisions still can. Ron agreed, and Commissioner Brandt indicated that is crazy, because they are both legal entities. Ron explained that is a long story – whether a CC&R over time is still enforceable is a big question, because if you were to go to Superior Court and try to enforce them, the first thing the judge is going to ask is if you have uniformly enforced them in the past or have you allowed them to lapse, because you are asking to control somebody's property rights and the burden is really on the person trying to enforce them to show that you are doing a fair enforcement and it is continuous enforcement, etc., and then there is the interpretation language. Some of those CC&Rs pre-date some of the things going on with vacation rentals, so what do you mean cannot rent. Is it rented if Mom lives in the house for a while? That is going to be a Superior Court action and always was.

The Chair indicated that the overall question regarding lodging is whether enough is enough or are we okay with it or if we don't do it, will it go someplace else that will affect us. He then asked if the Council decided whether we want a priority for tourism versus Audree Juhlin stated no, they did not look at it as the community in its entirety; they were looking at it just as the Commission is – the different CFAs, so the Community Plan is our guiding document and that is the vision for the community. We're dialing it down more specifically with the CFAs, and in the instance of the Western Gateway, they said tourism is going to be the jumping off point, and then we will build around that, so in that area we have made that distinction. With the Soldiers Pass CFA, not so much; we were saying that lodging could be included, but we were saying more mixed and residential uses in that area, so it is site specific on a case-by-case basis. The Chair then commented that each CFA should be looked at differently, and Audree pointed out that is how Council has basically decided as well.

Commissioner Barcus indicated that periodically we get a change in membership in the City Council and we have adopted a Community Plan that also was voted on by the public, so is there an opportunity for a City Council to amend this Plan and put it out for a vote at some point in the future, that may be less or more restrictive. Mike Raber stated that you can do a Major Amendment to the Plan without it going to the voters; it would take a two-thirds vote of the Council. The Commissioner then added, because the Council is elected by the people and they are the representatives, so they are acting in the public's interest.

Chair Losoff stated that it is possible that a different Council, without a Major Amendment, could look at things differently, and they have done that in the past; that was one of the problems we had with the Community Plan. The Plan was agreed to and voted in, but different Councils have different perspectives and they won't say ignore the Community Plan, but their priorities are different. Commissioner Barcus noted that he wanted to finish his thought and asked how we have some consistency without the flip flops. Ron Ramsey explained that you are a representative of the Community Plan. Historically, you could commence your City zoning and never have done a Community Plan, and they realized that was a gap and not an effective way to plan, because of the same thing you are pointing out. Political whims go back and forth, so they changed that to say you must have a Community Plan and these elements, so that backbone is the Legislature's attempt to say this is the consistency; you are going to have to follow pretty close to what you have adopted. Chair Losoff commented that we spent three years coming up with the Community Plan and the discussion was how we could hold the Council's feet to the fire so to speak. We did put in a section

on accountability, because how to keep it going so there is continuity was a question, and the only reasonable answer that came back was it was voted on by the community by over 65% and if new Councilors come in and don't follow it, there is political hay to be brought if they are not following the sense of the community. Ron then pointed out that it is likely that if they changed it by the two-thirds vote, they could be up for a Referendum by the people. Chair Losoff then stated that it hasn't gotten to that point and he doesn't think anyone has looked at it that way yet, but that is . . .

Commissioner Barcus interjected that he was just trying to find the boundaries. Commissioner Cohen stated that the Community Plan has a limitation. The vision that it describes isn't strong enough to talk about what the vision is for the community itself. It is a very nebulous statement and not a strong vision, so if it is not presenting the strong vision, then you go to the technical stuff in the Community Plan and it becomes what Mike Raber and Ron were talking about. Without a strong vision in the Community Plan, the question becomes what kind of community do we want?

Commissioner Brandt stated it is a pretty strong vision and Vice Chair Levin agreed. Chair Losoff noted that there was give and take on that in terms of should it be bolder. The Plan was approved with six strong visionary points, but to each his own. Commissioner Cohen cited from the Plan that the population hasn't grown; lodging has grown a lot, so what do we want the community to look like? The Plan doesn't say that; however, Vice Chair Levin and Ron Ramsey stated that it does. Commissioner Cohen then indicated that he didn't see that, so he has to read it again. Vice Chair Levin added that we are also refining that definition as we address the specific Community Focus Areas, because that is where we anticipate new growth or redevelopment, so we are taking that vision and expressing it in the ways that we want to see these come about.

Commissioner Cohen asked how that addresses what was being raised across the table, and Vice Chair Levin explained that there are more variables than that. We said there is a political variable and an economic variable, but we could debate that forever. She would like to know of the remaining CFAs, what the order of priority is in which we are going to see them, and in which of these do you feel lodging proposals might be most likely, because that may enable us to be a little more forward-thinking. She knows that Schnebly is coming up next and that may or may not have a small lodging component to it, but she is sure it will be in scale with the neighborhood; however, what is the order of the next CFAs?

Chair Losoff asked that before getting into that, he would like to finish the discussion between Commissioner Cohen and Commissioner Barcus. Commissioner Barcus the stated that we know that population is counted by place of residence and we have a lot of dwelling units in Sedona that are secondary residences, so those folks are counted in the population of their primary residence. Vice Chair Levin stated that we know that number – 1,400 are second homes, and Commissioner Barcus then stated that the point is that when we talk about jobs, which is another element of the Community Plan, jobs are reported by place of work, so it would be beneficial in an exposition here to show what employment is. He hasn't looked at the state data for Sedona, but we may be able to tie lodging employment or hospitality employment to these numbers as well. What he is getting at is if you live in the Village or Cottonwood and work in West Sedona, in what the economy here is and what lodging provides to the City in terms of tax revenues, etc., there is a whole lot of other things that come from a greater area than just in the City limits, and we lose that context. Just like in this chart with the various lodging unit construction, you lose some context, because you don't look at business cycles or when the Hilton was constructed in the Village, etc.

Vice Chair Levin noted that there could be a tremendous income transfer outside, and Commissioner Barcus then indicated that it is like Commissioner Cohen's point, "What do we want to be when we grow up?" If we only look at the City of Sedona and we don't look at the implications elsewhere . . . Commissioner Cohen interjected that we have no control of anything elsewhere and Commissioner Barcus continued to state that if you build hotels in Sedona, you can control those and basically have those hotels in your community with the revenue and the tourists rather than have those hotels elsewhere.

Commissioner Brandt indicated that he wanted to step back a step. The memo starts with nuts and bolts and ends with nuts and bolts, and he is not sure exactly what we are doing here; what is the purpose of this discussion? Are we just saying those are great numbers; what are we doing with these numbers? What is this all about? He is missing something here. He doesn't listen to what direction the City Council is going and why. Why did we have this meeting and what brought this up? Chair Losoff stated that the numbers are great, but he doesn't like to get into the numbers, because we are getting hung up on that – just as we are doing now; are we growing or not growing? The issue is in terms of lodging is, as new projects come in with some component of lodging, are we going to say that we don't need any more lodging units or do we want more? Look at the discussion on the Western Gateway, at the end, we talked about 200 units, 250, 300 and should we put any across the street, so we had that all-over-the-board kind of discussion, so for our sake, do we have parameters in mind? Do we think we are saturated or do we want low growth or high growth with no restrictions or do we care? That is basically what we are looking at as projects come in, whether it is in a CFA or someplace outside of a CFA.

Audree Juhlin added that the Commission expressed some frustrations in the CFA process saying that we need to look at this in its broader context citywide, and the frustration was that you were only looking at it in isolation, so what are the implications and effects of decisions elsewhere in the City, so in part that is why this was brought up, so you could have a discussion about lodging in a greater context.

Vice Chair Levin repeated her question about the list; however, Commissioner Brandt stated that it is amazing to him that we would be talking about the fact that we want to not have any more lodging, so he was kind of figuring that might be the reason we were talking about this, but that boggles his mind -- this is a tourist town. Chair Losoff then stated that the Commission hasn't made any decision; you are advocating growth with no restrictions, and the Commissioner clarified that he thinks not growth beyond the boundaries of the City as they exist – concentrate within where we are. There are places where it has already been designated and we see the benefits and understand the detriments, but to say we don't need any more lodging is – whoa, that's wild, okay, well now he knows what we are talking about.

Chair Losoff repeated that the purpose of today's meeting is to come to some consensus on that; however, the Vice Chair stated no; this is an FYI. Ron Ramsey then explained that the Commission is not developing policy here; we were not asked to develop policy. The Council could, if they wanted, give you a specific task and say they would like the Commission to give them some feedback on the Commission's ideas of lodging growth for instance, but they haven't done that. This was brought to the table, because there was a lot of frustration trying to figure out lodging CFA by CFA, and this gives you the background information, but you aren't being asked to make some consensus opinion about the growth in the City. What is going to happen is just like a rezoning, your CFA recommendation or rezoning is going to end up with the Council, and they are going to be on the hot seat and be the ones that have to say even though this is in a designated lodging district, we feel we have saturated the market in this area and it has the following detriments, so we aren't going to grant the rezoning, and then they can withstand the reaction to that, but that would be up to them. The purpose of this was to give you more of a background of where the whole lodging scenario has been, its growth and where it might be. It is a good tool; if you are presented with the next CFA and have some lodging issues, now you have more background information and it would give you a basis for concluding in that CFA what your recommendations are to the City Council and it will be up to them after that.

Vice Chair Levin commented that we have some really great data and she did some extrapolations on total number of units X 70% occupancy X nine trips a day, and right away she came up with a number for the impact with that kind of occupancy in the community now, so that is one way we can take this data and use it to enhance our analysis of projects. She also wanted to backtrack, since she really liked the discussion of the other variables that are in play, she appreciates what Commissioner Barcus said and it prompted her to ask if this information could be supplemented with a better understanding of its economic impact, because we've been told about sales tax, but

with the employees that work, but don't live here, there is an enormous income transfer out of the community where those dollars are being spent. Even at City Hall, she thinks it is upwards of 70% of the employees don't live here and there are some other data sets that could really enable us to understand the value. Amongst ourselves, we ask what we get. We get a lot more restaurant choices in this community, because of the tourism, but we could better understand how tourism is reflected in our local employment and if the assumption is true that most of our service industry personnel are coming from outside of this community and the income is going with them into their respective communities, such as Cottonwood, Camp Verde, Clarkdale and the Village of Oak Creek. Donna Puckett pointed out that to have a balanced view, you also need to look at the revenue that may go out of the City limits but comes back in expenditures, because we work in the City and shop here, which we might not do otherwise. Vice Chair Levin agreed and indicated that she thinks that nexus is stronger between the VOC and Sedona than it is with Cottonwood; however, Audree noted that she does her shopping here too.

Chair Losoff indicated that in one or two meetings, the issue was raised that as we go forward with the CFAs and other projects, should we put a moratorium on lodging until the traffic study is done, because of the implications of traffic versus lodging, but he knows we can't do that, although that prompted the general discussion that we are having today as to where we are going with this stuff. Granted the Community Plan doesn't say we are focusing on tourism, but people recognize that is our economic engine, unless that changes.

Audree Juhlin indicated that for the CFAs, the next one to come forward will be the Schnebly Hill CFA and you will most likely see that in July; the draft is 75% to 80% done and it will have a lodging component. The next one will be the Triple A, and we are anticipating that one to be a relatively easy one. We are respecting the Commission's frustration of not having the traffic study done, so we were trying to pick a CFA that has the least amount of direct correlation to the results of the traffic study, and we found that one to be simple to do, but she probably just jinxed our process by saying that. Vice Chair Levin then asked if staff saw any other areas where you wanted to get in front of development, and Audree Juhlin indicated that we are timing all of these out based on what is involved in every step, so when we get to a certain stage with the Triple A, we will initiate the Uptown and three of them are going to be combined, so we will begin the process of getting the background information and data collection to start that process. Then based on Council priorities, we will then initiate the Dells, so the Wastewater Treatment Plant will be the next one and Mike will spearhead that one and Cynthia will be doing the Uptown. Audree then explained that most likely the Schnebly Hill will be done, so she would have the one by the Brewer Road Ranger Station, the lower part of Uptown and then the northernmost CFA, and we will do those altogether. Vice Chair Levin asked if Loma Casi sold and Audree Juhlin stated no. Audree then stated that is the plan, but it is subject to change.

Vice Chair Levin wanted to state how much she appreciated this and all of the new data that the Commission can use and manipulate, if we choose to, and she wanted to know who determined that there were eight hotels from 1947 and Cynthia indicated that was her and the first hotel was in 1949. Vice Chair Levin then stated that she remembered a little adobe one at the end of Madole Road that was like eight units and that was built in the '40s or '50s – where Safeway is now.

Chair Losoff again stated that it is always the question of do we have enough of – whether it is pharmacies, candy stores, lodging, etc., and this give us some broad-based knowledge of where we are and how to use it will be in the individual's hands. We still have the Council who oversees the direction of these things, regardless of where we come from, so hopefully, this will help us as we come up with other CFAs. The Western Gateway was different; we were kind of highly frustrated with it and maybe we minimize that as we go forward with the others. Audree Juhlin noted that they are all going to be complex.

Vice Chair Levin then asked Mike Raber if he had anything else he wanted to discuss, since the Commissioners just jumped in and Mike stated no, he was just talking about the inventory. The Chair then asked Cynthia if the Commission had covered what she had in mind, and Cynthia stated

that it is in the packet, so if you read it, you are good. She was going to add that part of the reason for giving the Commission this information, and to maybe answer Commissioner Brandt's question about the purpose of this, was that we gave all of this information to the City Council and wanted to be sure you have the same information and that we explain it to you.

Commissioner Brandt commented that the City Council wanted it because of the "moratorium" word. You don't read that in the newspaper that the City Council is considering a moratorium on hotels. Cynthia added that another reason is the CFA discussions and, from a staff perspective, we want these numbers when we have discussions with the Commission, because one of the significant things on the map that staff thinks is relevant is distribution, which we didn't discuss. One of those potential misconceptions is that all of the tourists and lodging is in Uptown, and this map that we didn't have previously, shows that is not the case; it is spread out across West Sedona, and that is another reason for having this information, so you have the facts.

Chair Losoff then asked as planners what staff thinks and Mike Raber indicated that it is helpful for the Commission to know and understand that there has been a concern about this use going way back, and we've taken steps over time to limit that use in some areas. It is important to know that going into to any further restrictions; there has been an effort to do that and what those numbers tell you about the growth in lodging since we did that. The Chair stated that the Community Plan doesn't say there are X, and the Steering Committee almost deliberately avoided it. They had some good ideas and they are still in the Plan; the Plan is good, but they avoided some of the hard and fast decisions, because they wanted to get it approved. They didn't want it to be voted down, because they said certain things, but going forward, it might behoove the Council and other planners to determine if we are tourists versus others; there is nothing wrong with that as long as we manage it effectively. We can take care of residents as well as tourists.

Commissioner Cohen indicated that the Vision Statement in the Plan and all through the Plan talks about sustainability, but it never says what we are sustaining or want to sustain, and that is the piece that Commissioner Barcus paraphrased in, "What do we want to be when we grow up?" and, How do we know?

Commissioner Brandt stated that he sees hotels as being a way to redirect the identity of Sedona from when it was just Uptown and a few scattered ranches and a few places along the creek; it became a suburb of itself. It is like Uptown was the downtown and the suburbs grew and people gave up Uptown; there is no core, because Uptown isn't for the locals. There are some neat shops up there, but how often do we all go shopping in Uptown? It is kind of like a once or twice a year thing for him. It is fascinating, but it is not like you go there to get groceries. With the ability to use hotels, the hotels in Uptown are just connected to shops and shopping, there is no golfing or tennis or hiking that leaves from that area; nothing that locals do except shopping, so if there was a way within the Lodging Area Limits to have that ability, hotels concentrate people and give a critical mass, so you can use the hotels as a way to have a diversity of uses within the City. You've got Uptown which has shops, and he was thinking with the Western Gateway, which is more recreational-oriented in hotels and locals will go there to the trailheads and the vista, so the locals and tourists will intermix. There is nothing wrong with that; we are both a tourist town and a local town and it is never going to be any other way. The locals feel left out, because the tourists are here taking up their roads and we have too many hotels, but as Commissioner Barcus said last time, if we don't allow hotels in this town, they will just build them in Cottonwood or the Village and those people will drive here. You won't be able to control them, unless you put up gates. If you put up gates, how are we going to do that? By having hotels, there are people that have reservations and can get past the gates, and that is how the shop owners are going to say gates are a great idea, because we have a lot of hotels. To him, it is all intermixed and hotels are a key to getting the right development in Sedona.

Commissioner Cohen indicated that he didn't disagree with Commissioner Brandt and his basic point, but we have another big problem. Go on some of the trails; they are deteriorating and the parking to get to the hiking is becoming a problem, the people on the bicycles – we have the new

bicycle park and that is a good thing, but the bicycle community has a new committee to look at bicycle safety, etc., and those are the things that are sustainability. You can build a lot of hotels; you get a lot of people coming here but at some time they can choke on themselves. Commissioner Mayer made that point a few meetings ago and we need to look at not limiting lodging; he is not opposed to lodging or any of the things Commissioner Brandt said, but what he is concerned about is what are we sustaining and how do we go about doing that? He doesn't think that is the Commission's charge; it belongs to the City Council and that is an important piece of it. He doesn't oppose lodging or lots of people coming in, using the place and looking at the beauty, that is what it is here for, but how we sustain that becomes the question. What is our vision going forward to be able to protect that?

Commissioner Brandt indicated that sustainability is also not putting all of your eggs in one basket, so right now if Sedona is only thought of as a place to go hiking, etc., is there was a way for sustainability to still bring in visitors, but give a different orientation – diversify. Resiliency is the ultimate; you can sustain, but if all of the impacts might change what you need to sustain, you need to be resilient, so we need to broaden our horizons and not say the trails are it. Commissioner Cohen clarified that if the trails disappear or become not usable, etc., that is a problem. He is all for sustainability and increasing quality product, because that is what we are looking at for tourists, but what does that mean in terms of how we can direct that as we are planning and meeting with hotels for instance? We previously discussed benefits and what kind of benefits do we want from some of these hotels? Just putting up more hotel rooms isn't going to accomplish it. Commissioner Brandt stated that planning has to be done to show how these things can integrate, and when they develop a hotel, this needs to be done to support the community and the hotel, and this is the plan. That is why he has been frustrated by the CFAs so far, because it has just been that this is going to happen here and there, but nothing major, because we can't get too specific about how the uses come together, but then we specify where this parcel will be open space and that is pretty specific, but we can't say what will happen with streets, lodging and residential, etc.

Commissioner Cohen indicated those are questions we want to consider as we look at the next CFA. Chair Losoff then asked Commissioner Barcus about his answer to what the City wants to be when it grows up, and the Commissioner stated that we are still searching. Commissioner Brandt noted that in Maslow's Hierarchy of Needs – basic food, water, shelter, and then the fourth, self-actualization is really where the City needs to go. A lot of people think of Sedona as being this special woo-woo energy place and along that path is part of the sustainability resilience. There are so many people that come here because of that; that is really what we do to grow up. You put the energy into think tanks and good schools and universities and that is what we want to be when we grow up. People think of this place and wouldn't it be good to have that conference there, because of all the energy that is already there, not just woo-woo energy, but the dynamic of the people who live here.

Chair Losoff stated that when he announced to the group at his work that he bought a house in Sedona, a bunch of doctors came to him with headbands and pony tails, because they had just heard about Gabriel. A solution is not that we are this, that or the other, but how we manage it whether it is lodging, tourism, citizens, neighborhoods, etc., and that will be the key in the future as to how strong we deal with those issues, both in investments of people, money, etc., and we can't just look the other way and say we can't afford some things or that won't work. We have to have the vision to balance these things out, and there is nothing right or wrong, but it is how we are going to deal with it in the future. In the Steering Committee, the discussion was about what the alternative economic engines are – schools, universities, etc., so if that is the case, go to some of the universities and find out if they want to set up a satellite.

Commissioner Cohen indicated that what the state is missing is its letter school system is down and with the amount of unemployment in some of the areas and the Governor being elected on the notion that he was going to create jobs that aren't coming as envisioned, part of the reason is that we don't have a workforce that is educated enough in this state, and part of the reason is what they

are trying to do with this proposition -- get out of paying what they really owe and use the wilderness to pay . . . , Ron Ramsey pointed out that is a little bit more political than lodging.

Commissioner Barcus stated that the community is better served by having the lodging in our City where we can get that critical mass that may lead to some kind of a transportation change. If the lodging happens elsewhere . . . Commissioner Cohen interrupted to say that he agrees. Commissioner Barcus then indicated that Sunday, he was hiking in the Broken Arrow area and there were half- a-dozen pink jeeps with a concentration of tourists that were hauled into the Broken Arrow trailhead area, and as he hiked around Twin Buttes, he came to the Chapel and saw the trolley full of tourists, so we already are starting to see concentrations of folks not hiking in or having parking problems at trailheads. They have alternative forms of getting to these areas, and if we get the lodging in our community, we will have that critical mass to make that work for the community and have benefits for the residents as well, because if you have a connection system for tourists, just like a restaurant, the locals get to use the connection system just as easily.

Commissioner Cohen indicated that Commissioner Barcus was implying that he (Commissioner Cohen) was opposed to lodging growth and tourists and that is not true. What he is looking for when searching the data is where are we going in terms of utilizing our resources to do better for the community, and we need to do that. Vice Chair Levin stated that they had given her a great idea, and that is as we did with Sky Ranch and the Marriott, we encouraged them to encourage their patrons to use a shuttle that they were going to provide, so maybe we should be looking at lodging providing that critical linkage.

Chair Losoff referenced today's Arizona Republic – what would Phoenix or Scottsdale look like with open glass trams, and Commissioner Barcus stated they would look like cooked people. Vice Chair Levin stated that we could have a realistic solution to keeping tourists out of their cars if we asked our lodging partners to provide for the destinations specific to trailheads as an example. Commissioner Brandt stated that if they are not in the City, people are going to drive here anyway to see the sites, and Vice Chair Levin added that we do have a captive group of visitors in our lodging establishments that we could take off of the roads, if we cooperate with our lodging partners and made them do it for us. Commissioner Barcus pointed out that it needs to work for them, and the only way it is going to work for them is if there are enough folks.

Chair Losoff indicated that in Sedona there are many people who say the opposite of what we are talking about here – if they want to go to Cottonwood, let them go. Commissioner Brandt agreed, but indicated that they don't realize that if they push the lodging out, those people are still going to come here and it is going to be even worse. Chair Losoff then stated that the whole issue is how we manage it going forward. Commissioner Brandt stated that everybody wants to live here and not have anybody else around them. They want their own 40 acres and they have a quarter of an acre and have to live with other people.

Chair Losoff indicated that when we were talking about the Community Plan and had forums, etc., we discussed community parking places, so you park your car and then we would move you to the City shuttle or whatever, and not him – he wants his car here, so if he needs something . . . Ron Ramsey suggested they talk to the National Park Service about their plan on the South Rim; it went nowhere. They were going to shuttle everybody in from Tusayan on light rail and people don't have that kind of time, and we have the same issue. They don't have that kind of time to waste half of a day making transportation connections. They want to see the rim and go. Commissioner Barcus indicated that it has worked at Zion and Vice Chair Levin added that it also has worked at Snowmass.

Chair Losoff stated that the question is in terms of managing this, do we do it and let people come around to it or wait for the people to face that on their own, and for months they heard that they couldn't make them not drive, and even locals were saying it; they need their car.

- 9. FUTURE MEETING DATES AND AGENDA ITEMS**
- a. Thursday, June 2, 2016; 3:30 pm (Work Session)**
 - b. Tuesday, June 7, 2016; 5:30 pm (Public Hearing)**
 - c. Thursday, June 16, 2016; 3:30 pm (Work Session)**
 - d. Tuesday, June 21, 2016; 5:30 pm (Public Hearing)**

Audree Juhlin indicated that the next scheduled meeting is Thursday, June 2nd for a work session and we do not have anything for that meeting. Tuesday, June 7th would be for a public hearing on the warehouse discussed tonight, and for June 16th and June 21st, we do not have anything at this time. The next scheduled meeting would be a July 14th work session to discuss the Schnebly Hill CFA. Chair Losoff suggested cancelling June 2nd, making the next meeting June 7th, and leaving the 16th and 21st open. Audree Juhlin indicated that staff for the 7th will be Donna and Cari. Chair Losoff indicated that he may not be present and Vice Chair Levin stated that she would not be present either. Audree Juhlin indicated that it could be moved to the 21st if that works better; however, the Chair indicated that we should stay with the 7th.

10. 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.

11. ADJOURNMENT

Chair Losoff called for adjournment at 7:20 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 May 17, 2016.

Donna A. S. Puckett, *Administrative Assistant*

Date