

**Summary Minutes
City of Sedona
Planning & Zoning Commission Meeting
City Council Chambers, 102 Roadrunner Drive, Sedona, AZ
Tuesday, October 4, 2016 - 5:30 p.m.**

1. 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 Avrum Cohen and Larry Klein. Commissioners Randy Barcus, Eric Brandt and Gerhard Mayer were excused.

Staff Present: Warren Campbell, Roxanne Holland, Audree Juhlin, Cari Meyer, Ryan Mortillaro, David Peck, Robert Pickels, Donna Puckett and Mike Raber.

Councilor(s) Present: Councilor Scott Jablow

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

There were no announcements.

3. APPROVAL OF THE FOLLOWING MINUTES:

a. September 20, 2016 (R)

Chair Losoff stated that he would entertain a motion for approval.

MOTION: *Commissioner Klein moved to approve the minutes. Commissioner Cohen seconded the motion. VOTE: Motion carried four (4) for and zero (0) opposed. Commissioners Randy Barcus, Eric Brandt and Gerhard Mayer were excused.*

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.)

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

5. CONSIDERATION OF THE FOLLOWING ITEMS THROUGH PUBLIC HEARING PROCEDURES:

- a. Discussion/possible action regarding an ordinance and resolution amending Sedona Land Development Code, Section 303, Historic Preservation Commission, and Article 15, Historic Preservation Ordinance, to reexamine the City's preservation philosophy, clarify existing regulations, and establish a process for a Certificate of No Effect to allow for an expedited review process for certain types of alterations, repairs, and maintenance. Applicant: City of Sedona Case Number: PZ15-00015 (LDC)**

Presentation, Warren Campbell: Warren explained that in 2014 the City Council directed the staff to work with the Historic Preservation Commission in a review of Article 15 to reexamine the City's philosophy in regard to historic preservation and to recommend changes where appropriate. Chair Losoff asked if there was a specific event that triggered that, and Warren indicated yes, there was an event where a particular landmarked property owner requested to be released from that designation, and that prompted this action.

Warren then indicated that there are several threats, in general, to the historic landmark designation. Participation and becoming a landmarked property is voluntary and participants may choose to perform work without following the process and ask for forgiveness if rules and regulations are perceived to be too onerous or take too long, and finally participants may request to have a landmark designation removed if they become unhappy, so a partnership definitely needs to be developed with any property owner that wants to be a designated landmarked property.

Warren explained that when we launched the quest to reexamine Article 15, three objectives were identified – clarify the regulations, streamline and simplify the process, and create a sense of partnership between the property owners and the City within the historic landmark process. We were seeking some balance, as there is a need to preserve the past for future generations and maintain a limited ability for property owners to utilize, maintain and update their property within the bounds of the landmark designation.

Warren noted that there were a couple of sections in the Land Development Code that required proposed amendments. The first was Article 3, Section 303, which identifies the powers and duties for the Historic Preservation Commission, so we updated and clarified those duties and we deleted those duplicated duties in Article 15, so there was not redundancy and differences if they were amended in only one place in error. Subsection 303.02, Commission's Time to Act, was deleted, because we have timeframes within Article 15 and to be more reflective of what it says about other Commissions, including this Commission in Article 3, the timeframes aren't contained Article 3, so we tried to create some consistency between the document for all Commissions.

Warren stated that much more substantial changes were made in Article 15, which are the result of nine meetings with the HPC, and then some additional changes were made after we attended the Historic Preservation Conference a couple of months ago, so changes have been made to this until recently, and on September 19th, the Commission forwarded a unanimous recommendation to the Planning & Zoning Commission.

Warren explained in that Article 15, Section 1503, we identified the need to add and amend multiple definitions to clarify them. Section 1505 was deleted, because those were the powers and duties duplicated in Section 303. In Section 1507, we added some language to allow property owners to do some elements that are defined as routine maintenance and repair without coming before us, in trying to loosen up what they could do with their property, when they decide to do a little bit of repair. There are some things that they can do that doesn't require permission from us, and that is in the definition in Section 1503. In Section 1509, the more substantial change was to reflect what you see in a lot of other cities' Historic Preservation Ordinances, which is the addition of a Certificate of No Effect, so if an application comes in and staff believes that it has minimal impact to any of the historic elements and context, we can contact the Chair or designee and review it with them, and if there is agreement, we can administratively issue a Certificate of No Effect without having to wait to publicly notice a meeting, etc. For example, if their water heater breaks, we can look at that and hopefully keep the owner moving along or if there is a storm that does damage to the roof and they want to repair it to stop it from leaking, we can review that and make it the least onerous as possible, which still preserving the landmark for the community.

Warren stated that in Section 1512, another addition came directly from the Historic Preservation Conference, where the City of Tucson presented this idea. We have a number of properties that aren't designated, but are older than 50 years or getting close to 50 years, and their process was that before you could demo those buildings, even though they did not meet the criteria to be designated, let's do some documentation of them, get some photographs and maybe a written history, so we have something in file for preservation before those properties are lost forever. A great example was when an old home that was not designated was removed on the former Biddle property. It was certainly a historic property, so staff did an

analysis and took photographs, etc., before the demo and we worked with the owner to try to give as much as possible to other historic restoration opportunities.

Warren added that in closing, we did a few things to meet the objectives. For the first objective of clarifying the regulations, we removed duplicated text, corrected a number of grammatical errors, clarified and reviewed the purpose of the HPC, clarified and added multiple definitions, and clarified the process for the removal of a landmark designation by including findings in that process. To meet the objectives of streamlining and simplifying the process and creating a sense of partnership between property owners and the City, we defined routine maintenance and repair and established a process by which no review is required by the HPC or staff, but we do recommend consultation. Then, we established a Certificate of No Effect process, much like those found in other communities, that adds a much more expedited process than the Certificate of Appropriateness, although the Chair will be highly involved, because it was important to the HPC that they had a role, but it is the goal that if something has no detrimental effect, it can be moved along.

Warren then stated that staff and the HPC are recommending that Planning & Zoning forward this to the City Council for the amendments in Section 303 and Article 15.

Commission's Questions and Comments:

The Chair noted that after nine meetings, it seems that the HPC came to a strong consensus as to what needed to be done, and Commissioner Klein noted that he found a grammatical error in the proposed text in Attachment A, page 21 of 22, Section C, where it says, "The Director shall "reviewed" . . .", instead of shall review.

Commissioner Cohen asked if any thought was given to cataloging properties 45 years or older to prepare to look at the historical houses. Warren explained that there is an ongoing process where we are always looking to reach out to new prospective properties to ask if they are interested in being designated, and identifying any new properties that should be considered for designation is on their work plan for next year. Audree Juhlin added that we have maintained a Resource Survey that documents all of the known structures in town, so we have their condition, integrity, and whether or not it is eligible for landmarking. The Commissioner then referenced the CFA that the Commission is reviewing and asked if there are any properties there that are potentials for designation. Cynthia Lovely stated yes; there is a map in the CFA Plan on the Historic Preservation page. We have two designated landmarks, the Farley Cabins and the Gassaway House, and then there are two in the Resource Survey that are the two Steele Cabins in the RV park and the Schnebly House on Schnebly Hill Road.

Vice Chair Levin stated that given the time that was allowed to review this packet and the fact that she was out-of-town, she would have otherwise sent staff her questions in advance, and she did not get to read the second set of their minutes. Starting with the first page of the Staff Report, she noted that the Historic Preservation Commission's motion to Planning and Zoning included HPC's operating rules and procedures, but they weren't included in this Commission's deliberations. Warren explained that P&Z does not have oversight of those operating rules and procedures; they will be reviewed by the City Council.

The Vice Chair then referenced the opening discussion on the rationale for the widespread changes made, which are excellent and overdue, but she wanted to understand better why it was written that staff and the Commission had been seeking to balance the process demands with the desire to participate in the program, which ultimately results in the presentation . . . , Chair Losoff interrupted to ask the Vice Chair to reference the page, and Vice Chair Levin stated it is page one of four of the Staff Report or page 2 in the digital packet. Warren explained that in general staff had heard a lot of feedback that the process was onerous, time-consuming, and in particular there was one project that brought this to the head in terms of the length and perceived onerous process that was in place. We were trying to create a balance between having a process with enough oversight to preserve the context and history of the

property for the community, while not being so onerous that they would choose not to participate, which is voluntary. Vice Chair Levin then asked if there had been applications recently for landmark designation and Warren replied that there had not been any new ones.

Vice Chair Levin stated that "landmarks" should capitalize throughout, the way you do Historic Districts; it comes up first on page 7. She then referenced page 1 of 22, where it says, "The Commission shall periodically review these criteria and make such adjustments", and asked if the criteria have been outlined or if that is referring to the ordinance itself. Warren stated the ordinance itself. She asked the same about the Certificate of No Effect, and Warren asked if she was referring to "C" and the Vice Chair stated yes; you are really referring to the ordinance itself, and Warren stated yes, Article 15. The Vice Chair then asked if there is nothing outside of this document and Warren replied not that he is aware of.

The Vice Chair then referenced the new J or I, where historic resource identification bronze plaques are mentioned as markers and asked if "markers" is the best definition for that; she hadn't heard the term markers before. Warren pointed out that "markers" has been in the language, we weren't proposing to change that. The Vice Chair then stated that typically bronze plaques have been made, but maybe it doesn't need to be that specific; she wasn't sure if "markers" was the right term or not.

Vice Chair Levin then referenced the new K and asked Warren to explain how that would be carried out. She then read "Recognize owners of designated properties, issue commendations" and asked if it was limiting it to just commendations. Warren stated that if a Building Permit came through and they got a Certificate of Appropriateness for something noteworthy that they were accomplishing through that work, HPC could choose to acknowledge it through something more than just the approval of the permit. The Vice Chair stated this is for the owners of designated properties, so she was just wondering what is behind "commendations", and Warren explained that it is recognizing someone for participating in the process and doing the right thing to preserve their property and they did something noteworthy; it would just be something to let them know that it was appreciated.

The Vice Chair referenced the following section and stated that it might read better if you began the new L with the same phraseology read prior to that, starting with, "Make recommendations" and wrap the other part around. Chair Losoff suggested for the sake of time, if Commissioners have something that is a significant impact on the Land Development Code, we should entertain it, but if it is wordsmithing maybe that could be sent to staff after the meeting; so far there has been no impact on the Code. Vice Chair Levin stated that she accepts that.

Vice Chair Levin then stated that under Section 1501B.1, the word "aesthetic" was added in A, but not repeated there. She then asked if that was intentional in the listing of "identify and preserve the historic resources that represent distinctive elements of Sedona's historic archeological, architectural and cultural heritage", and under purpose, "aesthetic significance", so she wondered if there was a reason for eliminating that; if not, it may need to be repeated.

The Vice Chair indicated that one of the more important new sections that has come into these proposed Land Development Code amendments has to do with the Certificate of Demolition on page 4 of 22 or 10 in the digital packet. Her question is what about historic resources that are not designated; shouldn't there be a process for documenting those as well? Warren replied absolutely, and that is what we were getting to when we added Section 1512; the architectural documentation prior to the demolition of historic buildings. For any building that is to be demolished that is 50 years or older, you have to provide photos and any written documentation you have, but because it is not designated, we have no process to deny their request; however, we can at least get some documentation to preserve. The Vice Chair stated that she really wants to know where the advocacy and monitoring are in this process; it appears that if a property is not designated, but is historically significant; for instance the Babbitt property and others, this process only allows for you to photograph, and that is all it does.

There is no advocacy or monitoring of historic resources that are eligible to be designated as a local historic landmark. Another one would be Howard Madole's adobe house on a parcel once owned by the Wesleyan Church, and the red stone structures.

Cynthia Lovely stated that the Historic Resource Survey is updated regularly, every 10 years, and that is one mechanism to do that. The Vice Chair asked if the Survey includes both designated and other historically-significant properties that are not designated, and Warren stated that is correct. She then asked if that is online and Cynthia Lovely stated yes; however, Warren added that he doesn't think the properties that are not designated are online. We have a hard copy of them, but Audree indicated that staff would verify that, because GIS may have overlays that show all of the properties in the Survey. Vice Chair Levin noted that at one time it did, and Audree stated that it still does, but some were thinned out while others remained.

The Vice Chair then stated that presumably if someone came in, it would be highlighted and you would check to see if it was. She then asked if it wasn't highlighted, but it was historically significant, what staff's reaction would be other than going out to photograph. Warren pointed out that by law that is all we can do. There is no additional layer of regulation to say you can't demolish. The Vice Chair stated that she understood that, but she is asking where the advocacy and monitoring is and where the passion is for retaining the assets.

Warren indicated that staff had that conversation with the HPC recently, and they identified that they want to be more of an advocate in reaching out to some of these, and he heard the Babbitt property mentioned. There is a renewed interest, and we now need to focus on one of their duties, which is to encourage new participants.

Chair Losoff pointed out that is probably an issue for the HPC; he is not sure that is P&Z's purview. The Vice Chair indicated that since we are adding new language, it is appropriate, but she agrees that this is for HPC to discuss. She is just reacting to the understory of instituting this language and leaving aside advocacy for those that are not designated.

The Vice Chair then asked if the Certificate of No Effect is a director oversight responsibility and Warren responded director or designee in partnership with the Chair or designee. She then questioned where it is spelled out that the Chair would participate, and Warren stated it is further back in the process where it talks about them conversing about it. The Vice Chair then asked if that is specifically for the Certificate of No Effect and Warren stated yes, in Section 1509.01C.

Vice Chair Levin then stated that when she was staffing the Commission, she doesn't recall that we ever had an opportunity to discuss protected interiors, but there are a number that come to mind like the ceramic tile rug at the Gassaway House, and the definition for protected interior says that it is routinely and customarily open for inspection. She then asked if that infers that it is a commercial property, and Warren stated no, from time to time we are going to ask to check that to ensure it is being maintained. She then asked if that would be for those that are typically open, and Warren replied no, we were considering the Navajo tile rug at the Gassaway and that from time to time, we would have access to those protected interiors, because that element itself is designated. The Vice Chair then stated that her concern is that there is a reference that says, ". . . if it is identified in the original Staff Report as a protected interior", this standard could be applied, but if it is not identified, it is not protected. Warren agreed, it would have to be identified. The Vice Chair then indicated that if we go back 20 years, we would have to look for the Staff Report, not the Resource Survey and Audree stated that is correct. The Vice Chair then indicated that staff might want to look at what that language would eliminate.

Vice Chair Levin stated that another large section is on page 6 of 22, which is the new section on routine maintenance and repair, and it uses new language like "alterations", but again, "Routine maintenance and repair means an alteration to a designated historic resource or

protected interior . . .” She then asked if that is a designated resource as in a landmark, and Warren stated yes. The Vice Chair then stated that you should use that language, because designated resource isn’t synonymous with designated landmark . . . or maybe it is. Warren stated yes and pointed out that under the definition of “designated’ we changed it from property to historic resource. “It is a property, site, building, structure, area, landscaping or object that has received the designation of a landmark”. She then said okay, so those are synonymous. Warren also added that in many other locations, we use that “designated resource” terminology. The Vice Chair then said, so that always means landmark and Warren said yes. Audree Juhlin added that is one component of a designated resource; there may be a tree that is a designated resource as part of a landmark; it could be a bridge or a wall. We are trying to expand what that encompasses.

The Vice Chair then indicated that her larger question about this new section is how the Certificate of Appropriateness is distinguishable in content from routine maintenance and repair, and who reviews and approves maintenance and repair requests. Warren explained that routine maintenance and repair can occur without our review. We recommend consultation . . ., the Vice Chair interjected that she is going to get to that part.

Chair Losoff noted that there are 157 pages in this document and asked the Vice Chair if there is anything in there that would cause the Commission not to vote tonight. Vice Chair Levin stated that she needs clarity on the new sections that HPC took a tremendous amount of time in reviewing and crafting. The Chair then asked if there is anything we would have to take back to them before P&Z could approve it. The Vice Chair stated that she didn’t know yet and repeated her question.

Audree Juhlin referenced the beginning of Warren’s presentation and stated that the City Council’s direction was to create a program that felt more like a partnership. It had been described in the past as one more of imprisonment, so as it exists now any maintenance required approval. They couldn’t do anything to their structure, and the Commission felt very strongly that would be one of those items in the Code that was so restrictive it met the definition of imprisonment. To become a better partner, we are going to work together, educate ourselves on what is for good preservation, restoration, repair and maintenance, but when you are repainting with the exact same paint, you don’t need a Certificate of Appropriateness. If you are caulking with exactly the same as what is there now, you don’t need a Certificate of Appropriateness. It puts a level of trust in the property owners to do the right thing, then for anything more substantial they would work with us. It is really trying to create a partnership.

The Vice Chair stated that it assumes that the property owners know the regulations and if they chose to put in aluminum windows rather than wood windows, they could do that unless they were told it was inappropriate. Audree Juhlin agreed that it is about education and the Commission is looking at better ways to interact with the property owners. In May, they held an Open House and an informal discussion about this and they plan to do more events and have informational fliers, letters, etc., to create the interest in the preservation of their homes or structures. Warren added that while it says that routine maintenance could include replacement of window and glazing, it always has to be same for same. The Vice Chair said that she saw that, but it assumes the property owner knows this language. Warren agreed and stated that letters were sent, so they are trying to keep them informed.

Vice Chair Levin indicated that she was thinking of the Jordan Retail Store where same for same would have been wood windows and glazing, but the property owner was prepared to do something different, so he didn’t know same for same is the gold standard. That responsibility rests with staff to educate; otherwise, you are going to be reversing improvements that are inappropriate. She then wanted to know if staff would agree if framing is just as important as glazing and Audree indicated yes. The Vice Chair then stated that might be picked up.

The Vice Chair then asked if she read that the Director of Community Development solely will review the routine repairs and maintenance to approve or not approve or if that was in consultation with HPC. Warren stated that routine maintenance and repair, which we . . . , the Vice Chair interrupted to ask if it also said optional. Chair Losoff referenced page 12 of 157. Warren said that it talks about things they can do without review, but we encourage consultation with the Director or designee to discuss what they want to do, although they are not required to do so. Vice Chair Levin then asked if that appears in definitions; it is so detailed it seems that it should go where the other section is titled maintenance and repair. Audree Juhlin stated that if the Vice Chair wished to send it back to HPC . . . ; the Vice Chair interrupted to say it seems that would make sense, but it is a smaller area that we don't need to spend any time on. She then stated that she saw a conflict between the Rules of Procedures and the proposed ordinance. There is going to be a change in the minimum number of meetings to four a year, but in the other, they are called public hearings, so are those synonymous? Robert Pickels replied that public hearings are meetings, so yes, they are synonymous.

Chair Losoff asked the Vice Chair if she had a lot more, and she responded that she did. The Chair then suggested postponing this to have the Vice Chair get with staff privately on her questions, because we are getting into non-substantive things that don't affect the Land Development Code. Then, maybe the next time we can move it along. He hasn't heard anything that would change the nine meetings that the Historic Preservation Commission had in terms of substantial modifications. We are hearing some suggestions in terms of wordsmithing and there are 157 pages, so he doesn't know that we want to spend that time, and if other Commissioners were here, he would put it to a vote.

Vice Chair Levin then stated that the three most significant areas of amendments have to do with demolition, the better-refined criteria for considering the designation of a landmark, the Certificate of No Effect, the difference between Certificate of Appropriateness and routine maintenance and repair, and the removal of landmark and economic hardship. Those are four big areas proposed for new language; those are the ones that are most important. Staff is trying to refine a process and they're winnowing the number of Commission meetings from 12 to four minimum, shifting the direction from HPC to staff. All of this was reviewed by HPC through nine meetings and has their consent, so there is a lot of philosophical change that she wants to understand better and make recommendations for any improvements seen by the Commission as appropriate. She is not in any way lessening the time spent by the HPC.

The Chair restated that if there were more than four Commissioners, he would ask to put it to a vote, but since there aren't, unless any other Commissioners have questions, he would suggest continuing this. He read the minutes of the Historic Preservation Commission meeting and this Land Development Code coincides with everything they are thinking, so he has no specific issues or questions and was ready to vote on it. We don't need to go through all of this as a Commission. Audree Juhlin stated that she was okay with that if the Commission is, but if that is the direction, she would ask that a date specific be selected to continue this, because of public noticing requirements.

Chair Losoff then requested that staff make no changes based on conversations with the Vice Chair; these are individual thoughts and anything of substance should come back to Planning & Zoning Commission. He isn't talking about the position of paragraphs or a word here or there, but substantial changes or modifications.

Commissioner Cohen pointed out that the Commission has a quorum present, so he doesn't think just the four being present is a reason not to proceed. The reason not to proceed would go along with what you said; it is because Vice Chair Levin is not comfortable with this, so to move it forward, he would move to table it. Vice Chair Levin stated that she is totally agreeable with carrying it over and she will provide all of her comments and questions to staff.

The Chair then reminded Commissioners again that if we have this ahead of time, we should ask staff before it comes to the Commission, so we can clarify a lot of these things upfront. The Vice Chair stated that she would agree, but we got this last Thursday and it was over 100 pages. She was out-of-town and reviewed it, and she would have preferred to provide this information in advance.

Robert Pickels suggested that since it is posted as a public hearing, if there are people who showed up tonight to comment, you may wish to take public comment.

Chair Losoff opened the public comment period at this time.

Ralph Clemmer, Sedona, AZ: Mr. Clemmer indicated that he is the owner of the Gassaway House and he heard comments about interior preservation. He would like to meet with staff to have a better understanding about what is historic inside the Gassaway House. He heard the rug and understands the rug, but that project went through two developers previously and made modifications to windows, doors, patios, etc., so he needs to understand that and will meet with staff about that interior historical significance.

Chair Losoff noted that this was triggered by an issue of somebody who had a designated property and wanted to take it out of designation for various reasons, so there was some concern from the Council and Historic Preservation Commission's point-of-view, which brought up the discussion about how the Code was written and what should be done in the future. We've got it this far, so before putting it to a final vote, let's make sure we cover all the bases. With Vice Chair Levin's background, it would be good for staff to hear what she has to say.

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

MOTION: Commissioner Cohen moved to continue this until November 1st. Commissioner Klein seconded the motion. VOTE: Motion carried four (4) for and zero (0) opposed. Commissioners Randy Barcus, Eric Brandt and Gerhard Mayer were excused.

b. Discussion/possible action regarding the Draft Schnebly CFA Plan. Applicant: City of Sedona Case Number: PZ16-00010 (CFA)

Presentation, Cynthia Lovely: Cynthia noted that Audree, Warren and Andy would also be covering different topics, but for those who were not at Thursday's meeting, she would give a little background. We talked a lot about the history of this area, and the agenda and a packet that contains the Staff Report with some of that history is on the website under the Planning & Zoning Commission meeting documents. The history of planning in this area goes back to 1993. It was addressed in the 1998 Community Plan, the 2002 Community Plan for an alternate mix of uses, and then in the 2013 Community Plan, so there is quite a history of planning and looking at alternate uses in addition to the Residential zoning in this area.

Cynthia explained that we began this CFA planning process in 2015 and had a stakeholder group that met periodically. We also had a neighborhood meeting in August to discuss the draft plan and met with the Commission on Thursday of last week to answer questions and hear the Commission's concerns. We have a summary of some of those questions and concerns, and since Thursday, staff has been trying to get responses and do some research to answer some of the questions, so this is the summary, and it is also doubling as the agenda for today. Staff will go through these different topics and, by doing that, we will have in essence gone through the whole plan.

Cynthia indicated that the first item was the Vision Statement, and we revised a couple of things in the CFA Plan from Thursday's version. On the cover, there is a revised Vision Statement and you should have the new draft plan in front of you. We also provided a handout

of the revised Vision Statement, which is the same as the one on the cover. As far as changes from last week, there were very few with possibly five pages that may have some red lines.

Presentation, Warren Campbell: Regarding the Vision Statement, Warren noted that on Thursday, staff heard that the vision really didn't contain a vision; it seemed more like a historic documentation of what has occurred, so staff looked at the vision in the Community Plan: "Sedona is a community that nurtures connections between people, encourages healthy and active lifestyles, and supports a diverse and prosperous economy, with priority given to the protection of the environment." Staff also heard that the Commission wanted the staff to look at CFA #9 in the Community Plan and the Community Expectations listed, and those were worked into this new vision.

Warren explained that staff reviewed what we heard from the stakeholder group and all of the working meetings we've had, what we know of the area, and what makes that area unique. From that review, the following list was created:

- Oak Creek, riparian area, sycamore trees, etc.
- Open space/fields
- View sheds
- Building placement - back from the road
- Small scale buildings/cabins
- History/heritage
- Historic context and characteristics – ranching and orchards
- Natural hillsides

Warren then stated that after taking into account the Community Expectations, the vision in the Community Plan and this exercise, they created this revised vision: "This CFA is located within the Heart of Sedona, a pedestrian-friendly area focused on Oak Creek and Sedona's heritage. Future development and redevelopment is a mix of uses that preserves the Oak Creek riparian corridor, with natural hillsides, open fields and small-scale buildings, thus sustaining the distinct historic context and character." We want to be sure we have this down to a vision that the Commission agrees with, because if not, there is not a lot we should proceed forward with until we have the vision to give us direction on what we need to plan for and write in the document.

Vice Chair Levin stated good job; she likes this. Chair Losoff indicated that regarding the "Heart of Sedona", we have several areas we call that and there isn't one that is recognized as the heart of Sedona. The Ranger Road area and others have been talked about, so is there some other adjective? Cynthia Lovely explained that we wanted to look at more than just this CFA, and our upcoming CFAs are going to be the Ranger Road and Uptown CFAs. The thought was to have some continuity and connectivity in those future CFAs, which might be combined into one process, and we might want to use that exact same sentence to start each of those, because in all of this area, we would like to reestablish what that means. The Schnebly Hill area is part of the heart, like Ranger Road with the Ranger Station, the Hart Store and parts of Uptown, so this brings in those other areas to look at a larger picture.

Chair Losoff stated that conceptually that sounds good. In the three years the Citizens Steering Committee met, we talked about the heart of Sedona and couldn't come up with one area; we had three or four in mind, so we didn't designate a specific area and he doesn't know if it is presumptuous of us to do it. At one point, Coffee Pot was thought of in the discussions; he is raising it as an issue, but if no one else agrees, then move on. Cynthia Lovely indicated that staff would distinguish this from other parts of town in that historically, when Sedona was founded, looking at the oldest commercial store and the Ranger Station as one of the oldest employment centers – historically this was the heart of Sedona.

Vice Chair Levin indicated that she had no problem with it and Commissioner Cohen asked if the Chair had a different suggestion and the Chair stated no; it's just me so keep going. The consensus is that this is fine; we like the Vision Statement.

Vice Chair Levin asked if we are looking at any other handouts from staff, because she has a number of them. Audree Juhlin explained that staff received a couple of emails from the public before and those were provided to you at the dais.

Presentation, Andy Dickey: Andy indicated that he was going to go over some sewer-related questions. The area has the ability to connect to the sewer, if it hasn't already been connected. Many parcels in the area have been connected and the RV park is also connected to the sewer, and there is an existing lift station adjacent to that property. The wastewater treatment plant capacity was calculated using existing zoning at buildout or current land use, whichever was greater, so the facilities are built in anticipation of future connections.

Andy stated that for traffic, Schnebly Hill Road is a city-owned road up to the cattle guard and the carrying capacity of that is much greater than the volumes seen today. It is a two-lane road, but so is S.R. 179 and that is exceeding capacity at this time, while Schnebly Hill Road is not even close. Regarding the effect of the Schnebly Hill Road traffic on the roundabout, there will be an impact and this is something that we are looking at with the Transportation Master Plan update. The more significant impact on that roundabout is the volume of traffic coming out of northbound S.R. 179, in addition to the high volume making left turns at that roundabout – that is what we are hearing and observing through collecting data for the study.

Chair Losoff stated that, just as common sense, if we put in 200 more homes, that will be a significant increase in traffic whether it is up Schnebly Hill Road or not. That circle is going to see 200 more home with two or three per home, and if he understands the report, there is an average of 15,000 vehicles going through and about 1,100 is related to Schnebly Hill Road, so if you quadruple that, it is significant and it is already an F. Andy stated that is correct; there is an existing issue with the capacity on S.R. 179 and we are all in agreement on that.

The Chair then indicated that we are going to make an existing bad area worse. Andy explained that we all have to consider that there is existing potential for development in this area that can happen regardless of what we decide is . . . The Chair then interrupted to say that regardless of what we approve, even if we do nothing, there is still going to be that potential.

Commissioner Cohen stated that he looked at the roundabout on Sunday and he has questions regarding emergency vehicles. If we have to send an ambulance up Schnebly Hill Road and back out or a fire truck or police vehicle, what are the provisions for managing that, because that puts those citizens at risk if those vehicles can't get in and out? Andy stated that currently emergency vehicle access along S.R. 179 is constricted by the delays we see today in peak season. S.R. 179 was designed with the very wide bike lane as well as shoulder, so we actually have a full travel lane plus 8 ft. on the side of the travel lane, so that plus a mountable curb at the median, enables cars to pass, but having said that, he knows that emergency vehicles accessing S.R. 179 are going to be delayed. The Commissioner then indicated that he also noticed the Tlaquepaque crosswalk and traffic moved, stopped, moved and stopped, because of people walking. Andy explained that those issues are things that they are looking at now with the Master Plan update. The question is if the proposal is going to make the situation worse or not, and the bigger impact on S.R. 179 in that area is something that we need to look at in other areas for relief, which we are looking at now. Additional development in this area isn't going to have a severe negative impact; it will have an impact, but there are other factors that are having a bigger impact.

Commissioner Klein indicated that they got a page that was a traffic study of Schnebly Hill Road, and it said that the average daily traffic is 1,179 with a total volume of 15,334, so he assumes that the total volume was calculated because the study was done for 14 days. If you

multiply 1,179 by 14, you basically get 15,000. Andy indicated that is correct for the study time. The Commissioner then referenced the handout and stated that it says there could be an additional 260 houses, and they generate almost 10 trips on a Saturday, so that would be almost 2,600 additional trips on Schnebly Hills Road. The Commissioner then asked what the capacity of traffic is on Schnebly Hill Road, and Andy explained that typically a two-lane road like that with the existing factors there would be around 19,000 vehicles a day.

Commissioner Cohen asked if that includes the driveways that come down blind, and Andy stated that is side friction. There are a lot of factors, such as the grade of the road, which reduces capacity. Commissioner Klein then referenced S.R. 179 south of Ranger Road on the traffic study page, which would be the roundabout at Schnebly Hill Road, and asked what E to F means. Andy Dickey explained that is level of service; it is failing. The Commissioner then referenced calculations for 2025 that go up and 2040 that go down, and he wanted to know what those calculations were based on. Andy Dickey stated that it was population change, but he doesn't remember the exact projection off the top of his head.

Chair Losoff then commented that this study was a couple of years ago; however, Andy Dickey clarified that this study is in process now. Commissioner Klein stated that no matter what happens, we are going to make a bad situation much worse. Again, Andy explained that it would add traffic to the intersection, but you are talking about 1,000 to 2,000 vehicles per day, and . . . Chair Losoff interrupted to say that if there are 1,100 now and you have 200 more homes; it has to be more any way you look at it. From an overall point-of-view, granted they could build 240 homes; there is nothing we can do, but from the Commission's point-of-view whatever happens, we can't say there will be no impact on traffic. You are going to go from 1,100, plus 400 or 500, and that is like a 30% increase. We can't dispute that there is zoning for 200 homes, but we need to be aware that whatever happens is going to impact traffic.

Audree Juhlin noted that segues into the next slide and suggested that Andy be allowed to finish the last two bullet points. Chair Losoff stated okay, but added that in the last work session, this was the biggest single factor the Commissioners were concerned about, but that's not to say we have any control over it today. Vice Chair Levin then commented that the purpose of this CFA is to provide alternatives for development. One is status quo; another might be single-family on large lots. There is a lot of open land there now that is suitable for residential, so maybe it is just a handful of large residential lots, or as proposed, a mixed use that could include small lodging and camping – all of which would be less than 260 single-family residences, which would generate the most traffic. We don't have to dwell on the worst case scenario, but we have to be aware that if it was developed completely in single-family, RS-18, it would generate 600 new trips per day. We just have to keep in perspective that the CFA is going to craft the best possible development for the area. Traffic will be one consideration in encouraging land uses there.

Commissioner Klein stated that page four of the Schnebly Community Focus Area Draft Plan says "The proposed new district would be optional, available to any landowners interested in rezoning their property". The Commissioner then asked if that means that even if the Commission votes to create this new district, if landowners don't want to rezone their property, we have no control over the building of the 260 houses. Audree Juhlin explained that staff will get into that in greater detail later in the presentation, but that is correct.

Commissioner Cohen asked Andy if the traffic consultants will be looking at alternatives to that one entrance and exit. Andy explained that they are looking at all kinds of options, and that was his point, he wouldn't argue that there is not an issue here; there is certainly an issue in this area regarding traffic, but it is something that needs to be looked at with a holistic approach. One single solution is not going to be there, and as far as alternative routes, we are looking at all kinds of options, but it is going to be hard to create an alternative route to this particular intersection. It is not feasible to bypass this particular leg into Sedona.

Andy Dickey explained that the City has selected the consultant for the Transportation Master Plan update; we have Kimley-Horn working on the project and we met with our Technical Advisory Committee that consists of all kinds of stakeholders from the counties to the Chamber of Commerce and several groups. We have also been in the process of reaching out to the public and creating our public relations plan to gather additional information, so we are still in the data-gathering stage, so he doesn't really have a great solution for the issue at this specific location at this time. Audree Juhlin added that the handout provided last Thursday was draft data, since this is still in the data-gathering stage, so that probably won't be the final data.

Audree Juhlin referenced Vice Chair Levin's comments about how we minimize the impacts of traffic, and the Vice Chair stated it very well. We look at alternative land uses that might promote fewer trips per day than the existing zoning. The other tool is creating the infrastructure that supports other modes of transportation, such as the 8 ft. bike lane that Andy mentioned, etc., and how we carry that on through Schnebly Hill into Ranger Road and Uptown CFAs to have connectivity. Those are ways we look at land use as a strategy to minimize traffic.

Chair Losoff stated that this also would apply to any project that comes in until the Master Plan is completed, so we have to keep this in mind. It would be nice to have that today, but we don't, so we have to be aware of any implications.

Audree then asked if there were any other questions for Andy. Commissioner Cohen stated that the point is that we have a serious issue in terms of the roundabout. He would hate to live there and have a heart attack on a weekend, because that is going to be an issue to get help . . . or stand there and watch his house burn down, because the fire engine couldn't get through.

Commissioner Klein stated that he doesn't know if it is realistic or within the Commission's power to suggest it, but did anyone think about the City exercising its power of eminent domain and buying this land, so we wouldn't have the buildings constructed on it? Audree stated that staff would be talking about that. Chair Losoff then commented that several years ago a Commissioner made that recommendation and got on the front page of the newspaper, and there was hell to pay, because we aren't here to suggest that the City Council buy or sell land.

Cynthia Lovely indicated that a concern that had been raised was that sustainability was an element in the Community Plan, and there is a section on that in the Executive Summary. Cynthia then read the following lines: "Sustainability is a fundamental goal of this Community Plan", and that should translate into a fundamental goal of the CFA Plan as well. Did we address sustainability in the CFA Plan? At the end, there are a couple of points. Sustainability – does it enhance our natural and built environment, create a diversified economy, improve individual and collective quality of life, and create an equitable and prosperous community? Running through those; does the CFA Plan address the first item of enhancing the natural environment. Pages 13-15 specifically address environmental issues, and she just did the excerpt from our recommendation summary page where we have our Community Plan goals related to the environment, and then the CFA-specific objectives. Continuing on to the built environment, we address that pretty well. The rest of the plan has the Land Use section addressing the built environment; Community looks at the historic resources, and then circulation issues. The next item under Sustainability in the Community Plan was creating a diversified economy, and the CFA Plan addresses that in the proposed new zoning district where we are looking at diversifying the lodging economy, not just continuing RV/campground, but looking at small-scale lodging and boutique-type hotels in addition to glamping, which is high-end camping like in a yurt or cabin, so that is a niche that we currently don't have and would be a way to diversify the economy. Another element in the Community Plan is a prosperous economy. She then referenced a picture of the CFA area taken from S.R. 89A, and indicated it is a good reminder of what this CFA is about. Sedona's economy is based on the natural landscape and views; everyone has seen tourists standing at the railing taking pictures from the same point, and today we are talking about the future. Right now with the existing

zoning, you could see a subdivision in the middle of that picture, so that is what we are talking about today – what is appropriate in the future for this area?

Commissioner Cohen stated that, from the perspective of greater Sedona's economy, that is the most important view in the City. He then asked if the proposal sustains that view and Cynthia replied that staff thinks it does and as we go through the presentation, we will point out different ways that we come back to this and how we can sustain that view. Chair Losoff asked if we will see rooftops as development proceeds there, and Cynthia indicated that we may. Commissioner Cohen stated that you can see some now and even some of the houses, but at this point, it has been developed in such a way that it really is okay, but if you put a subdivision in the middle, it would change the whole perspective.

Cynthia Lovely stated that another element of sustainability was the quality of life, and we addressed that throughout the plan in environmental goals and objectives, preservation of open space, Oak Creek and the historic resources, and supporting and enhancing a pedestrian-bicycle network that all contribute to the quality of life issues. Then another element was educated community, and specifically on page 23, we mention having historic educational information to increase awareness of the historic resources, in addition to interpretative signage along any pathway, such as along an Oak Creek creekwalk where you could have some environmental stewardship, natural and cultural history information.

Cynthia indicated that the next topic is Oak Creek and one question was, "Does the CFA Plan put enough emphasis on Oak Creek, because it is such an important part of the Community Plan? When we revised the Vision Statement, she highlighted that the general area is focused on Oak Creek and Sedona's heritage, and that would be the Vision Statement for the CFA. To answer the question, "Do we address Oak Creek?" in the Table of Contents under Key Issues, there is a page devoted to Oak Creek as a key issue and in the recommendations, we have another page about the protection of Oak Creek specifically, plus a separate page under the pedestrian network where we also talk about a potential creekwalk. There was another comment about creek access and we redlined on page 25 an added statement that would say, "Creek access for residents and visitors will be part of the pedestrian network and not developed with vehicle parking as a destination in and of itself". Hopefully, that addresses the concern. We are not proposing a park along the creek or that this would be a draw that people would be driving to; it would serve people already there and already parked, residents, etc.

Commissioner Klein asked if creek access is dependent on the current landowners and Cynthia referenced page 25 and pointed out that it says, "Establish access easements across private property to ensure future accessibility", and that would be working with the private property owners. Commissioner Klein then questioned the use of the word "will", because that is like mandatory that it is going to happen, but you can't say this is going to happen, because if you don't get the approval of the landowners, you won't have creek access. Cynthia agreed and indicated that it might be a little out of context, because this is adding a sentence to something else in the CFA Plan and that point is something to keep in mind throughout this plan. Since they have their current zoning, we can't require a lot of these things. If they are entitled to build single-family housing, there is no requirement that they would have to provide a trail.

Chair Losoff pointed out that paragraph starts with, "To be considered", so he thinks they are emphasizing that it should be part of the pedestrian network, as opposed to vehicle parking. Commissioner Cohen stated that the Community Plan emphasizes Oak Creek access, but it appears that there is no public area anywhere along the creek that allows that to happen. He then asked what the Citizens Steering Committee had in mind, and Cynthia explained that it is the same issue, whether we are talking about the Community Plan or the CFA Plans. Unless you get into eminent domain, we don't have a mechanism, and we would prefer that this be a partnership situation. A creekwalk has been discussed for years and hasn't happened, because you need willing landowners to have a continuous trail and that hasn't happened. The Community Plan and CFA Plan hold the hope that it is a possibility in the future.

Vice Chair Levin stated that the Staff Report says that preserving Oak Creek as open space is much more likely to happen with more innovative development that may be better accomplished with flexible standards that encourage clustering, and that would imply that if that is the preferred alternative, it would also include language about accessibility. Cynthia agreed and stated that again . . . Chair Losoff interrupted to say that the Commission could go into about a 40-minute dissertation about the creekwalk and why it did or didn't happen, but it is correct that it would take either the cooperation of private owners or the City buying the property. It didn't work before because the private owners of a key location or two didn't want to participate. Cynthia pointed out that is one of the community benefits in the plan and as we go through the presentation, this will keep coming up.

Presentation, Audree Juhlin: Audree noted that the Commission had already brought up a good portion of what she was going to discuss, and based on last Thursday's discussion and the discussion last April about bringing something forward that is 75% or 80% complete, staff realized that we made an error in presenting this CFA to the Commission, because you didn't have the benefit of staff's thought process that went into the material you have been reviewing. Staff now wants to give you a run through of what staff did to get to this point, so using the revised vision that the Commission said worked, when we look at the area, we are going to ensure that we have a pedestrian-friendly area, focus our attention on preserving Oak Creek and the heritage of our community, have development that sustains our historic context and character, and have development that will not destroy or disturb our hillsides and remains reflective of open fields and small-scale buildings. This is the vision in which we now are building this CFA. The fundamental basics of CFA planning is when we have your vision of the end goal, we have to look at the existing conditions and other documents in place. The other documents that Cynthia talked about earlier were the Community Plan and the Appendix that specifically talks about the Schnebly Hill area, and then going to the land use analysis, we look at the existing zoning designations for what people can do now, what the densities are and what the potential impacts are. Then, we want to get into the private property rights issues. Those uses allowed by current zoning are protected by private property laws; specifically, Prop 207, which has been in place for a number of years. It essentially obligates the government to financially compensate a landowner when a regulation results in a decrease of the property value, so we always keep that in mind when looking at any policy or regulation, and because of private property rights, we cannot unilaterally apply policies or regulations that may potentially decrease those values. Therefore, when we talk about achieving the goals of this vision, we can't rezone and potentially devalue those properties by not allowing them to do what they can do today. We have to look at ways to create a partnership to perhaps achieve the goal.

Audree indicated that in continuing the land use analysis, "Does the existing zoning achieve the vision?" and we all agreed last Thursday that it does not. If not, how do we achieve this vision? First, we wish, hope and pray that we will get what we want, or we ask for voluntary participation through some means that makes it enticing, or we go through the route of eminent domain. Those primarily are our only options to achieve the goals. We're very limited and the wish, hope and pray is not a good option. Eminent domain is very controversial and in the past it has not been supported, but it is always an option. If you feel strongly about purchasing a property, then you make that recommendation, although it is an area that we try to stay away from – it is a last resort tool.

Audree explained that staff is going to focus on the voluntary participation, and to achieve that, we need to establish tools that incentivize participation. One of the tools is other land use alternatives that can be used as an exchange to achieve those goals in the Community Plan. We looked at a number of other land uses, but we always come back to lodging being a more desirable use, because commercial is really not allowed in the existing zoning, but is that something that we want to encourage in that area? We primarily ruled that out, because commercial significantly increases traffic, and we came back to lodging which, in most cases, has a significant decrease in average daily trips compared to a house. If we go with the ability to leverage lodging as a way to achieve the vision of the CFA, staff believes that this use also is

supported by the Community Expectations that are identified in the Community Plan. One of the beauties of lodging is that it helps to preserve hillsides, because we can incorporate the development design standards and say the buildings have to be clustered in such a manner and we are going to give you flexible development standards in doing so, but we have tools to leverage those kinds of things.

Audree then stated that in this CFA area, we are considering, from a staff proposal, only recommendations for lodging in the Planned Area development. Commissioner Klein asked how many acres that is in the total area, and Audree stated approximately 43 acres, and we are going to give the Commission the exercise that we do at the staff level, but very simplified, because it would take months if we went to the degree that we did. Audree then showed the area that staff was going to evaluate with the Commission and said that the first area of the 43 acres is the Creative Life Center, so we will spend a little more time on that area.

Chair Losoff asked if that is on one side of the road only and Warren indicated that the only thing on the south side is the Gassaway and Farley property. Audree added that the PA is only on the north side of Schnebly Hill Road. The Creative Life Center is approximately 14 acres and zoned RS 18B, which allows for two residential units per acre; seven of those acres are on non-hillside land. The other seven acres are hillside and that is an area where we want to protect the hillside, because it is a prominent hill in the viewshed. What can we do to minimize units on that hillside? With two units per acre, that is 14 homes, so is that what we want to see there? Staff said no, we want to protect that viewshed. For purposes of discussion; it is currently a religious institution with the potential for 28 residential units with 14 on the hillside.

Commissioner Klein asked if the 14 acres is all taken up by the Creative Life Center and Audree stated no, only the bottom portion of the area in yellow is the Creative Life Center. All of the other areas could develop with those residential units, and when we plan, we never plan that the existing use is always going to be there; we plan as if it is raw land, because things come down and new things go up. Chair Losoff then asked if that is an existing Conditional Use Permit and Audree stated that she believes it is, but it could go away just like the Cultural Park. We never look at it as if that is going to be the one and only use for the property. In staff's discussions, we thought about the current use and their desire to perhaps have retreats where the participants stay onsite, and providing lodging in this area would reduce traffic if they aren't staying in other areas of Sedona, so we looked at that as a benefit, since lodging has less impact on daily average trips than housing.

Commissioner Klein stated except you doubled – you have 28 residential and 56 lodging and lodging is about half of residential, so it would be about the same traffic. Audree Juhlin stated that is correct, but we are taking tiny pieces to create a bigger picture, and we are hoping the intent of this lodging is not for other folks than those who are participating in the event onsite. It is not open for the general public, and we are trying to create a pedestrian-friendly area, so we want to get people out and walking. We don't want the area to be automobile-dependent. We want it to connect to Uptown, Tlaquepaque and the Brewer/Ranger Road area, so how can we incentivize walking; that is why we hope we can reduce traffic even further.

Audree explained that the reason the Commissioners are seeing a double in the lodging units, and we don't know what that number is, we are just throwing out doubling the residential density for lodging for discussion. If we allow the hillside to go with the existing regulation, we have no control over the placement of those houses or the size of them, and we are seeing the trend to go back to larger homes again, so we are concerned about the visual and environmental impacts. It would cut that hillside and make roads and other infrastructure improvements that would be very detrimental to the natural environment, and there are drainage issues and erosion runoff concerns. As we talked about the trips, that is 10 times. Warren agreed that it is about half of the rate for particular types of lodging, so by doubling the number of units for hotel accommodations, we would expect it to be in that range.

Audree Juhlin stated that the biggest consideration that kind of made staff rethink a lot of things in this area was the recent adoption of SB1350, which allows single-family residences to be used for short-term vacation rentals. If we are trying to create incentives through lodging, which requires a zone change and development review, etc., when by right the single-family home can be used for lodging, what is the incentive to go to a lodging use, provide open space, creek access, trail access, etc.?

Chair Losoff indicated that there aren't a lot of homeowners and asked if there is a homeowners' association there. Audree Juhlin stated that she didn't believe so, but these are the considerations staff is thinking about as we are drafting what we are bringing to the Commission, including other plans. The Chair asked if it is permissible in the development of a CFA to recommend a homeowners' association be implemented, and Audree stated no. The Chair then asked if they have a homeowners' association would that address short-term rentals, and Robert Pickels indicated that it could.

Commissioner Klein asked if Sedona was declared a National Monument would that have any impacts on the development, and Audree stated no. Commissioner Cohen then stated that it wouldn't have any impact on this area, except in the National Forest, because it would not affect private lands and probably not any state lands.

Audree then restated the question as to how we can incentivize this area to help implement the Community Plan and indicated that we can do that through alternative land uses, flexible development standards, including densities, setbacks, heights, parking lot coverage, etc. We also said "others", because you may be able to think of something we haven't thought about. When you get so close to a subject the obvious may not be apparent, so there may be something else that could be an incentive to implement the vision.

Audree explained that staff is proposing to limit lodging to the PA area, so for example with the existing zoning of two units per acre and doubling that to four units per acre, it would allow 56 lodging units, but where we have the advantage is, since it may not reduce as much traffic as we hope, we will gain leverage to ensure clustering of the development and that it doesn't happen on the hillside, interfere with open spaces, and that it provides trail access and connections. In this area, connections for a trail system is particularly important, because you are going to the Forest Service here, and it is a critical piece of the vision in the Community Plan that we would like to see implemented, so that is why we believe lodging would be a good alternative land use.

Audree indicated that looking at the other areas of this PA, the next area is just down from the Creative Life Center and that is zoned RS-18b, two units per acre, and it is approximately 2.6 acres. It currently has three homes on it and a potential for five houses. If we went with the same premise of doubling the lodging, it would be approximately 10 lodging units. The next area down is zoned RS-10b, so that is four units per acre and it is approximately 2.5 acres total. There is one home on it with the potential for 10 homes, so if we doubled the lodging, we would have 20 units.

Commissioner Klein noted that it is up to 86 lodging units, and Audree Juhlin stated that is leading up to the discussion on Thursday about should we limit the area? We are giving you area by area, so we can talk about where it may or may not be appropriate. Again continuing down Schnebly Hill Road, the next one is RS-10b for four units per acre and this area is approximately four acres. It is currently vacant, and it has the potential to develop into 16 homes, or doubling the density, it would be 32 lodging units. The next area is the same zoning with four units per acre on approximately 4.8 acres, and there currently are four houses on this property with the potential of 19 homes. Chair Losoff asked if those are all separate parcels, and Audree explained that staff is dividing it into areas, and Cynthia added that parcels have been grouped, so this boundary is not indicative of each parcel. That might have four or five parcels in it, and she would also add that for this area and the one we just discussed, there are

some community benefits to be gained from lodging that you may not get from residential. This particular parcel is the viewshed that people talk about. It is the open fields you can see from the roadway and if we built lodging, we could start clustering and preserving open space and a trail parallel to the road. Cynthia then indicated that in the next area down, the significant feature is Oak Creek with the creek itself and the floodway, so do you want houses or lodging?

Audree then continued to say that there is potential for 19 homes there or 48 lodging units. Now, moving across the street on Schnebly Hill Road to the Farley Cabins, a historic landmark, there are two cabins. It had approval for an additional six units to be a bed & breakfast, but that has never developed. The capacity for residential units is 6.7 based on its Transitional zoning of eight units per acre, and the potential for lodging would be 13 lodging units. Commissioner Klein asked if this property is still within the PA area and Audree indicated yes. Traditionally, historic structures similar to this style make really good bed & breakfast uses. It is a complementary use applied across the country to preserve historic homes, and it would work very well in this case. The Gassaway House structure, as we heard from Mr. Clemmer, is a landmark and it has an interior component that is also landmarked, and that is an awesome tile Navajo rug. It is a Planned Residential Development that allows for two units per acre using the underlying RS-18b zoning designation, and the total area is approximately 4.5 acres. It currently has the home that was owned by the owner of Rexall Drugs, and for zoning approvals, it did receive approval for nine lots for single-family homes, but that was never developed, although it still has that overlay, so if we doubled it for lodging, the potential would be 18 units; however, she is not sure that 18 units would ever work, because of the topography on that side by Schnebly Hill Road.

Audree stated that also in staff's analysis of alternative land uses of this area, we looked at the RV park. This area is approximately 13.5 acres and is zoned RS-10b, so this is considered a legal non-conforming use as an RV park that wouldn't be allowed under its current zoning. If they wanted to expand the RV park or do anything other than residential, they couldn't. Based on the existing zoning, 54 homes could go there. Commissioner Klein asked if that is assuming that you did away with the RV park and Audree stated yes. At the RV park, there are a total of 84 spaces and 64 of those spaces are considered short-term nightly rentals, and we have provided some cost for those. It averages between \$41 and \$71 per night per space based on where it is located. If it is closer to the creek and has better views, it would be the \$71 per night; otherwise, it would be about \$41 and that equates to between \$1,230 and \$2,130 per month per sight. There are 20 sites considered long-term or more than 30 days and those spaces rent for \$650 a month. Staff did a comparison with the rents for land to lease at Sunset Park and that is \$525. Chair Losoff asked, from an affordable housing point-of-view, if the rental sites are based on site or vehicle, and Audree stated it is the designated sites. The Chair then said if you drive in with a high-end RV, you only pay these rates, and Audree Juhlin stated that she didn't know their business model; they might have the ability to negotiate different costs per night if you are having an extended stay and want to have the prime location.

Audree explained that staff was interested in understanding what the trip generation for an RV park looked like. There were no comparable daily trips, so we used what was available at an hourly rate of .4 trips per hour. We then converted the single-family home rate to 1.2 trips per hour. Vice Chair Levin asked if that is per space and Audree Juhlin stated that was total, but it is a good question; we will clarify that for the next meeting. Vice Chair Levin indicated that wouldn't be for the whole park and Audree agreed that it was probably per space. Cynthia Lovely explained that in the ITE report they defined it as occupied campsite trips per day. The Vice Chair then stated that would be .4 x 84, but Cynthia emphasized it is for those occupied.

Commissioner Cohen asked about the average number of spaces that are occupied daily and Audree indicated that the owners stated it was almost always full. The Vice Chair then commented that is almost like a lodging rate and asked if those over 30 days could stay there a year. Audree replied she didn't think they would turn someone away, but that is a business model question that you would have to ask the property owners.

Commissioner Klein indicated that it is up to a potential of about 180 lodging units and asked what the total for residential units was. Audree indicated that she would skip ahead a few slides and indicated that staff came up with 198 potential lodging units and 94 residential units, which averaged about two per acre for the residential and 4.3 units per acre for lodging. We are asking if lodging is an appropriate land use to achieve the vision, and if so, where -- the total Planned Area, the grey area, a limited area or not at all? That is the discussion we want to have with the Commission now, because there are impacts.

Commissioner Klein indicated that if you had 198 lodging units, the other CFA was approved for 300 units so that is an additional 500 lodging units. Should we be concerned that we are getting too many lodging units, given that there is 65% occupancy as the average? Audree Juhlin stated that is absolutely a consideration of this discussion.

Chair Losoff stated that first we have existing zoning laws, but we are talking now about a conceptual CFA, so we almost can start from scratch with certain parameters. We can decide too much, not enough and how we want to incentivize and rezone, etc. The question is very appropriate, and he thinks we all agree that traffic is an issue, so let's not get hung up on traffic. We've said what we have to say knowing that it is an issue, but let's talk about the concept.

Commissioner Klein then asked how many other lodging units there could be in the other CFAs, and the Chair noted that we have talked before about an overall view of the CFAs and if each CFA should be different. Should one CFA center on lodging, and another on X, etc., but we haven't come to any conclusion. For the most part, the CFAs we have looked at kind of had a component of each -- multi-family residences, lodging and commercial, although this does not have commercial. Audree Juhlin clarified that staff is saying that commercial would be allowed within the first 500 ft. of the Schnebly roundabout as a primary use, and then commercial as a secondary or accessory use to the lodging, such as a gift shop, café, etc.

Vice Chair Levin asked if the work group and property owners have had the benefit of this staff analysis, and Cynthia explained that we had discussions, but she didn't think that we got to this level with all of these numbers. We had more visual aids; for example, Appendix B has an illustration that Max Licher created and it showed some comparable site layouts. Again, these are maximum numbers and it would assume that every landowner wanted to rezone to lodging.

Commissioner Cohen commented that the lodging unit proposal was put in front in order to control traffic as best we can, and Audree explained that was one component of that concept being brought forward; the other reasons were placement, protection of hillsides and achieving access to the creek, etc. The Commissioner then asked if the Chamber of Commerce had developed a proposal for the number of lodging units the City could handle without some folks going broke, and Audree stated that she didn't believe that analysis had been conducted.

Chair Losoff then asked the Commissioners if lodging is an appropriate land use to achieve the vision. Vice Chair Levin stated that she was not prepared to react to all of this information, and she would like to have copies to study. One of the issues is a matter of mix of land use, Oak Creek access and scale. When you look at the composite of 198 lodging units, she is guessing that is not what the neighborhood wants, so that is why she asked the question.

Chair Losoff answered that we should have some lodging in there, but not total; there should be some limited areas, but that is the subject for another day. We shouldn't designate the entire area lodging. Vice Chair Levin agreed and suggested starting with the question of whether or not lodging is an appropriate land use, and she would say yes, one of the uses.

Commissioner Cohen stated that regarding property values, he didn't know what lodging would do to property values or what it would do to the property values to leave the zoning and have 260 units for housing. He then talked about an experience in Dallas where they tore down a

bunch of the older homes and put in bigger homes, and the cheapest they put up was the top limit for the older homes, so what does lodging and the current zoning do to property values.

Robert Pickels explained that he doesn't know that impact on property values is part of the Commission's process in trying to determine an appropriate mix of land uses for this area. The fiscal impact of that is something the staff and Council will have to consider, when the plan is put forward to Council for approval. At this stage, you shouldn't be considering the fiscal impact; you should be considering what the vision is and what land uses are appropriate for the area. We will figure out the rest as we work through the process. Chair Losoff noted that has come up before on other projects and we have had our hands slapped, because that is not within our jurisdiction. We have to look at the concepts of land use and land development and how it coincides with the Community Plan. Commissioner Cohen indicated that if you take into account what this does for the City of Sedona that is important, and on that basis, he respectfully disagrees with legal counsel, who may be right, but he can still disagree.

Commissioner Klein stated that lodging is an appropriate land use, but he isn't prepared to say how much. He would like to know how much total lodging we are talking about in all of the CFAs. Chair Losoff stated that is a good question for another meeting, and we could use that information in future discussions, because with rezonings, we could have some impact on it.

Vice Chair Levin pointed out that staff prepared a very detailed outline of existing lodging, proposed lodging not built, and timeshares, etc. Cynthia recalled that it was prepared for Soldiers Pass, and the Chair then suggesting dusting that off and presenting it to the Commission again. The Vice Chair added that staff had already done the work.

Commissioner Klein indicated that we have like 2,400 units now with the Marriott coming on-line and another factor is the impact of the new law that they can rent their house for less than 30 days. Steve Segner wrote an article in the Red Rock News that said it would add another 1,000 to 2,000 rental units. Chair Losoff stated that law will impact a lot of things in terms of codes, etc.; however, looking at a new CFA and rezoning, a rationale from an economic point-of-view will probably be in our discussions, because if a developer wants to build some units and they have a study to say it is economical, who are we to say no. We should say no based on other things given our overall view of the Master Plan, Community Plan, etc., but unless we put in some policies for our new economic developer, it is beyond the Commission.

Audree Juhlin explained that we are not discussing a mandatory process; this is voluntary. We would be initiating a new zoning district; it would not be required of any of the properties within the area. We are proposing a zoning versus an overlay zoning, because we felt the most appropriate use was the zoning itself. Overlays use the base zoning and build upon that base, and we've all agreed that perhaps the base zoning of Residential is not the most desirable, so we are recommending a new zoning district. We have to approve the CFA to do that, because this is just the guiding document. Then, we have to create the new district and components that we want to see as a regulatory tool, if somebody wants to voluntarily use that option. The property owner then would have to submit a rezoning application and come before the Commission and City Council, which is a discretionary process, not a given right, so you have the ability to decide at that time if we have reached the saturation point. We may have a better understanding of the implications of SB1350 at that point, but we are not saying that with this CFA Plan you are going to have 198 units. We are saying that potential exists through the discretionary act of rezoning.

Chair Losoff indicated that we need to look at the existing zoning and what the new picture would look like to determine if the new picture is more beneficial to the City and provides the things that are in the Community Plan. If we rezone, how much lodging do we want and what else do we want in there. We might look at some mixed-use units, bed & breakfasts, lodging, etc. Audree stated that through the rezoning, the Commission has the ability to negotiate; for example, saying that you will allow this many units in this location and you want to preserve

Oak Creek, so this needs to be moved, etc. The Chair then stated again that in a couple of other CFAs, the Commission put limits on things, so it is not like we would be setting a precedent with this one. There were discussions about 500, 300 and 100 units, and we could do that again with this one. The Chair then asked if staff wants a general overall concept before getting into specifics or if staff wants specifics now, and Audree Juhlin explained that staff wants to move this forward, so the question was answered that we do feel that the lodging use is an appropriate use, but are there others that would achieve the same outcome?

Vice Chair Levin stated single-family large lots, and Audree asked how that would be incentivized, because they would have to voluntarily do that. The Vice Chair indicated that they would take existing residential and divide it into large lots and develop a house commensurate with the property. Audree Juhlin noted they could do that right now, so that is the wish and the hope concept. What would make that alternative desirable to the property owners to decrease their density allowed by right? The Vice Chair stated that they want to be a good neighbor and not put in lodging. Audree explained that is the dilemma that staff has faced. The Vice Chair commented that there are large lots there now; it would be to repeat the existing pattern and keep it less dense. Audree restated that we need to find an incentive, and Chair Losoff suggested recommending to the City Council that tax incentives be provided, waivers on building permits, etc., and some are already zoned RS-18b. Audree indicated those would be two units per acre, and RS-10b is four units per acre. The Chair then stated that there is probably a bucket full of incentives, depending on how far we go with our recommendations.

Audree indicated this is a tough question that the Commission is going to have to answer, so we are going to keep pushing the Commission until we get how many lodging units is appropriate and where.

Chair Losoff recessed the meeting at 7:45 p.m. and reconvened the meeting at 7:56 p.m.

The Chair then offered Audree the opportunity to complete her presentation, and Cynthia Lovely indicated that they were going to continue going through some of the questions and concerns that came up. One of the items in the revised redlined version is the proposal to relocate the entire section that talks about the proposed new district. One of the reasons for that is the confusion that this is proposing an overlay or the CFA is going to rezone everyone's property. That is not the case, so it may help to move that entire section to the end under implementation. It might also work well, because in the implementation section, there is a whole section talking about the new district and how it might be implemented.

Cynthia indicated that there was also a question about the design guidelines, and one question was if this area falls within the Main Street District guidelines and there is a portion – the Gassaway and Farley properties. The Main Street District guidelines have a small area called an expanded area and those properties fall within that, so on page 17, we decided to add some language to address that issue and say, "The following design guidelines (meaning the CFA Plan) are applicable to development projects within this CFA. In the case of conflicts with other guidelines or regulations, the developer shall consult with City staff to determine which is most applicable and appropriate for the project."

Chair Losoff asked if they had this area in mind, when the Main Street guidelines were approved, and Audree explained that the guidelines were revised in 2006 to include the Farley and Gassaway area in a hatch fashion, so those properties are subject to the guidelines, but they are not subject to the Main Street Program.

Cynthia stated that there also was a comment asking if senior and assisted-living should be listed in the potential uses for the new district, and our research indicated that people may have different definitions of senior housing, so staff looked at assisted living as a housing facility for people with disabilities or for adults who choose not to live independently. Approximate location to support services and the integration of health care are key considerations with this

type of land use, and some of the data for traffic would be trip generations for this type of housing at 2.7 per day. Then, a different type of senior housing is called senior living and it might be age-restricted and be a multi-unit housing development. It might have self-contained living units, like an apartment, and usually there are no additional services such as meals or transportation provided, so it generates trip generation number of 3.6. In putting together this list of potential uses, staff originally didn't include this use, because if you look at the City and our discussions about the Western Gateway, the thought was that area would be most appropriate location for senior housing. It doesn't rule it out and it can be added as a potential use, but again leaning more towards senior living and less towards assisted living.

Cynthia indicated that the other question was about commercial limitation, and on the permitted uses, we have commercial as an accessory use like with lodging, but we also listed commercial as a primary use in the first 500 ft., because of the traffic generation for commercial. An example would be single-family residential might be nine trips per day and a commercial use could be 40 trips per day, and if traffic is a significant concern, we don't want commercial to go too far beyond the intersection. When they drew the map to address the question about where the 500 ft. is, you can see it is just past Gassaway, and commercial as a primary use wouldn't be allowed beyond that point. Vice Chair Levin asked if that corresponds with any property lines and Cynthia stated that it is not exactly on property lines, but if you changed that language and wanted to expand it, that gives you an idea of the distances.

Cynthia explained that there has been some question about walkability and if people really walk, so on the aerial photo, you can see a well-worn path across the vacant parcel and that is from people walking from the RV park or Bear Wallow houses to Uptown. Regarding the scale, if you are at the Creative Life Center and want to walk down to the roundabout, it is .4 of a mile, and in comparison, from the top end of the Uptown shopping area to Forest Road is an equal distance or if you were at the Creative Life Center and walked to the far end of Uptown, it is about 1.36 miles. Typically, you hear that it might take 10-15 minutes to walk one mile . . . Commissioner Klein interrupted to say that he didn't think that was accurate; don't we walk at three miles per hour, which means it takes 20 minutes to walk a mile? Ten minutes would mean that you are walking at a speed of six miles per hour. Cynthia explained that is just a range that the literature on walkability uses – everyone is different and the terrain is a factor.

Cynthia then referenced the vision and stated that the CFA Plan would be proposing to create a more pedestrian-friendly environment that is more inviting for people to walk. Currently, they are cutting across the vacant lot and walking on the shoulder of Schnebly Hill Road, which isn't very pleasant, so if we improve that experience we would see far more people walking.

Chair Losoff commented that it was a wonderful presentation and very well put together. It could be a template for future CFA discussions; staff provided a wealth of information.

The Chair opened the public comment period at this time.

David Tracy, Sedona, AZ: Mr. Tracy indicated that he has lived in Sedona for 18 years and he wanted to talk about a different aspect regarding traffic. He will echo some of what Andy Dickey said in that when you go through the handout that was distributed last week with the differential comparison between S.R. 179 and Schnebly Hill Road, both two-lane highways, the peak two-hour period on S.R. 179 is 1,700 vehicles and for Schnebly Hill Road, it is 184, so there is about a 10:1 differential. The point that Andy was making was that they don't have traffic congestion on Schnebly Hill Road per se; they have traffic back-up, because they cannot enter S.R. 179, and that is what the traffic consultant is working on. On an average daily traffic count, looking at a 24-hour period, the data shows that there are 18,000 to 20,000 on S.R. 179 and about 1,200 on Schnebly Hill Road. The take-away for him was that when you talk about traffic impacts on Schnebly Hill Road, it is not going to move the needle, whether you have 100 houses or 200 lodging units or 200 yurts or tepees, etc. It is not going to make an impact; we have got to work on the S.R. 179 aspect.

In terms of the 1,200 vehicles on Schnebly Hill Road, he wanted to talk about the priority of those vehicles; not the quantity, but the quality. Of those 1,200 vehicles, they got research from the Forest Service in their stakeholder meeting, and they counted the vehicles on the dirt portion of Schnebly Hill Road after the trailhead. They are running 500 vehicles a day, which means you have primarily jeep tours and ATVs going up and down Schnebly Hill Road, and that is 500 of the 1,200, plus you have the folks that go directly to the trailhead – the hikers and bikers; the people that drive up and down Schnebly Hill Road, because they want to take pictures; the visitors that go to the Creative Life Center that can hold a couple hundred people, and then you have the RVs that go to the RV park. Their estimate is that most of the traffic or around 80% on the street are visitors, not residents, so they have a different kind of residential neighborhood. When you think about alternate land uses and want some compatibility with the existing usage on the highway, then lodging or some of these other . . . they like to think in terms of destination places where people will go and stay for a few days, like a wellness center or a retreat, world class yoga facility, meditation, etc.

Kris Husa, Sedona, AZ: Mr. Husa stated that he had lived here for 15 years and he is a local business man and builder. He then asked for the panorama picture of Sedona to be displayed and stated that what they are doing is telling you that there are so many building lots, but there isn't. There are building lots, but they aren't flat. This is a very steep area and to the right of where it says Quail Ridge Lane, it will always look like that; it is not going to change. The area that dips down is 10 acres and you could put one house on top of that hill. On the other side where the Creative Living Center is, she said you could put seven houses, but it would be difficult and cost prohibitive, so you are actually talking about the density down below, where the RV park and vacant land is – that is the area that could be denser. You would get less than 20 homes in that other entire area.

The other area he wanted to address is traffic and there is quality of vehicles and the problem he has is the RVs, because they aren't saying they are one car versus .4 cars; that is not true. When they go to the intersection and can't get out, S.R. 179 stops them. They won't merge; they are big and hauling another car and he sits there 10 minutes sometimes with five or six cars behind them that he is waiting for. Then, you have to go onto the highway and if you have to out S.R. 179, you have to follow them all the way; there are no turn-offs. It is a problem and that is why he wouldn't expand that area. They have enough RVs; it is a nice area and there is nothing wrong with it. There are 83 of them now, so if they expand it, since they are buying property, then he should be able to do it. He could take his property and do the same thing to get seven spaces. The density of an RV park per acre is 7.72 and if you have acreage with one house per acre or two acres per house, that is one, so the ratio of travel and traffic isn't correct and he would ask you to consider that.

The other area as far as what business is good there, he feels sorry for you; he really doesn't know, because they are being impacted by people coming up there. Businesses can change and that could help it or not, but what could help everybody there and what it really needs is a trail. It is dangerous on that road; it is narrow. It might be a two-lane highway, but it is a really narrow two-lane highway.

Jerry Helfrich, Sedona, AZ: Mr. Helfrich thanked Cynthia Lovely for all of her work with the group, Max Licher for the plans he put forth, and David Tracy for his statistics on the traffic flow. He would like to add one time about traffic; the volume is certainly a concern, but it is the type of traffic. More and more, they see the off-highway all-terrain vehicles and his home is very close to the road. You can't image the increase in the noise that is generated by those things. First, you have the noise of the exhaust that is hardly an exhaust system as far as mufflers are concerned. The gear train on those vehicles is terribly noisy, they pollute something awful, and the people that use them are a little on the reckless side. They really zip up that road. He is very close to the road and during the time that he has owned the house, since 1999, it was originally a very quiet place with natural traffic build-up, but there should be some noise mitigation. The State of Arizona allows these vehicles to drive on state highways and it is one

of the few states in the country that allows that, and in the long run, the overview of Sedona in the future should be taken into serious consideration.

Marvin Couch, Sedona, AZ: Mr. Couch indicated that he is a property owner and asked to have the map of the existing zoning slide about the Creative Life Center displayed. He then pointed out a parcel in the upper right-hand corner and indicated that is his property. Currently, they have a problem with ingress and egress and are dealing with that now, but if what you are doing with the Creative Life Center is approved, it could make it more difficult for him to get that ingress and egress. It is just something he wants everybody to look at; he needs access to that parcel. The property was owned by W.C. Steele and he (Mr. Couch) is the sixth owner. It is right on top and 1.38 acres, so his concern is to not restrict his ability to get to that piece of property more, because they live in Florida now, but he and his wife would like to retire in Sedona and build their residence there. That is their dream and what they would like to do.

He also noticed that on their property values since 2013, their property value has been going up, but for 2017 next year, the property value shoots down and he wondered why that happened. He then asked if everybody's is going down, and some people commented that theirs went up. Mr. Couch then stated that he didn't know if that was because they know he is going to be more restricted and can't get to it – he doesn't know, your mind starts playing tricks and stuff, but that is his main concern.

Nancy Couch, Sedona, AZ: Declined the opportunity to speak when called.

Max Licher, Sedona, AZ: Mr. Licher stated that he has been a resident of the neighborhood for 20+ years and been involved in the planning in this area for 30+ years, back to the original Uptown Creek Area Plan. First on the revised vision, he has a minor suggested change. The last sentence talks about natural hillsides, open fields and small-scale buildings, and everything up there isn't small scale. There really is a diversity of scales and to keep the historic pattern, you want diversity, and if you are going to try to cluster things and create some lodging, etc., you are going to actually push people towards larger structures, so he would suggest replacing small scale with varied, modestly-scaled. They are not talking about huge, but if you say small scale, you are not going to create the ability to do some of these other incentives you have.

Secondly regarding the creekwalk and access to the creek, it would help to get more specific that the original creekwalk was meant to go up on the west side of the creek, and when they finished working on Tlaquepaque North, they created an opening to what would be the beginning of that creekwalk. You get to a point where you hit the Cedars' property and they traditionally have never been in favor of it. You could hop across the creek with some low scale break-away bridges and get to properties on their side, and then hop back over to connect to Uptown. They've had discussions with some of the property owners and they might be willing to consider that easement for the public, in return for some of the incentives, if they could get a better development entitlement out of their restrictive property in exchange for that community benefit. If there was a bridge connecting to the other side, you could reduce some of the foot traffic along Schnebly Hill Road, because the connection to Uptown would be pretty direct, and that is a complex long-term goal, but it is something worth pursuing. Again, the creekwalk is an experience that is part of the larger district; it is not meant to bring a lot of outsiders into the neighborhood other than on a pass-through basis with no park-like setting, no parking lot, etc.

Mr. Licher then stated that regarding the whole downzoning, as an architect and a planner, there is no incentive for anyone to downzone residential into larger lot sizes. It always makes more economic sense to have more smaller lots than fewer bigger lots; that is just the way the market works, so he doesn't see that as a good option. It might be worth pushing the 500 ft. limit up to the north of the Farley property line, in a way that makes sense with some properties there, and he will continue with some written comments later.

Janeen Trevillyan, Sedona, AZ: Ms. Trevillyan indicated that from the beginning, the stakeholders, property owners and staff have taken the approach of how to incent owners to do the right thing versus create a totally defining regulatory box, which might inadvertently discourage desired outcomes. Since most existing property owners don't have immediate plans for development, and they nor the City know what the next great idea in development standards or land use might be or what the town might want or need in the future, they didn't want this to become an out-of-date effort on day one, but rather hoped for building flexibility for the future. It is a given that this area will be totally built out one day, no matter what is there today. As a result of timing or chance, the future of Schnebly Hill Road will be totally built out and the question is how that will build out – add to our town or distract from it. The CFA rightly focuses on form over function or how to continue to keep this neighborhood special versus letting it become a cookie-cutter subdivision, while preserving the rights of private property owners by not downsizing and not taking. This CFA allows for development, which will happen, that the town can be proud of versus heartsick about. The current RV park has been an accepted neighbor because of the low visibility of big rigs to those who live and drive along Schnebly Hill Road; that is because it is located in some of the lowest property and hidden behind natural berms and under tree canopies. Some expansion for large RVs might be possible on the lowest parts of land, but tall shiny RVs on higher ground present a problem that traditional screening methods can't mitigate. She would like to see reconciliation of the statements on page 20, paragraph 2, about encouraging coordinated, consolidated and clustered buildings, yet on page 21, there is a restriction on multi-family to within only 500 ft. of the roundabout. By definition is any type of attached residence considered multi-family? If so, then these two statements are in conflict with each other and could be a problem for future owners, staff and P&Z Commissioners as they try to attain the goals of the CFA. She agrees with Max's comment about the Vision Statement; small or medium-scale is not necessarily what they were looking for. They were looking for varied scales, compatibility and sensitivity maybe even reminiscent of things they're trying to preserve in that area. This CFA lays the groundwork for buildout with alternative and, hopefully, more positive and less impacting uses, traffic drivers, layouts that protect open space and the creek, and those are things that the current zoning simply cannot allow.

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

Commission's Discussion:

Chair Losoff stated that there had been a lot of public comments in the various meetings and he is impressed with the quality of statements today and the various comments. We heard some discussion about incentives, easements, density versus high-low, and asked what the staff thinks. Audree Juhlin indicated that we need a further analysis on specifically what the comments were about that. Her understanding was perhaps on the other side of the creek, not on properties within the CFA, so she needs more clarification. The Chair then referenced comments about the use of the words "small scale" in the Vision Statement, and Audree commented that she liked the change to "varied, modest-scaled", it is a good recommended change and the Chair suggested "varied" or "modest".

Chair Losoff referenced the question about property values and asked if anyone wanted to comment on that; however, Robert Pickels stated that he would suggest that is a question for the County Assessor. The Chair then indicated that the Commission could talk about 60 units, 160 units or 240 units, but the reality is once you get in there, the topography is going to be very limiting for certain things, so we may end up with all or none. Like at the historical house, that terrain is on a hill and is going to be very difficult, so even though we technically could put in X number of units with the existing or new zoning that is going to be an issue for the developer.

Vice Chair Levin commented that the Commission may want to retain some language about density, dwelling units per acre or lodging units per acre, rather than setting any kind of limitation on how many.

Commissioner Klein indicated that under the current zoning, you could potentially build 260 houses, but given the topography, as a practical matter, how many houses could be built. We are thinking we don't want 260 houses that impact traffic more than lodging, but realistically, how many residential units could you build given that topography. Audree Juhlin explained that is an analysis that we are not conducting at this time. As planners, we usually look at raw data. Is that always going to be realistic, most likely not, but you would have to do an extensive analysis or hire someone to do that to build to probability. Technologies change and we are seeing more structures that you would have never thought could be built, and as we get closer to buildout, the creatively is going to be employed more often to have better utilization of those last remaining vacant lands. The Commissioner then stated that if we are talking about the potential of 180 lodging units and you could only build 100 or 120 houses, then it may have an impact on their decision, so it is important to know the number of houses that could be built in this area. The Chair asked if that would be difficult to achieve and Audree responded, yes, that is not to say we couldn't commission that kind of study, but we are not approving 198 units. You can pick whatever limit you want, we just threw something out for you to react to, and you're approving ability comes at the rezoning stage.

The Chair agreed that at that point the developers would have an idea of what they could or could not put in. Vice Chair Levin asked to return to page 20 of the Staff Report that discusses the proposed Heritage District and suggests permitted uses, and she then stated that we've discussed lodging, pros and cons of expanding the RV park, but we haven't talked about agricultural uses and commercial has been suggested as including restaurants in that 500 ft., markets, offices, gallery studios and retail, but she wonders if the wellness center mentioned by Mr. Tracy was considered by the work group. Cynthia Lovely indicated that she thinks it was put under accessory uses on page 21; it could be accessory to any of the above uses. The Vice Chair then commented, not a single destination of its own and Audree stated, not a primary use. Vice Chair Levin then asked if they had discussed the pros and cons of that and Cynthia Lovely noted that Warren Campbell commented that it is all about traffic, but she doesn't recall how they defined "wellness facility" and if that is the same as the senior housing. Chair Losoff stated that he thinks it is in there and conceptually it came up as a project; it fits into the uses described in the plan.

The Chair commented that staff did an excellent job and it was a great way to give the Commission the background. He then asked if it would help staff to send the Commission the questions to be answered or how staff wants the issues to be addressed. Vice Chair Levin suggested a list of what is left to resolve, and the Chair noted that next time, the Commission can be very specific and not rehash what we have discussed in the last two meetings. Audree Juhlin indicated that she is hearing that essentially everything is supportable, except for the extent and the degree of lodging and if there are any other uses that may be acceptable as well, and then identifying any other incentives or tools we may have that create the vision desired, and that is what we need to discuss at the next meeting. The Chair then requested that staff give those to the Commission ahead of time, so they come prepared to answer them and Audree Juhlin indicated that the questions would be sent out tomorrow morning. We spent a lot of time thinking about this, so we now need the Commission, because we are at a stalemate; however, she and Robert have an idea that we may bring to the Commission, although the Commission is going to have to help if you want to see something different.

Chair Losoff asked Audree to tell the Commission what staff is on the fence about and Audree explained that staff is not on the fence about anything. We brought forward a proposal to the Commission that we are standing behind.

Commissioner Cohen stated that a couple of problems were raised in the public forum, and he is thinking of the little blue lot in the upper right-hand corner. He then asked if staff would be addressing that as you look at how we go forward. Audree stated most likely not.

Vice Chair Levin asked if the work group saw the original draft that was given to P&Z, and Cynthia indicated that at the neighborhood meeting in August, they saw the draft with the August 1st date on it and this will be posted on the website. Chair Losoff urged Cynthia to have a meeting with the stakeholders to go through this; however, Audree explained that the public participation process is now in the Planning & Zoning Commission's realm, unless you are telling us to take it back, then we would restart our process; this is now the time for public input.

Commissioner Cohen stated that he was most interested in Max's presentation about access to the creek. He then asked for a schematic of what he laid out for the Commission. Audree indicated that staff could work with Max on that and Vice Chair Levin referenced the original creekwalk plan that is in the office.

Chair Losoff then asked if there would be no more community meetings and Audree stated no, we are following the typical process. We have data gathering, public input, drafting, going back out to the public for input, and then the approval processes, and this is the first stage of approval. Audree Juhlin also stated that staff is happy to meet with anyone at any time, just give staff a call; if the public has something we haven't thought about, we want to hear it.

Chair Losoff then referenced a letter from Christine Wagner that was received today, but basically, it talks about the traffic and other things, and she is not in favor of some of the things we've discussed, so the Commissioners should review this.

Audree Juhlin noted that this is a public process with posting requirements, so she would request a motion to move this to a date specific and she would recommend that this item be included in the October 13th meeting.

MOTION: Commissioner Cohen so moved. Commissioner Klein seconded the motion.

Chair Losoff asked if that would give staff enough time and Audree Juhlin explained that staff doesn't have much to prepare. It is going to be the Commission now that gives staff direction. The Chair then asked what direction staff is looking for - approval of this new plan? Audree stated yes. We need to reconcile the lodging and other alternative land uses, the number of lodging units and location of those units. Those are the primary outstanding issues that need to be addressed by the Commission.

Vice Chair Levin asked if it is location within the PA or not, and Audree stated yes. Chair Losoff then asked if the Commission was clear on what to do and Audree indicated that staff would send out an email. Donna Puckett reminded the Chair that there was a motion on the floor, and the Chair stated yes, we are having discussion on it.

Vice Chair Levin then stated that she wanted to ask about this other document that was left for the Commission; however, the Chairman asked her to wait for the motion.

VOTE: Motion carried four (4) for and zero (0) opposed. Commissioners Randy Barcus, Eric Brandt and Gerhard Mayer were excused.

Vice Chair Levin then referenced the document that says one of eight, Schnebly Hill Community Focus Area Plan, and asked who gave that to the Commission. Audree Juhlin pointed out that behind the first page is the person's name who submitted that information, and staff received that this afternoon.

Chair Losoff complimented staff again for a good presentation and indicated that hopefully for the next meeting, the Commission will have a modified plan and we will go into more detail on the 13th. Vice Chair Levin asked if the Ranger Station work session would still be included and Audree Juhlin pointed out that will go under the next agenda item.

6. **FUTURE MEETING DATES AND AGENDA ITEMS**
- a. **Thursday, October 13, 2016; 3:30 pm (Work Session)**
 - b. **Tuesday, October 18, 2016; 5:30 pm (Public Hearing)**
 - c. **Thursday, October 27, 2016; 3:30 pm (Work Session)**
 - d. **Tuesday, November 1, 2016; 5:30 pm (Public Hearing)**

Audree Juhlin stated that the next meeting is on Thursday, October 13th for the Wireless Conditional Use Permit located at the Orchard's site, the public hearing for the Garnello warehouse amendments, discussion on the Ranger Station Park Master Plan for informational purposes only, and the next large item for that agenda will be the CFA.

The next two meetings, October 18th and 27th are canceled. Vice Chair Levin asked about P&Z Rules and Procedures, but Audree indicated that staff hasn't finalized that yet. The next meeting will be Tuesday, November 1st and we will have a Conceptual Review of the Residence Inn, a public hearing on the Accessory Dwelling Unit Ordinance as related to SB 1350, and a continued discussion on the Historic Preservation Ordinance.

Commissioner Klein asked about the Residence Inn Conceptual Review and Audree explained that staff would seek the Commission's initial review of the conceptual drawings and their Letter of Intent, to get any comments or concerns before they submit final. Commissioner Cohen asked if that is the property that the City Hall made for lodging, and Audree stated that in the Western Gateway CFA, the entire property is owned by the Marriott and they only developed a portion of the property for the Courtyard; the other is the submittal for the Residence Inn.

Commissioner Klein asked if that is where they want to get another 89 units or so; however, Robert Pickels reminded the Commissioner that it shouldn't be discussed at this time. The Chair then asked if a site visit is needed for that and Audree stated that staff could schedule that.

The Chair asked if there was anything else, and Vice Chair Levin stated no, it looks like they have plenty for us; however, Commissioner Cohen commented that we can give them 15 more minutes and get dinner. The Chair then encouraged the Commissioners to ask staff any individual questions ahead of time.

7. **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.

8. **ADJOURNMENT**

Chair Losoff called for adjournment at 8:45 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 October 4, 2016.

Donna A. S. Puckett, Administrative Assistant

Date