

Summary Minutes
City of Sedona
Planning & Zoning Commission Meeting
City Council Chambers, 102 Roadrunner Drive, Sedona, AZ
Tuesday, July 18, 2017 - 3:30 p.m.

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

Chair Losoff called the meeting to order at 3:30 p.m., led the Pledge of Allegiance and requested roll call.

Roll Call:

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

Staff Present: Warren Campbell, Audree Juhlin, Matt Kessler, Adam Langford, Steve Mertes, Cari Meyer, Mike Raber and Donna Puckett

Councilor(s) Present: Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor John Currivan and Councilor Scott Jablow.

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

There were no announcements.

3. APPROVAL OF THE FOLLOWING MINUTES:

a. **May 18, 2017 (WS)**

b. **June 1, 2017 (WS)**

Chair Losoff asked if there was a motion to approve the minutes of May 18th and June 1st.

MOTION: *Commissioner Klein so moved. Commissioner Barcus seconded the motion.*

VOTE: *Motion carried six (6) for and zero (0) opposed. Commissioner Mayer was 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.)*

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

5. Discussion regarding the update of the Land Development Code.

Mike Raber explained that the purpose of the discussion is to introduce the public draft of the first module that is going to form part of our updated Land Development Code. Until now, the Land Development Code update has focused on background work, analysis of the issues, identification of the things that need to be addressed, and now we are moving into the drafting phase. Therefore, the Commission is encouraged to ask questions and provide comments. Today, the consulting team will provide an overview of the public draft Module 1 of the Land Development Code that includes the zoning districts, use regulations and a portion of the Code's definitions.

Mike then introduced Clarion Associates Director Matt Goebel, Senior Associate Tareq Wafaie and Planners Jim Spung and Eric Wencel. Chair Losoff asked about the expectations for the discussion tonight, and Mike Raber restated that it is to ask questions and provide comments for the draft phase, but don't feel that you have to know everything tonight. The Chair then asked what would be happening after tonight, and Mike suggested that the Commission become as familiar with it as

possible. The goal tonight is for the consulting team to introduce this to the Commission, so be thinking about it over the coming weeks. If additional work sessions with staff are needed to get additional feedback, we can do that. The Chair then suggested that the Commission keep it at a high level and not get into a micromanagement situation; they can guide us.

Commissioner Barcus referenced Mike Raber's introductory memo and indicated that it said the purpose of the meeting is to introduce the public draft of Module I, so he anticipates that we will hear from the public tonight on the presentation of this draft. Chair Losoff pointed out that part of the process is to have an open meeting section, so if there are any cards, we will entertain them. Commissioner Barcus then asked if the document has been available to the public, and Mike Raber indicated yes, but not very long, so we may not hear from a large number tonight, but we are expecting to hear more feedback as this is out there for the next several weeks. Tonight, the purpose isn't to get all of the public's input tonight; it is to introduce the public draft to the Commission.

Chair Losoff added that the intent for tonight is to kind of kick it off with more specifics than in the past. Then, we will get as much feedback as we can in the next month or so. Commissioner Barcus stated that in previous meetings, the Commission was told what would happen, and now Module 1 has happened and we are getting a report on that and providing feedback and questions. Mike Raber agreed and again stated that the Commission is not limited to tonight to do that. The Commissioner then wanted to know if they would have a similar opportunity for Module 2, and Mike stated yes. Commissioner Barcus stated that the Commission could accept comments on Module 1 at the same time as comments on Module 2, and Mike agreed. Chair Losoff then pointed out that the Commission's open meetings are for those reasons.

Commissioner Cohen referenced page 4 of the introductory letter and indicated that we are referencing the Community Plan on sustainability policies, but he is not sure what they mean in the Plan by 'sustainability', so as we go through the various zoning areas, he would appreciate an explanation of how each one is sustaining Sedona and what it is that we are sustaining by developing the policies that way. He was delighted with the graph showing how to measure heights on a hill; it was fantastic.

Presentation:

Clarion Associates Director Matt Goebel introduced Tareq Wafaie, Jim Spung who will be working with them on drafting the Code, and Eric Wencel who was responsible for all of the illustrations. They are excited to begin rolling out the material that begins the drafting of the Code, and they first wanted to give a brief overview of the overall project process, the structure of where they are going, and how the pieces fit together. Then, they will spend the bulk of their time talking about the details of the zoning districts and use regulations. The presentation is really designed in three parts with the introductory overview, then the districts, and uses, so we can pause after each of those parts to see if you have any questions.

Mr. Goebel referenced Clarion Associates' experience around Arizona and the country, and indicated that they are excited to start drawing on that experience in places like Tucson and in Colorado for the redrafting of the Sedona Code and bring their knowledge of best practices from around the country to this work.

Mr. Goebel indicated that regarding the project goals and scope of work, it is important to remind people of what the Land Development Code is. Many folks in the community don't understand what a Land Development Code is and what it regulates, so keep in mind that it is an important grounding document and you have done a lot of good planning work in Sedona. This is where the rubber hits the road. The Land Development Code is the actual rules for zoning and land uses in Sedona, including the location of new development, what types of buildings can be built, the uses within those buildings, and the quality of new development. When you think about a new drug store coming, the quality of the landscaping and building design is zoning issues addressed by the Land Development Code. Finally, what is the process someone goes through to get that drug store

approved or add onto a single-family residential home? They are really getting at the first two bullets with this material; the size, quality and procedures will come later on.

Mr. Goebel indicated that in terms of the timeline, they kicked it off in the first part of the year and met with the Commission and a lot of stakeholders in Sedona to find out what is working and what could be improved in terms of zoning and land use. They turned all of that into an Analysis Report and got into the drafting stage that will take them to the end of the year. Then, the goal is to move into 2018 with a full consolidated draft that can be considered for adoption, but there are several important sub-parts before that. They have broken the Code into three parts, and they often call them 'Modules'. The first Module is what will be discussed tonight on zoning districts and use regulations. What can they do with their property? How big can the building be? What is the height? How far back from the street does it have to be? These are a lot of the nuts and bolts of what people think about when they think about zoning. Module 2 is the quality stuff, which impacts a lot of the character of Sedona. Sedona has done a lot of thoughtful work in terms of identifying appropriate building codes, landscaping techniques and building design, and all of that material will be carried forward and improved in Module 2. Finally, the administration and procedures piece on how they get the project approved and any exceptions to the rules, etc.

Mr. Goebel explained that for each module, they go through an incremental process working first on a staff draft, so they sit with Audree, Warren and Mike to prepare an initial draft and ask a lot of questions. Once they get a clean draft, they turn around the public draft, which is what the Commission has tonight. They will then be doing presentations on each of the public drafts and soliciting feedback from the Commission based on all three of the modules. Then, they will turn around a consolidated draft that reflects all of that feedback at the end of the year. That consolidated draft is when you will see Module 1 material again. Regarding the adoption process itself, they are going to develop tools to help the Commission navigate the transition from the current Code to the new Code, so there will be a good Executive Summary. They will also have plenty of work sessions and public hearings as part of that adoption process with the Commission and the Council. It will be a new ordinance adopted by the City, so there will be plenty of public hearings as part of that process.

Mr. Goebel indicated that in addition to the Code itself, they will provide summary PowerPoints, etc., to help explain the Code, and there might be transition tables to help explain and understand the location of current provisions versus new provisions. They will be thinking of tools like that to help navigate that transition. There are a lot of moving parts, but they have done it many times and it is definitely doable, and if we stay on track and keep to the schedule, this is very realistic timing.

Mr. Goebel stated that they now want to start talking about content, and regarding the Analysis Report and Annotated Outline, they talked with a lot of folks that do development and live and own property in Sedona about zoning issues and things that could be improved. They summarized all of that work in the Analysis and Assessment Report and talked with the Commission about that report. Bottom line, there was some big themes there. First, implement Sedona's Community Plan, because that was important as an overall policy framework, and also set the stage for implementation of the CFA Plans. Some of those are in place now and some are underway, but setting the framework for those to be implemented in the future was important. Then, update the zoning districts and enhance the use regulations, which will be discussed tonight. Development standards and procedures will be discussed in future modules, and then create a more friendly user document, which was a big theme of this report and you started to see some of those tools introduced in the material for tonight, such as more illustrations and tables.

He then reminded the Commission about the overall organization of the documents and showed a slide of the current Land Development Code's organization with 19 different Articles. The opportunity is to rethink this in a way that makes more sense and makes it easier to use. They cleaned up the organization with this proposed set of 10 Articles and basically consolidated like information. All of the definitions will be in one place. Organizationally, it will be a cleaner, easier tool to use that you can break down by module. The Module 1 is primarily going to be Articles 2

and 3. Article 4 is technically part of Module 1, and that is the Wireless Telecommunications Standards, which is a type of use. They are not writing that piece; it is part of a separate project, but it will be folded into the new Land Development Code in that place. They have delivered part of Article 10. They draft definitions incrementally, so they have given the definitions that relate to the districts and uses, and they will build onto that piece as they get further along in the project, so it will roll out in a three-tiered process.

Chair Losoff asked if they are also not going to address Article 7 and Mr. Goebel explained that also is being addressed as a separate project, so the intent is to fold in the new Sign Ordinance as part of the new Land Development Code, but that is on a separate track. Mr. Goebel then asked if the Commission had any questions on the overall project and none were asked.

Senior Associate Tareq Wafaie indicated that he is going to talk about the zoning districts that are the most fundamental piece of a Zoning Ordinance that covers what you can do on what properties. He then showed the current zoning map and indicated that there is a lot of yellow showing the single-family neighborhoods, some red and blue, and more commercial and intense uses, so this is a fundamental piece of what a zoning code does. They have retained a lot of districts and consolidated a lot of zoning districts. They also did not carry forward some districts. He then referenced an image of the Community Plan and indicated that a part of the Sedona Community Plan is a Future Land Use Map, showing what types of things are appropriate for future Sedona, and explained that what they tried to do is provide a new menu of zoning districts to implement those future land use categories so you have the tools to get there. Currently, you have 14 zoning districts for Single-Family Residential uses and that is high compared to most communities of this size. There are three Multifamily districts, four Commercial districts and that includes one that is more like an Industrial district, one Office Professional district, and ten other types of special purpose districts for open space, the National Forest, historic overlay, etc., so there are 33 zoning districts to cover a relatively small land area. A lot of those districts have a similar purpose, and similar lot and building dimensional standards, so they saw a lot of opportunity to condense the list.

Mr. Wafaie stated that they are proposing six Single-Family districts that are mostly differentiated on the lot sizes from the least intense RS-70 that are very large lots to some of the more intense smaller lots for single-family homes. They retained the three Multifamily residential districts that again increase in intensity and density, and they introduced a new suite of six Mixed-Use zoning districts, instead of calling it Commercial or Office Professional, they have Mixed-Use Neighborhoods where mostly people are living, but you have occasional non-residential uses there like a corner store, restaurant or coffee shop on a corner that is appropriate on a certain neighborhood scale, but not at a more commercial scale. They have mixed-use employment; there are some people living there, but the bulk of it is directed for where people are working. Mixed-Use Activity Center is thinking of Uptown Sedona; it is a different place. It could also be a really good tool to implement the Community Focus Areas where you want a lot of different things in this zoning district, and currently, you don't have a tool that allows for a good mix of land uses within one location. They retained some of the other districts as well, such as Community Facilities, Open Space and Recreation, National Forest, so they got it down to 18 base zoning districts and each of them does have a need in Sedona, so they have unique individual purpose statements.

Mr. Wafaie pointed out the factors for the consolidations and explained that if the purpose statement said, "Be a medium-intensity Residential zoning district", and it is said over and over, you see if there is room for consolidation or when there are similar lot and building standards like setback regulations, similar height requirements, and similar lot sizes. Lots of districts with the same things aren't needed, and then for similar uses permitted; if you are only allowing a certain type of use in a district, just have one district for that type of use. Some of them were quite simple, like the RS-36 and RS-35 that is a remnant of having two counties before incorporation. One says 36,000 sq. ft. and the other says 35,000 sq. ft., so let's just call a square a square and consolidate them, and there are a lot of those opportunities in this draft.

Mr. Wafaie indicated that he listed the districts they did not carry forward, and this is for a couple of reasons. Either you have them in the books as part of your Zoning Ordinance, but they have never been applied to the map, such as the Manufactured Home, etc., or they have rarely been applied to the map, like the RS-5a or the Parking district. They didn't think a district is needed for parking; that is a very specific use type that could be appropriate in one, two or multiple zoning districts, so those were not carried forward, but that is still open for discussion as to whether they went too far or not far enough.

Mr. Wafaie then referenced a more graphical display of what the current Code looks like for the Single-Family Residential, RS-36, zoning district. There is a lot of text; it is an older Code, but it gets the job done and is fairly well-organized. In response to a question from the audience, Mr. Wafaie explained that he can't make the image larger, but the intent is not to show you the words on the page. The intent is to show the organization of the material on the page, and the Chair explained to the member of the audience that there could not be public comments at this point and reminded the public to complete comment cards if they had questions, and when we get to that point, we will be able to address some of the issues.

Mr. Wafaie then continued to say that the words on the page describe the types of things that are permitted in the zoning district, such as how big the buildings can be in this district and what types of procedures are required. It is all in written form, and in their proposed zoning districts, there is a very clear purpose statement for each district, showing what types of things should be promoted in that particular area, followed by lot and building standards in the middle tables that tell you exactly how big those lots should be, how far the building should be from the street, and how tall they can be, plus other standards that might apply. Then, there is a pretty picture as another way to demonstrate the general character that we are looking for in that district, and the dimensions in that graphic link back to the table. For someone who is a visual learner, this is a good tool for them and goes a long way to make the Code more user-friendly as these can be used as handouts for that district.

To provide a closer look, Mr. Wafaie gave an example of one district and the clear purpose statement for the Medium-Density Multifamily district plus the table and image. One of the key features is that most often when they draft a zoning code, there are a lot of footnotes, and for the districts' draft, instead of making you refer to the footnotes, they put a lot of those notes at the end of the document and included them directly in the tables, so you will see a note that refers to how that proposal for the lot and building dimensions are different from what is currently on the books, so you can track how this proposed draft differs from the current Land Development Code.

Mr. Wafaie indicated that one of the bigger changes in the districts is the simplified measurements and exceptions, such as how height, density, size, etc., are measured. Currently, there are a lot of different standards talking about density, such as FAR (Floor Area Ratio), Lot Coverage standards, and minimum setback requirements, height requirements and density requirements. They have not carried FAR, lot depth or distance between building standards forward. Those are adequately covered in some of the other base standards like setbacks, height and density. They expanded exceptions to setbacks and height, because if you require a home to be 20 ft. from the street that is fine, but what if he wants to build a front porch and you want to encourage that type of activity. They have identified front porches as an exception to setbacks – things that can encroach into both height and setback have been identified in the draft in a table. They have also clarified the height standards, because height is a very confusing topic to understand in the current Land Development Code. They spent a lot of time with staff in trying to simplify that with more to come on that topic as they get into the Design and Development Standards, but a lot of work has been done in that regard, so he hopes the Commission finds that useful.

Lastly, Mr. Wafaie referenced new impervious coverage standards for things that water doesn't pass through. Currently, maximum building coverage has been identified in Sedona, but they took it a step further by saying they might adjust the current building coverage requirements, but also introduce a new standard for overall impervious coverage, including patios, sidewalks and other

types of surfaces that aren't buildings, but have a lot to do with water quality and runoff in the community.

Mr. Wafaie indicated that is it for the zoning districts, and Chair Losoff asked for questions from the Commission on this section. Commissioner Cohen referenced the change in state law allowing for short-term rentals and asked if that will affect how they develop these criteria. Mr. Wafaie indicated they were aware of the new law and incorporated some of that conversation into mostly the use regulations. When they talk about increasing diversity and the types of housing available in Sedona, they also have to consider what types of uses might be converted or rented as short-term rentals, so that has been part of their thought process, and it will be continued to be developed in subsequent drafts as well. Commissioner Cohen indicated that a lot of homes are turning over in certain areas to the short-term rental use, and Airbnbs are businesses, so a lot of the people buying them are businesses. Does that make them commercial rather than residential or mixed-use?

Mr. Goebel explained that they are still discussing that with staff and the City's legal counsel, and the whole state is trying to get a sense of the implications of this new law, but one early theme is that we need to be very thoughtful about where new residential is allowed, recognizing that could allow conversions in the future. Beyond that, they are still thinking through what happens after those are converted. A theme of those conversations has been to be very thoughtful about where new residential is allowed and that is reflected in the draft use table.

Chair Losoff asked to go back to the chart of things that were taken out, and asked if there were any questions or issues on them. Vice Chair Levin indicated that RS-12 was removed, so it goes from 18 to 10, and she thought that somewhere in the middle there would have been a discussion. She was looking for the minimum square footage to reflect 12,000 either as a minimum on an 18,000-sq. ft. lot, or how you explain eliminating 12 and going from 18 to 10. Secondly, there are existing RS-12 lots, which she assumes will continue with that zoning, but there will be no new 12,000 sq. ft. lots created under the new Code. Mr. Wafaie explained that he wanted to start with the mapping conversation, because . . ., Vice Chair Levin interjected that was another question as to when does the zoning map reflect . . ., and Mr. Wafaie continued to state that part of making the new line-up of zoning districts work is implementing these consolidations onto the actual zoning map. If it was once called RS-12, it is not called RS-10 and that does not mean your lot physically changes. It does not mean that you could not build another 12,000-sq. ft. lot in the RS-10 districts. It means that the minimum lot size is 10,000 sq. ft. There is not a huge distinction between 10,000 and 12,000 sq. ft. in establishing a minimum. Arguably, you could say there is a big difference of 2,000 sq. ft. and you will still have those differences on the land; you are not talking about having to re-subdivide those properties to get the lots to match. They are just saying that future development in the RS-10 would have to be 10,000 sq. ft. minimum, and that does not mean you wouldn't have lots of different types of lot sizes. Vice Chair Levin commented between that and one-half acre of RS-18, and Mr. Wafaie agreed and explained that the logic to say where you want denser, more intense residential development, you want smaller minimum lot sizes, and where you want more rural or larger separation between homes and less dense activity, you want higher minimum lot sizes.

Vice Chair Levin then asked if that is part of what has been reserved at some later date for a discussion of affordable housing, and Mr. Wafaie stated that affordable housing is a thread that will go throughout the entire process, so that is part of the discussion, and when we discuss barriers to affordable housing – minimum lot sizes can certainly act as a barrier. If all lots have to be larger, it means fewer units will be produced and sold, which eats at the bottom line. The Vice Chair indicated that on the same theme, this module says it is reserved for future discussion, so when will you backtrack into the existing public draft to imbed new information that reflects an emphasis and interest on affordable housing? Mr. Goebel explained that they left a lot of placeholders in the current Code, because a lot of your affordable housing incentives are based on metrics that are not being carried forward. There are Lot Coverage metrics, for example, that are being replaced with the new impervious lot coverage standards, so it didn't make sense to carry forward a bonus that was based on a metric that would not be in place in the future. When they have a new draft Code

in place, they can come back and look at the new regulations to see where appropriate places are to imbed new incentives into the new framework that encourage affordable housing. The policy goal is still there, but they need to determine the best place to weave in those incentives, and that is why they left them out – the incentives were based on things that weren't being carried forward. The Vice Chair asked if there would be some new policy discussions between Clarion Associates and staff about where they will be reflected in the Land Development Code, and Mr. Goebel indicated that he thinks so, but he doesn't want to get too far ahead, because they haven't been asked to rethink affordable housing goals for the City. To the extent that the Land Development Code encourages affordable housing by providing certain incentives, they want to carry forward that intent and they will help you think about the best way to do that.

Vice Chair Levin then indicated that she needs to better understand how Planned Development and Mixed-Use districts are either complementary or different, because she thought Mixed-Use would take the place of maybe a Planned Development. Mr. Wafaie stated that now without a tool to allow mixed use to occur on a site, because you are separating residential uses from commercial or other non-residential uses, you would go through a Planned Development process. The difference is Mixed-Use zoning districts establish as a base standard the ability to develop a mixed use, both residential and non-residential uses, in that zoning district without having to negotiate through a Planned Development process. They think it is good for Sedona to limit the use of Planned Developments going forward, so you are not always opening the book for negotiating site by site. Set the standards and level the playing field for Sedona; however, they are still carrying forward Planned Development as a tool, because no matter how good they get the drafting, there will always be properties that wish to develop under a different set of rules, because they just hadn't thought of it yet. They are offering some added benefit to the community that they didn't think of when the drafting was done, and you will still want to negotiate from time to time. The Vice Chair then asked if the new zoning map will have the MD-1 through 3 districts on them overlaying CFAs, and Mr. Goebel stated probably no. When you look at the line-up of districts, you have to think of each district individually and what the mapping strategy will be for that district. Some districts are really straight-forward and they are just going to be consolidating or renaming stuff you have, and that conversion can be accomplished by a simple table in the adoption of the new Code. If the old name was this, the new name is this, so that is really easy, but they are going to have to work with staff and the Commission to go through each strategy for each district to determine if there is a simple strategy or if it is something that should be longer-term and require more planning. With the new Mixed-Use districts, probably a little more thought by the community will be required as to a special planning exercise, talking with neighbors about the intent of the CFAs and if they are a good match with the Mixed-Use districts, etc., so those will probably follow the adoption of the Code by a little bit. That is probably not something that will be immediately adopted, but again, he doesn't want to get too far ahead of themselves, although that is generally how they approach mapping. It is a case-by-case approach with each new district.

Mike Raber clarified that the M-2 district actually is going to replace the OP, so that one would be applied. Vice Chair Levin agreed and indicated she had one last question about the elimination of Article 15 on Historic Preservation. The landmark process and the creation of a historic district are subject to the same types of notification, public hearing and deed restrictions on the affected property, so the HPC now has the authority to grant a landmark designation, whereas, it would approve and recommend to Council a historic district, so she wondered what the rationale was for the exclusion of one process and not the other from the Land Development Code. Mr. Goebel explained that it is not being excluded; it is being folded into the larger Development Standards Article. It is one of those quality issues he discussed and they put it in that same category. If you look in the annotated outline of the prior report, one of the sections that will carry forward into the Development Standards is that Article on historic preservation; however, in some communities, preservation rises to the level of being its own article, so they may step back and keep it on its own, but their working assumption is that they will try to pull it forward into the Development Standards. Vice Chair Levin stated that it is a high value in the Community Plan as to sense of community. Mr. Goebel indicated that they are big fans of historic preservation, so it will stay in there; they just want to find the best home for it.

Chair Losoff asked what would go into a Mixed-Use Neighborhood, and Mr. Wafaie explained that they would switch into Use Regulations, but as you review the drafts, the use table will be very helpful. The Mixed-Use Neighborhood is the M-1 district, and you will see that a lot of different types of uses are permitted in that district. They are not just residential, because they are allowing daycares, libraries, museums, schools, etc., starting to introduce some commercial activity, but with Conditional Use Permits in many cases, so there will be a hearing and higher level of scrutiny, but it's the lowest density, lowest intensity form of Mixed-Use district being proposed. The Commission would consider areas that would be appropriate to have that type of mixture of people living mostly with some supporting commercial activity. The Chair then stated that consolidating down to 1 is terrific and the land use tables would be wonderful to have going forward with any project, so we are going in the right track so far, and he is impressed with what has been put together.

Commissioner Barcus referenced page 5 that says the draft introduces several major changes to the zoning districts, and he looked for words that identified the major and minor changes, and tried to figure them out. He noticed a lot of things he thought might be major and minor, and there are two categories of zoning applications. One is in a zone but not platted, and the other would be already platted like a subdivision, then we have residential and non-residential zones. In a Residential zone that is already platted, we are going to have the proposed reduction in zoning districts with changes in setbacks and building heights, and he is thinking that is probably a major change in a zoning district, because in an existing platted subdivision, we have existing houses, vacant lots, and additions that occur on existing houses like a tear-down and a replacement, so his question is for homeowners in an existing platted neighborhood where their understanding of setbacks and building heights was based on the prior Code, what would carry forward with the new Code and what would be grandfathered in those existing platted areas. That seems to be a major question for him.

Mr. Wafaie explained that they have not proposed changes to existing lots in existing single-family residential neighborhoods that they think are major changes. They haven't proposed new height standards for residential lots, so whether you are currently platted, un-subdivided, a vacant lot, or an existing lot, the height standards are the same today as proposed. They haven't drafted all of the incentives that might be applied to height standards, and minimum lot sizes have changed. But going back to the earlier example, they consolidated the RS-12, RS-10a and RS10-b into one zoning district. They each had the same purpose statement, Medium-Density Single-Family Residential. They each had similar lot requirements and the same setbacks, so they carried those standards forward and consolidated the districts, but the minimum lot size will change in that instance, so if they went from a minimum of a 12,000-sq. ft. lot to a minimum 10,000 sq. ft. lot and there is an undeveloped property in the middle of that subdivision that is 11,000 sq. ft., yes, they could build a home on that lot under the new regulations. Commissioner Barcus clarified that he is not asking about that, he is asking about the example on page 5 that says that the current front setback requirements for RS18a and RS18b are 30 ft. and 25 ft. respectively, and in the new consolidated district, we opted for 25 ft., so if you own a house in a current RS18a and the expectation for other lots being developed is a 30-ft. front setback, would that remain a 30-ft. setback or change to 25 ft.? Mr. Goebel stated that it would change to 25 ft. in that example. If this draft goes forward and those districts were consolidated and the standard was 25 ft., it would change. Future infill in that area would be subject to a 25-ft. standard; however, not all the pieces of the Code are out yet and it is hard to look at any one piece of the draft in isolation until you get the full implications. We often have residential compatibility standards and say that if you are doing a residential infill project on a street, and the average of the existing setbacks is different than the minimum of the district requirement, you can build to the average of what is already there to help maintain that existing feel.

Chair Losoff asked if existing requirements are grandfathered, and Mr. Goebel stated no, and the Chair commented that is the purpose in changing the Code, because we were given two counties when we incorporated and we had all of these other things, so as we are revising the Code it is time to make things happen, and then if we aren't satisfied with the outcome before we approve it, we have to decide what is best for the community. If you think it is 25 ft. versus 30 ft., we would have

to debate that. Mr. Goebel referenced a different part of Commissioner Barcus' question and explained that regarding the term 'major', obviously it is subjective and anytime someone starts mucking with the zoning on his home, it is major, because that is the biggest investment in a lot of people's lives, so they are not taking that lightly. In their professional judgment, they have made adjustments to the zoning standards that they think are relatively modest in the scheme of things and will not impact the character of these districts as they are designed, but part of this process and the reason rewriting a zoning code takes so long is that they have to vet all of the stuff with you and see if they have gotten it right in terms of thinking through the potential implications of this stuff. Relative is going to be in the eye of the beholder based on their own beliefs and properties they hold, etc., so they have tried to identify those things they think are big and make adjustments they think are worthwhile and compatible with the spirit of the ordinance, but they have to test that with the community.

Commissioner Cohen referenced the establishment of two new districts. One is the Mixed-Use Activities Center, M-3, and then the Uptown Entertainment district, which is not listed, and it said that we will get to it later, but what will the Entertainment district look like, and where are you putting it? Mr. Wafaie explained that staff said they might want to consider an Uptown Entertainment district, which per state statute, can be defined as a contiguous area that allows for a different mix of uses, especially as it concerns the sale of alcohol, but they didn't have enough details at the time they drafted this document to be able to accurately put forth that district for you. Commissioner Cohen asked if it was only limited to alcohol, and Mr. Goebel stated no, and explained that is one feature, but there could be other ways that Uptown is special and requires a slightly different approach than other M-3 areas, so they wanted to wait until they got more of the general standards out. For example, let's get the general parking design standards that apply citywide, and then we can address potential different approaches in Uptown, such as diagonal parking might be allowed there as opposed to elsewhere in the community, so part of the idea of holding off is to get the baseline out there, and then see if we need to modify that baseline for Uptown. Commissioner Cohen stated that he is trying to understand the definition of 'entertainment', and Chair Losoff stated it was being asked specifically for alcohol licenses, and we weren't getting into things he talked about, so it was first very limited to the alcohol license. What he is talking about is a different concept. Mike Raber then explained the term 'Entertainment district' is used at the state level, and that has to do with alcohol sales, and we took that to Council earlier, but it didn't address any of the land use issues, so we are talking about a district that also looks at unique land use features, such as things like parking, unique setbacks, etc., so then term "entertainment" comes from the state.

Commissioner Cohen asked where else besides Uptown might you see it, and Mr. Goebel stated that he believes there are some limitations on how many Entertainment districts you can designate as a city under state law. Audree Juhlin explained the state allows one Entertainment district by population size, and she believes the cutoff is 50,000, so we are allowed one, but we are getting hung up on that term and we perhaps might reevaluate the proper definition or label for the area. It is going to be Uptown, and it is really the area that has unique and special circumstances. In this case, we have properties that are built right up to if not in the right-of-way, properties that do not have any associated parking and other unique circumstances, in addition to the fact that the area is a tourist destination area, which may provide for more outdoor activities than elsewhere in the community, so we will be looking at that. She doesn't know if it will be a district or an overlay, etc, but we will be looking at ways to address that area, because the general regulations really don't apply or work for those unique circumstances. The Commissioner then commented that we are limited to one district and will be looking to Uptown. Audree clarified that we are limited to one district only as it relates to the consumption and sale of alcohol, and that is a state regulation that says you can't have wine tasting or certain packaged sale retail stores within 300 ft. of a church, and we have the religious institutions in Uptown that affect the ability for some of our businesses to sell or do wine tasting services, and that is why we picked Uptown to be called the Entertainment district by state law; however, what we are talking about now is really not related to the alcohol issue; it is really related to the unique circumstances in that area as it relates to land uses, so she doesn't want to tie the two together. Chair Losoff then noted that we have a Land Use Module, so we will be talking about that in more detail.

The Chair then indicated that for the process if Commissioners have more questions or comments as we think about this, they should contact staff.

Planner Jim Spung indicated that he was going to go over the Use Regulations to cover what you can do within the districts. His presentation is organized with a table of allowed uses, use-specific standards or rules and regulations that apply to specific use types, and then accessory and temporary uses and structures, and lastly, the wireless telecommunications facilities that has revisions underway in a separate project that will be folded into this Land Development Code.

Mr. Spung introduced a use table and explained that the example Mr. Wafaie showed of the current Code with all of the text is where all of your uses are currently listed, and it is difficult to navigate, so they reorganized that information into a table with categories of uses such as commercial, and sub-categories such as Agriculture and Animal Uses, and then specific use types like general agriculture, kennels, stables and veterinary hospitals, etc. This helps the user determine what category they would fall into like if you have a business owner that wants to open a business and wonders if a store can be opened in a district, this table will show if that use is permitted or not. In the key, P is permitted, C is a Conditional Use, A is Accessory use only, and a blank cell is a prohibited use, and the top of the table shows the menu of zoning districts. You can determine if that land use is allowed in that zoning district and what level of permission is required. On the right-hand side, there are use-specific standards, for example, if they have a commercial stable in the RS-70 or RS-35 zones, that is a permitted use in the RS-70 and RS-35 zones, but there are specific use standards associated with kennels, and there is a reference in the Code that is linked, so you can click on that and it will direct you to those standards. This organization is a lot easier for staff and the public to understand what is and isn't allowed, and you can also compare across the zoning districts as to how they are different. Their approach to creating this table includes a number of things. The general approaches they use is to first update the uses to reflect what Sedona needs based on the Community Plan, meetings with stakeholders, discussions with staff, etc., and then they look at how to implement the Sedona Community Plan as far as sustainability and the goals and objectives outlined. Then, they like to simplify by consolidating like uses. Much like the districts, there are a lot of use types in the Code that are very similar in terms of impact to the community, so those have been consolidated, and lastly, they remove and de-clutter obsolete use types that are never used or don't apply to Sedona.

Mr. Spung stated that he will go through each of those points in more detail, and first regarding updates, the question asked is if there are existing uses in Sedona that are not included in the Land Development Code. A couple of examples are commercial stables, even though there are some here, and fleet services like the Pink Jeep, etc., don't have a category in their Use Table, so those have been included. Next is to implement and determine if new use types are needed to achieve goals and objectives in the Sedona Community Plan. A couple of examples of new use types created for Sedona are Urban Agriculture to allow you to grow produce and things on your property in town, and another is Artisan Manufacturing for small scale artists, pottery makers or welders that have a small-scale business of producing crafts and items to sell, which isn't a specified use in the current Land Development Code.

Mr. Spung indicated that the next step is to simplify, and they have done a lot of consolidations with use types with similar land use impacts. An example of one is all of these use types are very similar and include a shoe store, a sporting goods store, a stamp shop, a tobacco shop, a toy store, a furniture store, a hobby store, so they are all stores where people buy stuff and leave. They have consolidated all of the uses into three and taken 31 use types and made three that are focused on the scale of the use. General Retail less than 10,000 sq. ft., General Retail between 10,000 sq. ft. and 25,000 sq. ft. and General Retail over 25,000 sq. ft. They feel the impacts of those are the same, but the size of the store would create different impacts, so they created different use standards based on the scale and size of the operation.

Chair Losoff asked how they came up with those numbers, and Mr. Spung explained that the 25,000 threshold is the current threshold that you have for large commercial shopping, and

10,000sq. ft. is a threshold that is typical in a lot of cities and one that staff was comfortable with, and they can all be adjusted based on Sedona's needs, but this is their first go at establishing those thresholds.

Commissioner Cohen asked how big Safeway is, and Mr. Goebel indicated that he is not sure about Sedona's Safeway, but some of the smaller ones can be 20,000 and go to over 40,000 sq. ft. in a suburban community, so they would probably be in one of the top two categories. Audree indicated that she can imagine that Safeway is probably greater than 25,000 sq. ft., and to give a little perspective, the Walgreens and CVS are between 12,000 to 13,000 sq. ft. Mr. Spung added that the scale is reflected in the use table, so depending on the zoning district, it may allow only the smaller retail store. In a more intense zoning district, you may have more than 25,000 sq. ft., so their intent was to adjust these to address neighborhood compatibility, but also where they are appropriate in the City.

Mr. Spung indicated that the last item was to de-clutter existing use types in the Land Development Code that are no longer needed or that can be addressed elsewhere in the Code. Currently, there are a number of uses listed in the Land Development Code that aren't really uses, such as swimming pools, fences and freestanding walls that are more design-related and would be addressed in Design Standards or specific residential design things, so those will be moved to other places in the Code where they are more appropriate.

Mr. Spung stated that regarding the use-specific standards, which are additional standards that are specific to a use type or zoning district, a few of the questions they ask include the size and scale of use and if that should be limited based on the district they are in, are there noise, odors or vibrations associated with the use type that need to be addressed, are there special design standards or special permitting or licensing requirements, operational standards or any other standard that might mitigate a negative impact. For example, in Urban Agriculture, there is a specific use standard proposed in RM-1, RM-2, RM-3 and 1, 2 and 3 CO, IN and L that says that the keeping or raising of poultry or bees shall only be permitted as an accessory use on lots with an occupied dwelling unit, which is a very specific standard that is only associated with that use, and there are a number of those in the draft. You can also see a number 58 after the word 'Urban' and like in the zoning districts section, there are a lot of footnotes about what we have changed from the current Code, what is new, and in some areas explanations as to why that specific standard was introduced. Some standards were changed, some were new, and some were carried forward with minimal changes, like for sexually-oriented businesses, they didn't really change anything; they were just carried forward. He then pointed out an example of the footnotes, and #63 for example, explains where that standard was found previously in the current Code.

Mr. Spung stated that they also included the Accessory and Temporary Uses in the use table, and Accessory Uses and Temporary Uses is a category, and each category, sub-category and use type has its own definition in the definition section, so if you wonder about Outside Sales and Display, it is defined in Article 10 of the Code. The 'A' again is associated with an accessory use and 'CA' indicates it is a conditional use, but also only allowed as an accessory use.

Mr. Spung explained that they have been discussing lodging a lot with staff, which is a big topic here, and they proposed a three-tiered system for lodging. Currently, lodging falls into two categories –smaller-scale lodging like a B&B with six or less units, and then larger-scale lodging. They are approaching it with three tiers – lodging fewer than 7 units would be permitted in M-1, M-2, M-3, CO and L, as smaller scale lodging establishments that wouldn't have as big of an impact on an adjacent neighborhood and would potentially fit into the areas easier than one on a larger scale. The second tier is lodging with medium density and a maximum of eight units per acre on no more than a two-acre parcel that would be permitted in M-3 and L districts. The last one is lodging with high density for anything larger than 8 units per acre or two-acre properties, and that would be a conditional use within the L district, so those would still come before the Commission for approval. Again, this is a draft document, so these are all living documents that are bound to change and be

modified. This is their approach after several discussions with staff and the stakeholders, so any Commission input on lodging would be relevant.

Chair Losoff referenced Commissioner Cohen's earlier question about short-term rentals, and indicated that lodging is a land use, so does it need to be specified, and also further down in the table where it talks about shared quarters, personal services, etc.? Where should short-term rentals be in the table or should it be in the table, since it is such a controversial subject these days? Mr. Spung explained that they haven't included short-term rentals in the table, because that is mandated by state statute, so that use is allowed in any dwelling essentially. The lodging use is specific and that has been included, because if a hotel developer wants to come in, that is a lodging land use where they are building lodging; they are not building residential properties that would be converted or changed to lodging.

Commissioner Cohen referenced a neighborhood where 11 to 15 homes in a quiet neighborhood have turned over in the last five months, basically for lodging, so is there no way within the state law to do some stuff with zoning? Chair Losoff indicated that is probably a question that would go back to the City Council and City Attorney, but for the land use code can't restrictions be put in about parking and noise, so if a unit is going to be used as a short-term rental, there are some land use restrictions, even though it is a state-mandated issue? Can we protect ourselves somehow? Audree Juhlin explained that we have to look at short-term rental and single-family home uses exactly the same way. If we want to impose some regulations about parking, they have to apply both to single-family and short-term rentals; we can't make a distinction between the two, we have to treat them both exactly the same. There are other considerations that are related to nuisance issues related to land use, but it would apply to single-family homes as well. We could not single out short-term rentals.

Commissioner Cohen asked what is wrong with that, and Audree stated that if the Commission wants to say that you have to have parking by bedrooms, that is something that can be considered, plus contained on-site and screened from the right-of-way if you have more than four required parking spaces. Those are definitely things that can be imposed, but it would be across the board.

Chair Losoff then commented that we can apply single-family housing criteria to short-term rentals, and Audree agreed that whatever a single-family home is subject to can apply to the short-term rental as well. The Chair then commented that you can tell the Commission if it is something that can be incorporated in the Land Development Code or just something we live with. Mr. Goebel stated that they continue to look at it on a case-by-case basis as new issues arise in the drafting process. For example, parking, as they start to look at the new Parking Table and the minimum required parking for general Single-Family Residential, we need to think about that as a short-term rental and if we need to have a general standard. Regarding the Chair's original question about why it is not in the table, sometimes it is in the table. Sometimes in other states like in Colorado, they treat short-term rentals as a distinct use. You often see that in communities that have a separate licensing system for vacation rentals like in Durango. They haven't chosen to do that here; they don't think that is appropriate, because it is indistinguishable from Single-Family Residential under the new law. We need to treat those things as a combined idea, but as they move forward to design standards, they will be thinking of that issue.

Commissioner Klein indicated that following up on what Commissioner Cohen said, we have a house a few doors from them that is a vacation rental and some days there are four cars parked in the driveway, but if you try to regulate that, does that mean that if he has a party, four cars can't park in his driveway? Commissioner Cohen stated that in some cities, you can get a card at City Hall to put on the car, so you get an exemption for the hours that you ask for. Chair Losoff explained that on a public street there can be as many as you want, so if you can't have four cars in some cities where this is regulated, the answer is no, unless you go to City Hall or the Police Department and get an exemption card, which allows you to have all of the parties you want. Chair Losoff then clarified that right now, if it is a public street, there is no limit on the number of cars and as far as your driveway, there is no land code that says you can't have so many cars in your

driveway. Some neighborhoods have very restricted parking, and if you have a party, you have to get a permit and give the guests the permit. There are people who live in an area near a commuter train and during certain hours there is no parking on streets within miles of that commuter train, but unfortunately, we are limited by state law. Obviously, it is a hot subject so whatever you can do to help; see what you can come up with.

Commissioner Cohen indicated that he lived in several cities where neighborhoods were busted for different reasons, but he is watching some neighborhoods get busted where people used to live. Lazy Bear for instance has a tremendous number now of empty houses, except for short-term rentals, so he is concerned about the integrity of the City, and where are we dealing with sustainability of the City in relation to that issue. He doesn't have an answer, so he raises the question, because you said you want to think some more.

Commissioner Barcus indicated that he has been thinking about lodging, and he understands the categories, but how significant is that as a change? And, are we unable under the present Land Development Code to accommodate fewer than seven-unit developments and medium density, and is there an overwhelming demand for that kind of lodging development? Where did this come from? He didn't see anything that said we should favor boutique or smaller developments, and even though this is admirable, he is trying to understand the consistency and if this is one of those major or minor changes. Mike Raber explained fewer than seven units is essentially what is already allowed for up to six units in OP and C districts, but it is specifically called a Bed & Breakfast (B&B), and we are finding kind of an outdated series of requirements for that, so we kept the lodging unit number the same, but tried to apply it back to those districts. The medium density is trying to find another smaller use type for that existing Lodging district that might be more appropriate in some locations than just having a completely open-ended Lodging district for the number of units, the way it is now. We're trying to be more discerning in where those things could be applied. For instance, if we had an L or new M-3 district that could be applied in a CFA somewhere, and we might want a smaller-scale option to go to, and that is why we have that listed.

Matt Goebel added that regarding how this is different than what you have now, and Sedona's zoning structure for lodging is unusual in just the fact that you have a Lodging district. It is more common to see lodging as an allowed or conditional use in a Commercial district or Mixed-Use district. Having that animal starts you off in a different place, and then you kind of have a double zoning requirement. If you are in the L district, you actually have to apply for a rezoning to be entitled to do lodging projects, and when they talked with the stakeholders in the lodging community, they said it doesn't make sense. It is extremely onerous and expensive, so they wanted to streamline the process by clarifying where lodging could be allowed and for getting projects through once those areas are identified. The thought was that the Lodging district could go forward. It would probably be the best location for the bigger, more intensive projects, but then look for opportunities for smaller-scale lodging projects that could be included in other areas, like some of the Mixed-Use districts. They are trying to break apart this big, complex lodging black box into a system that is a little more rational, and it provides more review and evaluation of big stuff that will have big impacts, but lets the smaller stuff go through that has fewer impacts, which is the general philosophy that most communities like. This is still a work in progress, but that is a little more background on how they got to where they are now.

Vice Chair Levin referenced the Table of Allowed Uses on page 74 or where group homes appear – under group living, and indicated that she thought that assisted living is considered group-living housing and was a protected class in residential areas, but you show it as not conditional; there are blank cells for assisted living in all residential areas. Mike Raber explained that we don't define group homes in our current Code either, because it could essentially be a residential home that is used for a protected class and that wouldn't change; it would still be allowed in Residential districts, but we see assisted living as a much bigger scale. Our current Code words it as Retirement Care Facility and we were trying to use an updated term for that. Vice Chair Levin stated that we have to be careful with that terminology, because she is aware of residences in Sedona that are being used as group homes, and she doesn't know that we would call them necessarily assisted living, but they

would be allowed in residential areas, so maybe there is a different definition to add there between what you think is a large institution with medical and the ones that you see in private homes that have a nurse come in, etc. Audree Juhlin indicated that is a great comment, and Vice Chair Levin added that she also wondered, and it came up years ago in the Kachina Subdivision, why group homes focused on substance abuse and recovery houses are not listed. Are they excluded now? They are protected as well.

Jim Spung explained that anything related to group living, such as substance abuse or recovery centers will fall under the residential category as a permitted use. For example, if you wanted a recovery center in a single-family home, it would just be allowed at that same intensity as the underlying use, so they aren't called out in the ordinance just because they are allowed. Mike Raber then added that they are currently allowed that way, so there is no change. Vice Chair Levin then confirmed that you don't have to show it as a permitted use, and Jim Spung stated no, it is just implied that they would be allowed and the Vice Chair added, by state law. Mr. Spung explained that regarding an assisted living facility, the definition of that is defined as a facility licensed by the State Department of Health, so that would typically imply it is a larger facility that would require a license. If it is an in-home situation, it would just fall under that same residential category of single-family or wherever that person lives.

Commissioner Klein indicated that any lodging currently has to come before the Commission and asked if this three-tier categorization is adopted, does that mean the only lodging that will come before the Commission is the High-Density Lodging, and Mr. Spung confirmed that is currently how it is proposed. The Commissioner then referenced the use table and asked how it was decided which uses and which zones would require a Conditional Use Permit, and which would be permitted. Mr. Spung explained that their basis was generating a table of the existing uses and levels of permission, and from there, they consolidated the districts and the levels of permission and opted to be more inclusive, so if RS-10 and 12 zones were combined and there was a land use that was conditional in one and permitted in the other, they opted for the permitted. The new use types were based on the purpose statement for the districts, and if that use type was appropriate in that district and required an additional level of review for a conditional use. It is also important to note that the use-specific standards also affected whether a use should be permitted or conditional. For example, if the negative impacts associated with kennels could be addressed with special standards, then that use could possibly be permitted in a zone; otherwise, it may be conditional without special standards. Mr. Goebel then added that the use table is their first best estimate based on their professional experience, but this is the part of the Code that is often the most tailored and discussed in a community, so don't take it as set in stone, and they will be working with the Commission, and the Commission will be working with staff to modify this as needed throughout the course of the project. You really can't evaluate the difference between a conditional use and a permitted use by right until you see other parts of the Code, like the development standards, because until you see the new parking requirements or building design standards or compatibility standards, you will not know if you are comfortable delegating that authority to staff, so they have taken a first cut, but it is important to keep in mind that toggle switch between C and P may change based on additional information..

Chair Losoff stated that the more we finalize this table, the easier it will be for the Commission as things come before us for rezoning. We always struggle with some of the issues related to that, so this will help; it won't be the perfect solution to everything, but it will give the Commission a good guideline as to how to deal with some of the rezoning issues in particular.

Commissioner Klein again referenced the table under Residential for Dwelling Single-Family Attached, and indicated that it is shown as permitted in an Industrial zone, so he was curious as to why a single-family attached is permitted in an Industrial zone, because when you read the description of IN – Light Industrial, it doesn't say anything about residential. Jim Spung explained that it just discussed with staff prior to the meeting that this was something that needed to be removed from there, and Matt Goebel added that the other part of the conversation was that one of the things they are trying to get at is the need for caretaker units or use of some accessory dwelling

unit for an employee or caretaker on the site, and that was one of the original intents, so we are talking about removing the P from that cell, but adding a new row for caretaker dwelling unit that would be allowed as accessory in the industrial use area, which is pretty common in zoning codes. Vice Chair Levin noted that Stormaster has living quarters there.

Commissioner Klein referenced the next page under Lodging, and indicated that lodging is being allowed in an M-3 zone as a permitted activity, and when you read the description for M-3, it doesn't say anything about allowing lodging. Mr. Goebel pointed out that it talks about commercial uses; however, Commissioner Klein stated that he distinguishes lodging from commercial and Vice Chair Levin agreed that we traditionally have. Chair Losoff asked how the consultants see that nationally and Matt Goebel indicated that they typically see it as they have it organized, so lodging is a sub-category within the larger category of commercial uses, although they can discuss giving it a separate category. Audree Juhlin indicated that because we have pulled lodging out of commercial since 1988, she thinks that for consistency sake, it would not create any adverse impact by including that in the definition itself. She also wanted to point out that the M-3 is a new zoning district and even though it says that the lodging would be permitted in M-3, it first has to go through a rezoning to obtain the M-3 zoning before it would become a permitted use.

Commissioner Klein indicated that he was curious, because there is both the vehicle service station and vehicle fuel sales, and in the Commercial zone, you have vehicle fuel sales as requiring a Conditional Use Permit and vehicle service stations are permitted, so he was curious about that difference. Jim Spung referred to the definitions for those use types. Vehicle fuel sales has the definition essentially as a gas station that has a little convenience store, maybe a carwash, while a vehicle service station may be a gas station, but also would provide oil changes, minor auto maintenance, etc., and because that would be a more intense use, they thought that would be a conditional use. Commissioner Klein interjected the question of which is more intense and Mr. Spung stated the service station. The Commissioner pointed out that in the Commercial zone, the service station is permitted and vehicle fuel sales that is less intense requires a Conditional Use Permit, so that didn't make sense to him. Matt Goebel stated that is a good catch and Jim Spung added that is something they can update; it probably reflects the current permission in the Code.

Chair Losoff asked if there is any way to combine a few of those; there are almost six vehicle service type things, and Jim Spung indicated that they could consolidate those. Some communities like them separate, because they have different impacts. A gas station is very different than an auto repair facility, but they could consolidate. The Chair indicated that a vehicle service station is the same to him as a vehicle fuel sale; however, Commissioner Cohen noted that the noise and smell levels could be different.

Commissioner Klein referenced the mobile food vending in #12 of Location and Separation Standards that says that mobile food vending shall not be located closer than 150 ft. from any residential use, and he understands that, but it also says or zoning district, so you could read that to say that mobile food vending shall not be located closer than 150 ft. from any zoning district, and that doesn't make sense. Tareq Wafaie explained that it should say Residential before zoning district – Residential zoning district, meaning that if it is not currently developed as residential, its intended use is residential. The Commissioner then referenced under Administrative Professional or Government Office in M-1 zoning, it says that no government office shall exceed 3,000 sq. ft., and the M-1 district is defined as being commercial for the convenience of the surrounding neighborhood, but if you allow a government office there, it is more than convenient to the surrounding neighborhood, because people from all over Sedona could be going there, so he wondered why that is in the M-1 district. Jim Spung indicated that use type would entail more than just a government office; it would include administrative, professional or government, so that specific standard applies to all three. It is a compatibility thing where 3,000 sq. ft. is relatively small for an office. It would be like a small post office, etc., so that was the intent.

Commissioner Cohen referred to lodging and the earlier response that anything less than high density wouldn't need to be reviewed by the Commission, and he asked if that also means the City

Council, and Jim Spung explained it would be approved by staff's administrative process; it wouldn't be required to come to the Commission or Council. Commissioner Cohen stated that currently a person applying for a permit for a B&B in a residential area has to come in for a Conditional Use Permit. He then asked if under this that wouldn't be happening, and second, when you define lodging fewer than seven units, what are you referring to -- a small Holiday Inn or somebody who houses three different short-term renters, which is fewer than seven units -- do they need a permit from staff? He is looking for what the definitions are and where the lines are. Chair Losoff suggested addressing the first question. Mike Raber stated that on the High-Density Lodging . . . ; however, Commissioner Cohen interrupted to say that he is not interested in the high density, and he asked to what the differences are between a small Holiday Inn and . . . , Mike Raber explained that the first one is actually no different than what is currently allowed in the Commercial/OP districts for six-unit B&Bs, and we were trying to maintain that. Audree Juhlin added that there is one exception and that is the Lodging district, and Mike Raber agreed that the Lodging district allowed everything bigger than that. The M-3 and M-1 would take a rezoning; those are not going to be applied on the zoning map, so those would not exist unless somebody rezoned to them, so it would only be applied to the M-2, which is the current OP zone, and the CO, which is the C-1, C-2 and L. Currently, people can put in a six-unit B&B without going through the Commission. The Medium-Density Lodging in M-3 would take a rezoning, because that won't be applied anywhere unless somebody rezones to it, and then once that zoning is in place, they could do that type of lodging by right. In the L district, they would be able to do that currently, but there are very few properties actually zoned L now with nothing on them.

Commissioner Cohen stated that he would need to talk with Robert Pickels about his question, because he thinks it is a legal matter that has to be understood. He knows a house where there could be three short-term renters daily, so is that a short-term rental or something else, like a tiny Holiday Inn. He doesn't know the answer, but we are having a problem in the City. Audree Juhlin explained that if you are talking about residential areas, we can get an application for a new single-family residential home and it can have 20 bedrooms, and they could rent all 20 bedrooms individually as a B&B type of use, or . . . , Commissioner Cohen interrupted to say that B&B falls under Lodging. Audree Juhlin agreed and stated that if it is a single-family home zoned Residential, they can operate that type of use in their home. The difference the City has is you can't have more than one kitchen right now in the single-family home, but they can absolutely operate that type of use. Mike Raber added that is why we are discussing residential in these non-residential districts, especially Commercial to try to maintain some balance, so we plan for that possibility. Chair Losoff added that unless things change at the state, short-term rentals aren't going away, and simply stated, it is residential; we don't need to get Robert involved. You could have 20 bedrooms in the house and there is nothing the Commission can do about it, but that is different than a small Holiday Inn, etc.

Commissioner Barcus indicated that he noticed that certain categories like kennels, adult entertainment, and the microbrewery, distillery and winery category have certain distance requirements, so are these uses being excluded from the City by making the 150 ft. limits, similar to having alcoholic beverages in Uptown near a church? We need to be careful that we don't write regulations that say no outdoor kennel is going to work anywhere in the City. How do we make sure we haven't excluded a specific use? Jim Spung stated that this is their first crack at the standards and if 150 ft. seems to large, it could be reduced to 100 or 50 ft. The 150 ft. is what they have seen nationally as a common practice to help mitigate the noise issues with an outdoor kennel, so what is the appropriate distance? Commissioner Barcus interjected that commercial kennels are only permitted in M-zone areas, so it is not a neighborhood; however, Mr. Spung explained that standard would only apply if it is adjacent to a residential property. The Commissioner then indicated that the City has a very small footprint with the use categories close to each other, so the greater question is if we are prohibiting uses with these rules. Matt Goebel stated that they are not purposely trying to do that, so there is no intent to surreptitiously do that through these standards. The point is to protect residential neighborhoods, so maybe they need to clean up the distance requirements as being from residential use property. It is important that frame of reference is there. Chair Losoff noted that there might be some concern from businesses

next to a kennel; they might not like the barking either. Commissioner Barcus agreed that if he had a B&B next to a kennel, he would probably be . . . , the Chair interjected that he personally thinks those restrictions are fine. We had a situation between two food service providers and one thought the other's oven was making too much of an odor. You have to weigh these things, and certainly residential people aren't going to want a kennel next to them, but you wouldn't exclude businesses either, depending on the type of business. He wouldn't just rush in to change it; take a good look at it. Mr. Goebel pointed out that some communities actually do a GIS analysis for a circumference around the use to see if the distance limitations will be effective.

Commissioner Barcus again asked if we are excluding any of these uses from the City or narrowing them down to one little area, and Chair Losoff stated that the answer is no. Chair Losoff then suggested opening the public forum; however, Commissioner Cohen wanted to ask another lodging question and Mike Raber asked if the Chair wanted to hear the rest of the presentation.

Commissioner Cohen then said he doesn't understand taking fewer than seven units and the medium density away and making it an administrative approval, rather than continuing with citizen approval by moving it out of the Commission's and City Council's realm. As explained previously, Audree Juhlin stated that less than seven is currently handled administratively and those types of units are allowed in commercial uses now. They don't necessarily come to the Commission, except for Development Review, and the Commission would still see these proposals in the Development Review capacity; you are just not seeing them currently as a zoning issue, because they are allowed outright. We are not making any changes to the first tier. Commissioner Cohen stated that the Commission has seen the B&B, and Audree explained that would be in Office Professional or Commercial uses typically, but you do have a good point on the OP piece, if we combine the M-1, M-2 and M-3, which is a Conditional Use Permit. The Medium-Density Lodging is new, but this is just a jumping off point, and we are saying that with the rezoning, the Commission doesn't have the ability to use the eight per acre for a maximum of two acres currently, unless you get a rezoning, so the Commission and Council will see that application through the rezoning request. You will either get the L request or the M-3 request through the rezoning application, plus the Development Review, so that is a little different. If an M-3 or L already has the designation, but not using it for lodging, then we will talk about how we are going to regulate it if they later want to put in lodging through the permitted process. If that is something the Commission still wants to see, then the P can be changed to a C, and if you want it to go all the way to Council, we can do that too.

Chair Losoff stated that when you talked to the stakeholders, some of these things didn't make sense when it is permitted and they have to come back to the Commission, so this is streamlining that situation, and we have to be cognizant of the fact that we are trying to make things easier and not necessarily keep things the same. Audree agreed and noted that at the beginning of the presentation under lodging, we said this is one that we still need to have a lot of discussion and analysis on and get your reaction to this type of approach. Then, staff will analyze whether we bring it forward through development standards, or conditional use, or if it should go all the way through the City Council's approval process. Chair Losoff noted that we are just exploring, as Audree said, given the different ideas, and we also have to keep in mind that as you go forward and tell us what you think, because you are the experts, we can react, but if just one of us has a suggestion, it doesn't mean that you go back and change everything; we need a consensus among the Commissioners, and we will deal with that as you come forward with your suggestions.

Mr. Goebel indicated that they have developed a project website at www.SedonaLDCupdate.com and use that website as the project library and base for people to find information on the project. These documents are posted on the website, and Mike Raber is the main project coordinator and is collecting all of the comments. Matt Goebel then emphasized that they want to get the Commission's comments on Module 1, because they like to get all of the comments coordinated and put into a consolidated bin, so they can look at everything together and start to reconcile competing comments. If there are areas of very opposing opinions, they will then have conversations with staff, but they look at all of that stuff collectively; however, they do want to

emphasize the date . . . August 18th, because they want to keep the train moving, so they encourage you to submit any feedback you have in a typed bullet list or notes on pages, etc.

Chair Losoff indicated that he is very impressed with the questions the Commissioners have asked, so he would encourage them to send their questions and comments to Mike Raber. Matt Goebel indicated that their questions and comments are very helpful at this stage in the process, so he is glad that the Commissioners are spending time with the document. The Chair added that they could make an appointment with Mike Raber if they needed to. The Chair also noted that as the Commissioners ask questions, there is usually quite a bit of rationale for the consultants' suggestions, which is helpful for the Commissioners.

The Chair opened the public comment period at 5:00 p.m.

Lorraine Coutin, Sedona, AZ: Ms. Coutin indicated that she understands concern about Airbnbs and short-term rentals affecting single-family areas, so she is baffled why, in the interest of simplification and consolidation, you would take areas zoned for 30-ft setbacks and allow 25-ft setbacks in those areas where properties have not been developed yet. You are destroying the integrity of those neighborhoods and the people who expect 30-ft setbacks from their neighbors when they were required to have the 30-ft setbacks, so we should be striving to preserve and protect those neighborhoods and people who have gone by your requirements, and we should strive for consistency and uniformity in those areas, rather than open them up to inconsistency and nonconformance. You are going the opposite direction of what should be, in preserving the neighborhoods and the quality of life we all came to Sedona to expect. Thank you.

Chair Losoff explained that this isn't a question and answer session, but after all of the public session, we will come back to the Commission and try to address some of these issues.

John Plotkin, Sedona, AZ: Mr. Plotkin stated that he is formerly a Planning Commissioner in another state and an attorney, and he applauds the work that has been done so far. He read it very quickly and thinks it is really interesting what you are trying to do, what Clarion is trying to do with staff. What struck him is the sense the short-term rental situation has the potential to drive the changes in the zoning code, and he would suggest that it is the tail wagging the dog if you do it that way. You can deal with some of these issues through other ordinances, like the nuisance law, rather than trying to make everybody in the City conform to a set of standards, because we are worried about short-term rentals. He hasn't seen the parade of horrors associated with short-term, other people may have, but we can deal with them with a call when there is a loud party by somebody who is not really our neighbor, so let's avoid micromanaging every citizen in the City and assuming the worst about everybody and their intentions. Thank you.

Karen Pace, Sedona, AZ: Ms. Pace stated that she has issues on M-1 and M-3. It seems to be the same exact residential, but it also includes on M-3 that we can also have babysitting, libraries and different things that we would not have in our residential neighborhoods. Her understanding is that you cannot expand on a nonconforming use; you can continue to operate the way you already are. We have no use for your expansion, even though we would benefit. We are RS-8b, Residential zoning. Rezone to use our property as commercial. you cannot do it. In our deeds, we have a restrictive covenant and the deeds to the property and the subdivision contain a clause forbidding the establishment of business injurious and offensive to neighboring inhabitants, which are us. We do not want dog kennels next door to us, we do not want people intruding in on us; we don't know who they are, we don't want B&Bs; they don't work. Now, they are starting to do cooking in B&Bs and they are already exempt in New York. It is also included in their deeds a clause forbidding commercial buildings or structures, and it would be dangerous for us; we cannot afford it. We cannot have fire engines going around the roundabouts; they don't even fit. We have people here you have completely rezoned and made everything else completely irrelevant. You cannot use those roundabouts – no one could get through. Our safety is in danger; it's ridiculous. Thank you.

Chair Losoff closed the public comment period at 5:07 p.m., and turned the item back to the Commission.

Commissioner Klein referenced the lady who asked about changing the 30-ft. setback to 25 ft., and asked about the rationale behind that change. Tareq Wafaie explained that sometimes when they consolidated similar zoning districts in purpose, intent and lot and building standards, they had matching setbacks, but sometimes they were different by 5 ft., and many times they opted for the more flexible standard when consolidating districts, but that is not always the case. In the RS-35 district, they went the opposite way, where one was more permissive than the other, and they kept the more restrictive setback standard. If they went too far, let them know and it sounds like in a couple of cases, they may have.

Chair Losoff asked what they see around the country, and Mr. Wafaie explained that each community develops a series of zoning districts that best suit their needs. As long as we are able to clearly make a purpose statement for each individual zoning district and describe how they are different than another one, then that is what Sedona should do. The Chair then asked if they heard anything on this when they met with the stakeholders, and Tareq Wafaie indicated that nobody told them to destroy single-family neighborhoods and that will be a common thread. Most of what they are doing is trying to strike a balance between being flexible where necessary, protecting the natural environment, allowing for additional built environment where appropriate, but especially protecting residential neighborhood character and preserving that. The Chair asked Mike and Audree if they had heard anything from residents, builders or contractors regarding the 30 ft. versus 25 ft. and Mike Raber explained that we are just rolling this first segment of the draft out, so we may, but up until now, no.

Commissioner Barcus referenced page 73 of the packet talking about restaurants with a drive-thru being conditionally permitted in M-3 and permitted in CO, IN and L, and indicated that in looking at financial institutions, they are permitted in all three plus all three M districts as well, but in the footnote for financial institutions, it says in M-1, M-2 and M-3, drive-thru facilities are prohibited. He hasn't done a drive by of the financial institutions in Sedona, but usually banks are small and will fit on the M-1, M-2 and M-3 lots, so are we causing a problem for the ones that want a drive-thru by prohibiting those uses in those zoning districts. He didn't see a thread that helped him understand why a drive-thru would not be permitted. Mr. Goebel explained that the Code needs to be consistent in where a drive-thru is allowed, so that is a thread that they need to make sure they follow, because they are a particular type of activity with extra pavement and stacking lanes, etc. It also lets them emphasize something about the Mixed-Use districts that they didn't earlier, which is that they are supposed to be pedestrian-oriented, so they tried to look hard at vehicular impacts and when cars are allowed, and when you see the design standards in the Mixed-Use districts later, they are going to focus on a better street, better sidewalk environment, better experience for the pedestrian and minimize the location of parking areas, etc., so that is why they are being more restrictive on where a drive-thru is allowed in the M districts. Commissioner Barcus commented that he can imagine a financial institution wanting to put it in Mixed-Use, but they would opt out and not put it in if they couldn't do a drive-thru, unless we are talking about cash machines, which are miniature financial institutions, and we don't need a drive-thru for a cash machine in a mixed-use area. It is just not clear to him what the objectives are, but we can get into that down the road. Audree Juhlin indicated that she wanted to give an example of a financial institution that does not have a drive-thru, and it is the credit union located right in front of City Hall that meets the criteria, but they have no desire for a drive-thru, so there are uses like that, that will not use a drive-thru. Chair Losoff noted that we also have the various pharmacies that have a drive-thru, so you are right about having integrity on all of those issues.

Commissioner Brandt referenced the new Code for counting impervious driveways and site coverage and asked how gravel driveways fit into that mold, and Mr. Wafaie explained that they did not include gravel as an impervious surface by the current definition. Commissioner Brandt asked if that would be encouraging gravel, and Tareq said over hard-paved driveways – it would encourage that in lieu of something more impervious. The Commissioner commented that there are still some

open thoughts there as far as people using gravel for their landscaping, so how does that affect parking, etc., and maybe some other thoughts need to go in there, and another topic is the Commercial district calls for a 10-ft. setback, and there are a lot of buildings in Uptown that have zero setbacks, so does that still need to be looked at, as far as allowance or would that be something special for Uptown? Mr. Wafaie stated that a lot of that will come down to the future mapping of what happens in Uptown. There are a lot of existing buildings that they need to think about, but what they don't want to do is create a lot of nonconformities of properties that are legal today, but would not be under the new Code. Uptown may change to more of an activity center or an Uptown Entertainment district, etc. If you look at M-3, the activity center they have proposed, they have a minimum front setback of 5 ft. and a maximum setback. They are saying if you want to be an activity center, This is a walkable place in Sedona and you can't have your building farther than 10 ft. from the front property line, and that might be an option for Uptown, but now they are zoned CO until any rezoning would take place, and that would not happen with the adoption of this Code. The Commissioner asked why they wouldn't use a zero setback for all commercial and Mr. Wafaie explained that there are certain uses in a Mixed-Use zoning district where it is appropriate to have a zero setback. If you think about all of your current Commercial districts along the major corridors and arterials, a lot of them are set back pretty far from the street, so that would be a major change to the character of some corridors that are appropriate for some level of auto-oriented use, so you would have higher speeds and more traffic visiting these areas. Save the activity centers and the walkable conditions for other places within either CFAs or other activity centers you identify. Commissioner Brandt indicated that the highways in the City should be considered more like boulevards and not exclusively auto-oriented. They shouldn't just be considered highways, so he would suggest it be zero everywhere, so you wouldn't need a special Uptown provision.

Commissioner Brandt then referenced the mixed housing types and asked if there is an ability for the City of Sedona to have tiny houses within the new proposal. Tareq Wafaie indicated they had been waiting for that to come up and a tiny house is a small single-family detached home. They do not call it out as a specific use type in this draft. Instead, they have offered a new use type called Co-Housing Development that would allow multiple single-family homes on a single lot or through a condominium process, but it would require that they are placed on a permanent foundation and connected to water and wastewater utilities for that development to occur. Those are some of the common issues that they have worked with in other communities when it comes to tiny home development. What makes a difference between a trailer and tiny home is that a tiny home is placed on a permanent foundation, and they have included a new housing option for development to allow for tiny home development or other small frame-built homes to live in that type of condition. Commissioner Cohen asked if a tiny home on wheels is a mobile home, and Mr. Wafaie stated that by the current definition, a trailer is a trailer if it is not placed on a permanent foundation.

Chair Losoff indicated that he has been looking forward to the Land Development Code being revised, and the Commission is looking forward to the new zoning districts, land use tables, and next up, the Design Review Manual changes. From the Commission's point-of-view, those are the three major tools and now we get in-between some of those issues, so we do need to clarify and simplify. It would make our job easier and would be great. He also is impressed with the questions the Commissioners are asking; you spent time going through the documents and asked some very good leading questions, and he hopes the consultants pay attention to what has been asked. He also thanked staff for the input.

6. FUTURE MEETING DATES AND AGENDA ITEMS

- a. Thursday, July 27, 2017; 3:30 pm (Work Session)**
- b. Tuesday, August 1, 2017; 5:30 pm (Public Hearing)**
- c. Thursday, August 10, 2017; 3:30 pm (Work Session/Site Visit)**
- d. Tuesday, August 15, 2017; 5:30 pm (Public Hearing)**

Audree Juhlin stated that Thursday, July 27th is canceled, and Tuesday, August 1st is a public hearing on the Wireless Communication discussion at 5:30 p.m. Then, Thursday, August 10th is a site visit related to the Major Amendments to the Community Plan. We will be taking you to three

sites and probably start the site visit at your normal work session time at 3:30 p.m. Commissioner Brandt noted that he is not available for that meeting, and Chair Losoff asked Audree to mention the three sites. Audree indicated that the three sites are one off of Arroyo Pinon, one off of Copper Cliff, and Son Silver West. After that, Tuesday, August 15th is a work session on the Major Amendments on those three proposals, as well as a text amendment about an increase in density for the Community Plan. Commissioner Brandt stated that he is not available for that meeting either.

Chair Losoff then repeated the dates and subjects, and Audree stated that the 15th is a big agenda, so we could be here for 24 hours. Commissioner Barcus asked if August 15th would be at 3:30 or 5:30, and Audree Juhlin indicated that it is scheduled for 5:30 p.m., but we can see if the room is available earlier if that is the Commission's preference. Chair Losoff suggested leaving it, so we keep consistency with our schedule, and just call it a work session; however, Commissioner Barcus and Vice Chair Levin suggested moving it to 3:30 p.m., so we are not here until midnight. Audree Juhlin stated that staff would see if the room is available, and Commissioner Cohen suggested that the Commissioners leave it as it is until staff contacts them. Chair Losoff then asked Mike Raber for his thoughts and Mike indicated that we could be here for a few hours.

Commissioner Barcus commented that he brings up regularly the request to have a long-term master future meeting list. He understands every time he asks that staff is working on it and will bring it to the Commission when it is available, but he wants to ensure that it is still up there in terms of priorities. Chair Losoff pointed out that right now the meetings are the first and third, and Commissioner Barcus stated that the Commission is now meeting 48 times a year and he has been lobbying to shrink that down to longer, fewer meetings. Audree stated that it will be put on a future agenda, and it most likely will take the form of a retreat, so staff will work with the Chair to schedule the retreat, and that will be one of the items of discussion.

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 5:53 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 July 18, 2017.

Donna A. S. Puckett, *Administrative Assistant*

Date