

Staff Report

PZ17-00007 (Major Community Plan
Amendment, Zone Change)
Sedona Hard Cider
Summary Sheet



City of Sedona

Community Development Department

102 Roadrunner Drive Sedona, AZ 86336
(928) 282-1154 • Fax: (928) 204-7124

Meeting Date: **Work Session:** September 14, 2017
Public Hearing: September 19, 2017

Hearing Body: **Planning and Zoning Commission**

Actions Requested: Consideration of a Major Community Plan Amendment to the Future Land Use Map and Zone Change

Staff Recommendation: Recommendation of Approval of a Major Community Plan Amendment to the Future Land Use Map and Zone Change

Location: 145 Copper Cliffs Lane (No Subdivision)

Parcel Number: 401-26-004

Owner/Applicant: John R. Graham
145 Copper Cliffs Lane; Sedona, AZ 86336

Authorized Agent: Alan Everett
3017 E Stella Lane; Phoenix, AZ 85016

Project Summary: Major Community Plan Amendment and Zone Change to allow for the use of existing buildings for production of hard cider

Site Size: ± 3.36 acres

Sedona Community Plan Designation: Single-family Low Density Residential

Proposed Sedona Community Plan Designation: PA (Planned Area)

Zoning: RS-18b (Single-family Residential)

Proposed Zoning: PD (Planned Development)

Current Land Use: Single-family residence, orchard and cider production, guest house

Surrounding Properties:

	Subdivision	Community Plan Designation	Zoning	Current Land Use
NORTH	No Subdivision	Single-family Low Density Residential	RS-18b	Residential
EAST	No Subdivision	Single-family Low Density Residential	RS-18b	Residential/Vacant
SOUTH	No Subdivision	Single-family Low Density Residential	RS-18b	Residential
WEST	No Subdivision	Single-family Medium Density Residential	RS-10b	Residential/Oak Creek

Report Prepared By: Cari Meyer, Senior Planner

Attachments:

1. Vicinity and Aerial Maps
2. Applicant Submitted Documents
 - a. Application, Letter of Intent, Pictures

- b. Site Plan
 - c. Public Participation Plan
 - d. Applicant Responses to Comments
 - e. Citizen Participation Report
3. Staff Evaluation
- a. Community Plan Checklist
 - b. Staff Response to Planning and Zoning Commission Work Session
 - c. Staff comments: Letter of Intent
 - d. Copper Cliffs History
 - e. LDC Section 915 (Home Occupation Uses)
4. Staff and Review Agency Comments
- a. City of Sedona Community Development Department
 - b. City of Sedona Public Works Department
 - c. Sedona Fire District
 - d. UniSource Energy Services

Staff Report

PZ17-00007 (Major CPA, ZC)

Sedona Hard Cider



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PROJECT SUMMARY

The applicant is seeking a Major Community Plan Amendment and Zone Change with the expressed intent of using the existing buildings onsite for the production of hard cider.

SITE CHARACTERISTICS (EXISTING)

- The project site is one parcel of approximately 3.36 acres.
- The property is located in Coconino County.
- The property is currently developed with a single-family house, accessory buildings, and an orchard and is not part of a subdivision.
- There is existing access to the site from Copper Cliffs Lane, which connects to State Route 179 via Copper Cliffs Drive on the opposite side of the highway from the entrance to the Hillside Shopping Center, an uncontrolled access point.
- The entire property is within the 100 year floodplain of Oak Creek.

BACKGROUND

The property proposed for development is currently developed with a single-family residence and various accessory structures. The property is approximately 3.36 acres, is zoned RS-18b (Single-family Residential), and is designated SFLD (Single-family Low Density) by the Community Plan.

According to Coconino County records, the single-family home was constructed in 1955. There is no record of when the other buildings were constructed, though the property owner believes it was constructed soon after the house. The City has no permit record for this property.

There is an orchard on this property consisting of 250 apple trees along with approximately 30 other fruit trees. The applicant has stated that apple cider has been produced on this property for over 40 years. In addition, other properties in the area have a history of growing, harvesting, and selling apples and apple related products along with other agricultural products.

PUBLIC INPUT

- The proposal documents were placed on the Projects and Proposals page of the Community Development Department website (www.sedonaaz.gov/projects).
- The applicant notified property owners within 300 feet of the subject property.
- The Citizen Participation Report for the proposal is included as Attachment 2.b.
- This proposal was included in the City-wide notice distributed by the City regarding all 2017 proposed Major Community Plan Amendments.
- A notice was published in the Red Rock News on September 1, 2017.

REVIEW AGENCY COMMENTS AND CONCERNS

The submitted documents were routed to review agencies for comments. Comments were received from the following agencies and are included as Attachment 4:

1. City of Sedona Community Development Department
2. City of Sedona Public Works Department

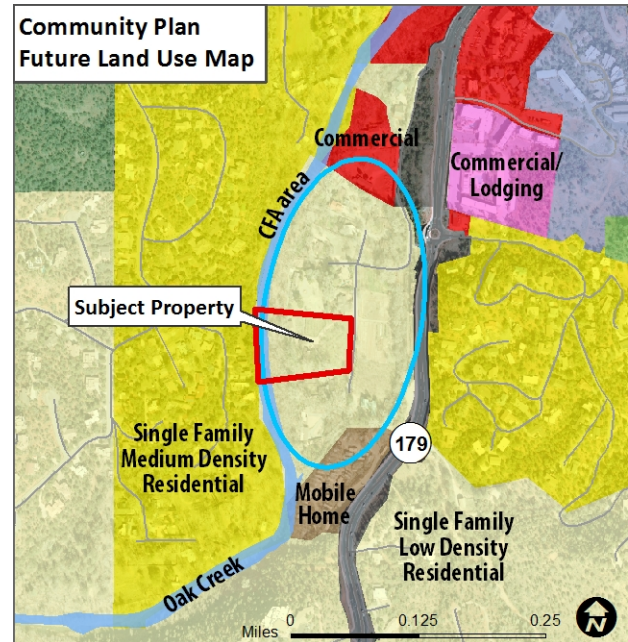
3. Sedona Fire District
4. UniSource Energy Services

COMMUNITY PLAN

The Sedona Community Plan Future Land Use Designation for this property is Single-family Low Density (0.5 to 2.0 dwelling units per acre). This land use designation only supports low density residential zoning for the property and the existing zoning of RS-18b (Single-family Residential) is in compliance with that designation. The proposal is to use the existing buildings for the production of hard cider. As the extent of the business will exceed what is allowed as a home occupation use, a zone change is necessary. However, as the current Future Land Use Map Designation only supports Single-family Low Density zoning districts for this property, a Community Plan Amendment is needed as well.

Potential Community Plan Designations

There are only three Future Land Use Designations that would support the use of the existing buildings for the production of hard cider – Commercial, Commercial/Lodging, or Planned Area. The proposal is requesting the Planned Area designation. Planned Areas were established in the 2002 Community Plan and brought forward in the current Plan to address needs and provide benefits for certain areas including land use transition or buffers between residential areas, commercial uses, and highway corridors. Where a Planned Area designation falls within a Community Focus Area (CFA), the Community Plan's Community Expectations for that area apply. The subject property falls within the Copper Cliffs CFA. Accordingly, the Community Expectations associated with the Copper Cliffs CFA will apply to this proposal.



AMENDMENT PROPOSAL

The proposal is for the consideration of a Major Community Plan Amendment to change the Community Plan Future Land Use Designation from Single-family Low Density to Planned Area and a zone change to change the zoning from RS-18b (Single-family Residential) to PD (Planned Development). The proposal states that the reason for this request is to allow for use of the existing buildings for the production of hard cider. In order to accomplish this, the following must be approved:

1. *Major Community Plan Amendment to the Future Land Use Map*, redesignating the property from SFLD (Single-family Low Density, 0.5 – 2 DU/acre) to PA (Planned Area)
2. *Zone Change*, rezoning the property from RS-18b (Single-family Residential) to PD (Planned Development)

A full explanation of the proposed business is included in the applicant's submitted materials. The following is a summary of their proposal:

- Use of existing buildings for production of hard apple cider. All pressing, fermenting, and bottling will take place inside existing structures.
- Cider to be produced primarily from existing orchards, which contains approximately 250 apple trees and 30 pear, peach, and cherry trees.
 - Deliveries from other orchards in the Verde Valley will require a total of up to 6 trips per year, using the company van.
- Water supplied to the orchard through the existing irrigation ditch, using the property's existing water rights.
- No retail sales or tasting room on the property are proposed. The property will not be open to the public.
- Existing production building is more than 100 feet from closest structure on a neighboring lot.
- The following licenses and permits are needed for the proposed use:
 - Federal Alcohol Production Permit
 - State of Arizona Farm Winery License
 - City of Sedona Business License
 - Coconino County Health Certificate
- No new construction is needed to implement proposal.

Phasing

As there is no new development associated with this application, no phasing is proposed.

Access and Traffic

- Vehicular access to the site exists off Copper Cliffs Lane.
- Copper Cliffs Lane connects to State Route 179 via Copper Cliffs Drive opposite the entrance to the Hillside Shopping Center.
- The Copper Cliffs Drive/State Route 179 intersection is not a controlled intersection.
- The applicant has stated that deliveries to the site will be via a "Sprinter" van.
 - A "Sprinter" van is approximately 17 feet long and is smaller than many trucks typically used for deliveries. The applicant has provided a picture of a Sprinter van similar to the one they will be using, which is included as Attachment 2.d.
- Traffic generation for the proposed business has been estimated at 2 trips per week. This would be in addition to the traffic typically generated by the existing single-family use.
- The City's Public Works Department has reviewed the proposal and determined that a traffic impact analysis is not required.

Pedestrian Traffic and Connectivity

- There are no existing sidewalks to the site. Given the low volume of traffic and character of the area, none are proposed.

Parking

- Sufficient parking areas for the proposed uses are provided in existing parking areas on-site.

Preliminary Grading and Drainage Report and Plan

- As no new development is proposed, a grading and drainage report and plan are not required.

Wastewater Disposal

- The property is currently connected to the City's wastewater system.

Sedona Land Development Code: Article 9 (Development Standards) and Article 10 (Design Review Manual)

- As no new development is proposed, no review for adherence to the development standards and design review manual was required.

Vegetation and Landscaping

- All existing vegetation will remain. No changes to existing vegetation are proposed.

Signage

- The applicant is not proposing any signs for the proposed use.

Outside Lighting

- No changes to the existing lighting are proposed.

Mechanical Equipment

- All existing mechanical equipment is screened. No new mechanical equipment that would need to be screened is proposed.

Utilities

- All necessary utilities currently serve the site. No new utility service is required.

PUBLIC COMMENT

Staff has not received any written comments regarding this proposal. The applicant has submitted a Citizen Participation Report detailing their outreach efforts, included as Attachment 2.e.

PLANNING AND ZONING COMMISSION WORK SESSION

The Planning and Zoning Commission conducted a site visit to the subject property on August 10, 2017, and held a work session on the proposal on August 15, 2017. Questions and comments raised during those meetings and Staff's responses are included in Attachment 3.b.

REVIEW GUIDELINES

The following is requested from the Planning and Zoning Commission:

MAJOR COMMUNITY PLAN AMENDMENT

Recommendation from the Planning and Zoning Commission

ZONE CHANGE

Recommendation from the Planning and Zoning Commission

In making a recommendation regarding a Major Community Plan Amendment to City Council, the Planning and Zoning Commission should determine whether such amendment is in the interest of the public and is consistent with the community's vision, adopted plans, Community Focus Area (CFA) Community Expectations, and overall consistency with the Sedona Community Plan.

DISCUSSION (MAJOR COMMUNITY PLAN AMENDMENT AND ZONE CHANGE)

*****Due to the similarities in purposes behind the two requests, the discussion regarding the Major Community Plan Amendment (CPA) and Zone Change applications is combined.*****

Criteria, Major Community Plan Amendment

As defined by A.R.S. 9-461.06, a major amendment is defined as a substantial alteration of the City's land use mixture or balance as established in the Community Plan's Land Use Element. It is up to the City to develop criteria that meet this definition. Based on the criteria set by the City of Sedona in the Community Plan (p. 113 of the Plan), the following Major Amendment criteria apply to this application:

A. A change to the Future Land Use Map where:

There is a change in the land use designation from Residential to Planned Area.

When it has been determined that a Major Amendment is required, the following are required for the review of the application:

1. Major amendments are subject to public participation procedures adopted by the City Council.
 - a. Property owners within 300 feet of the subject property were notified of the application by the applicant. An open house was not held, however, the applicant's Citizen Participation Report contains a summary of the outreach efforts. Note, holding an open house is not required.*
 - b. The public hearing was noticed in the Red Rock News with a ¼ page display ad on September 1, 2017.*
 - c. City-wide notification regarding all 2017 Major Community Plan Amendments was distributed on August 28, 2017 and included this proposal.*
2. Shall be presented at a single public hearing in the same calendar year the proposal is made.
 - a. The proposal was made in 2017. The Planning and Zoning Commission hearing is scheduled to be held on September 19, 2017, and the City Council public hearing is tentatively scheduled for October 25, 2017.*
 - b. All Major Community Plan Amendments will be presented at the same public hearing.*
3. Be approved by an affirmative vote of at least two-thirds of the members of the City Council.
 - a. The proposal will not become effective unless approved by two-thirds of the City Council.*
4. May be initiated by the City or requested by the private sector.
 - a. This proposal was requested by the property owner.*

Zone Change Criteria

In considering an application for Zone Change, the review process is guided by Section 400 (Amendments) of the Land Development Code. Zone Change applications are reviewed for conformance with the Community Plan, Community Focus Area (CFA) Plans, and other adopted plans and policies of the City, if applicable. In accordance with the Land Development Code, Section 400.10, in order to mitigate the negative impact of the applicant's proposed use on citizens and surrounding properties and to assure compatibility with adjacent land uses, the Commission may recommend, and the Council may approve, a rezoning conditioned upon one or more of the following:

- 1. Development in accordance with a specific schedule for the development of specific improvements or uses for which zoning is requested;*
- 2. Development in accordance with a specific Site Plan or a Site Plan to be subsequently approved under this Code;*

3. *Modifications in the otherwise applicable floor area ratio, lot coverage, building height, or density;*
4. *Public dedication of rights-of-way for streets, alleys, public ways, drainage, public utilities and the installation of improvements that are reasonably required by or directly related to the effect of the rezoning;*
5. *Other conditions reasonably calculated to mitigate the impact of the proposed development.*

EVALUATION OF PROPOSAL

Considerations for Major Community Plan Amendments

When considering a change to the Future Land Use Designation, consideration should be given to the following:

- The Community's Vision
- Adopted Plans
- Community Expectations
- Overall consistency with the Sedona Community Plan

Implications of Planned Area and Planned Development Designations

The applicant is proposing to change the Community Plan designation from SFLD (Single-family Low Density) to PA (Planned Area) and to change the zoning from RS-18b (Single-family Residential) to PD (Planned Development). The Planned Area, rather than the Commercial designation in the Community Plan allows for a Planned Development zoning district that would limit the land use and apply conditions specific to the site and its context area.

Copper Cliffs Community Focus Area and Community Plan

The subject property is located within the Community Plan's Copper Cliffs CFA. CFAs are identified in the Community Plan (page 34), and are described as follows:

A Community Focus Area is a location where the City will play a proactive planning role to implement the community's vision. With participation from property owners, neighbors, and stakeholders, the City will develop a Specific Plan, including any necessary rezoning, for adoption by the City Council. These Specific Plans may be adopted to bring properties into closer alignment with community expectations as expressed on the following pages. The specific planning process is intended to maintain flexibility for future creativity and innovation. The "Community Expectations" listed on each CFA page describe future conditions for each area that the Plan will strive to achieve over time. These Community Expectations are not intended as definitive requirements, but to provide guidance for community-level planning efforts.

Although the City has not yet adopted a CFA plan for this area, the Community Expectations for the Copper Cliffs CFA are one component of the Community Plan that is used for this analysis. The following are the Community Expectations for this CFA (Community Plan, page 46).

- *Retain large parcels and rural character.*
- *Preserve the agricultural plantings and residential land balance currently in existence.*
- *Accept alternative forms of housing.*
- *Evaluate potential non-residential uses (e.g., neighborhood market) if tied to preservation of agricultural uses and protection of the riparian environment along Oak Creek.*

The Community Plan Checklist (Attachment 3.a) provides a full evaluation of the proposal in relation to applicable Community Plan goals, policies, and CFA Expectations.

Other Considerations

The applicant is required to go through the Major Community Plan Amendment and Zone Change processes for this project due to the proposed business exceeding the limits of a Home Occupation, which would be permitted by right in the current zoning district of RS-18b (Single-family Residential). While the proposal meets the Home Occupation in many areas (as outlined in Staff's response to the Planning and Zoning Commission questions, Attachment 3.b), there are a few key ways in which the proposal would not be considered a home occupation under current code requirements, including:

1. Residency

- For home occupations, the LDC requires that the business owner use the home as their primary residence. In this case, the applicant (business owner) uses the home as a secondary residence.

2. Employees

- For home occupations, the LDC does not permit employees who do not live at the residence. The applicant is proposing to have two employees for this business.

3. Traffic

- For home occupations, the LDC requires that the use not generate more traffic than typical for the district in which the use is located. The applicant has stated that they anticipate two (2) trips per week (deliveries) related to the business, in addition to the employee trips. While this is a slight increase over what currently exists for the property, it could be argued that the additional trips are of a low enough volume to be considered typical for the district, as even without the proposed business, the property owner may have deliveries being made or guests visiting the property.

CONCLUSION

The proposal under consideration is a Major Community Plan Amendment and Zone Change. While the City routinely considers proposals to amend the Community Plan and change zoning, the decision of whether or not to make a particular amendment or zone change is a legislative policy action left to the judgement and discretion of the Planning and Zoning Commission and City Council. A variety of factors are considered when making these decisions, including how the proposal relates to the community's vision, adopted plans, Community Expectations and overall consistency with the Sedona Community Plan. In this case, the Planning and Zoning Commission is being asked to evaluate the proposal and forward a recommendation to the City Council.

The proposal is requesting a change in the Community Plan's Future Land Use Designation from Single-family Low Density to Planned Area and a Zone Change from RS-18b (Single-family Residential) to PD (Planned Development). While the current land use designation and zoning allow for single-family uses, the proposed Future Land Use Designation and zoning would allow for the continuation of the single-family use as well as allow for production of hard cider in the existing buildings. Since the Community Plan Amendment and Zone Change are being considered concurrently, the Planned Development zoning will ensure the property is used for the proposed use.

The surrounding properties all have a Community Plan Future Land Use Designation of Single-family Low Density. These properties are located within the Copper Cliffs CFA. A CFA plan has not been completed thus considerations should include whether the proposal is meeting the Community Expectations identified for the Copper Cliffs CFA, whether a change to Future Land Use Designation of Planned Area and a zone change to Planned Development answers the following questions:

- Does the Planned Area designation and Planned Development zoning retain large parcels and rural character?
- Does the Planned Area designation and Planned Development zoning preserve the agricultural plantings and residential land balance currently in existence?
- Does the Planned Area designation and Planned Development zoning accept alternative forms of housing.
- Does the Planned Area designation and Planned Development zoning allow for potential non-residential uses (e.g., neighborhood market) if tied to preservation of agricultural uses and protection of the riparian environment along Oak Creek?

Findings of Fact

- The current Future Land Use Designation is Single-family Low Density. The current zoning is RS-18b (Single-family Residential).
- The surrounding properties have Future Land Use Designations of Single-family Low Density and zonings of RS-18b.
- The Planned Area proposed Future Land Use Designation, in conjunction with the Planned Development proposed zoning, is compatible with surrounding Future Land Use Designations
- The property is located within the Sedona Community Plan's Copper Cliffs CFA
- There is no CFA plan for the Copper Cliffs CFA
- The Planned Area proposed Future Land Use Designation, in conjunction with the Planned Development proposed zoning, addresses the Copper Cliffs CFA's Community Expectations

In conclusion, staff believes the request is in compliance with the Copper Cliffs CFA Community Expectations, and applicable goals and policies as enumerated in the Community Plan and outlined in this staff report.

Staff Recommendation

Staff is recommending approval of the proposed Major Community Plan Amendment and Zone Change based on the following:

1. The proposal is in substantial alignment with the Community Expectations of the Copper Cliffs CFA as follows: (see also Community Plan checklist)

The major amendment and zone change will ensure that the property remains as one large parcel and not subdivided into 8 separate lots and will ensure that the long-standing rural character of the property is maintained.

The agricultural plantings and residential land balance will be preserved since the proposal utilizes existing structures with no additional construction; does not include retail sales, uses

apple trees on-site; does not significantly increase traffic and does not require additional use of water.

The riparian environment of Oak Creek is protected with the continuation of the historic use and through no additional construction on-site.

2. The proposal is in substantial compliance with applicable Community Plan goals including Land Use, Open Space, Environment, Economic, and Community goals (see Community Plan checklist).
3. Concurrent review and approval of the Major Community Plan Amendment and Zone Change will ensure the representations made by the applicant will be realized in the use of the site.



Staff Recommendation (Major Community Plan Amendment):

Staff recommends approval of the proposed Major Community Plan Amendment as set forth in case number PZ17-00007 (Major CPA), Sedona Hard Cider.

Sample Motions for Commission Use

(Please note that the following motions are offered as samples only and that the Commission may make other motions as appropriate.)

Recommended Motion for Approval:

I move to recommend to the Sedona City Council approval of case number PZ17-00007 (Major CPA), Sedona Hard Cider, based on the findings as outlined in the Staff Report, and subject to all applicable requirements and the recommended conditions of approval.

Alternative Motion for Denial:

I move to recommend to the Sedona City Council denial of case number PZ17-00007 (Major CPA), Sedona Hard Cider, based on the following findings (please specify findings).

Staff Recommendation (Zone Change):

Staff recommends approval of the proposed Zone Change as set forth in case number PZ17-00007 (Zone), Sedona Hard Cider.

Sample Motions for Commission Use

(Please note that the following motions are offered as samples only and that the Commission may make other motions as appropriate.)

Recommended Motion for Approval:

I move to recommend to the Sedona City Council approval of case number PZ17-00007 (ZC), Sedona Hard Cider, the proposed Major Community Plan Amendment as set forth in case number PZ17-00007 (Zone Change), Sedona Hard Cider, based on compliance with Land Development Code requirements, conformance with the requirements for approval of a zone change and consistency and conformance with the Community Plan, and subject to all applicable ordinance requirements and the recommended conditions of approval.

Alternative Motion for Denial:

I move to recommend to the Sedona City Council, denial of case number PZ17-00007 (Zone Change), Sedona Hard Cider, based on the following findings (please specify findings).



As recommended by Staff

1. Development of the subject property shall be in substantial conformance with the applicant's representations of the project, including the site plan, letter of intent, and all other supporting documents submitted, as reviewed, modified, and approved by the Planning and Zoning Commission and City Council, including, but not limited to, the following:
 - a. Property shall not be open to the public and shall not include a tasting room.
 - b. Vehicles used for business purposes, including deliveries and shipments, shall not exceed the size, capacity, and frequency as outlined in the Letter of Intent.
 - c. Property shall not be used for short term vacation rental purposes.
2. The zoning for this property shall allow for development in accordance with the approved development plan. Any changes to the development plan shall be done in accordance with the provisions of Sedona Land Development Code 624.08: Amendments to the Development Plan.
3. Within thirty days of approval of the Major Community Plan Amendment and Zone Change, the property owner of record of the subject property voluntarily agrees to sign and record a waiver acknowledging their waiver of any right to claim just compensation for diminution in value under A.R.S. §12-1134 related to the granting of this Major Community Plan Amendment and Zone Change approval.