

Summary Minutes
City of Sedona
Planning & Zoning Commission Meeting
Council Chambers, 102 Roadrunner Drive, Sedona, AZ
Tuesday, October 17, 2017 - 5:30 p.m.

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

Vice Chair Levin called the meeting to order at 5:31 p.m., led the Pledge of Allegiance and requested roll call.

Roll Call:

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

Staff Present: James Crowley, Andy Dickey, Audree Juhlin, Adam Langford, Cari Meyer, Ryan Mortillaro and Rob Pollock.

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

There were no announcements.

3. APPROVAL OF THE FOLLOWING MINUTES:

- a. August 1, 2017 (R)
- b. September 5, 2017 (R)
- c. September 14, 2017 (WS)
- d. September 19, 2017 (R)

MOTION: Commissioner Barcus moved to approve the minutes for August 1st, September 5th, September 14th and September 19th, 2017. Commissioner Brandt seconded the motion. **VOTE:** Motion carried five (5) for and zero (0) opposed. Chair Losoff and Commissioner Cohen were excused.

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

There were no requests to speak.

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

- a. Discussion/possible action regarding a request for a two-year Time Extension of a previously approved Development Review (PZ15-00013) to remodel the exterior façade of the existing hotel building at 2545 W State Route 89A. The property is zoned General Commercial (C-2). The property is located at the southern side of the intersection of State Route 89A and Andante Drive. APN: 408-24-018 Applicant: Railroad Inn, LLC Authorized Agent: Ned Sawyer Case Number: PZ17-00013 (TE)

Vice Chair Levin stated that this item is regarding the Andante Inn and it is a legal nonconforming use. They're requesting a Time Extension, and she noted that in the packet there was a word missing. She asked for clarification this afternoon as the Staff Report states

that it will allow reconsideration of the original Development Review or Conditions of Approval and that is not so; our questions and concerns will be limited to the Time Extension itself.

Presentation: Adam Langford agreed that there was an error in the Staff Report; we are not reconsidering the initial Development Review approval. This is just for the Time Extension. Last year the Commission approved a Development Review for the Andante Inn for a façade remodel. Previously, the Andante Inn was Super 8, and they are transitioning to rebrand.

Adam identified the location of the site and showed a picture of the building that would be remodeled. An aerial of the site also showed the location of the Golden Goose Restaurant. The property is zoned C-2, Commercial, and the Development Review was to add balconies to the exterior of the building and remodel the outside of the building. It was approved on August 16, 2016 and went into effect on August 31st, so they had one year to obtain a building permit and start the process, and it was set to expire on August 31st this year.

Adam showed a picture of the site plan of the proposed remodel with the balcony additions on the south and north sides of the building and the building elevations with the balconies. Since building permits have not been obtained for the remodel, the Development Review was set to expire, hence the request for the Time Extension. The reason for the delay was that the applicant had to install a fire sprinkler system required by the Fire District, before remodeling the building. There are no changes to the approved plans and the applicant has been making some improvements to the site since the initial approval. They have had sign upgrades, landscaping and lighting upgrades, so they have been working on the rebranding.

Adam then indicated that no comments were received from the reviewing agencies or the public and staff is recommending approval of the Time Extension request.

Commission's Questions and Comments: There were no questions of staff.

Vice Chair Levin opened the public comment period and, having no requests to speak, closed the public comment period.

MOTION: *Commissioner Klein moved to approve the proposed Time Extension for Andante Inn Façade Remodel as set for in case number PZ17-00013 based on compliance with all ordinance requirements and satisfaction of the Time Extension findings and applicable Land Development Code requirements and the conditions as outlined in the Staff Report. Commissioner Mayer seconded the motion. VOTE: Motion carried five (5) for and zero (0) opposed. Chair Losoff and Commissioner Cohen were excused.*

6. **Discussion regarding a request for approval of a Zone Change from C-2 (General Commercial) to RM-3 (High Density Multifamily Residential) and Development Review to allow for the development of a 45 unit apartment complex. The property is located at 3285 W State Route 89A, at the southeastern corner of the intersection of W State Route 89A and Pinon Drive. APN: 408-11-086A Applicant: Keith Holben, MK Company, Inc. Case Number: PZ17-00009 (ZC, DEV)**

Presentation: Cari Meyer indicated that Keith Holben was present to answer any questions, and she then explained that this is an application for a Zone Change and Development Review; however, it is contingent upon the City Council's approval of two separate Community Plan Amendments. One is the City-initiated text amendment to create the High Density Residential designation and the other one is the application specific to this proposal that would apply that designation to the map for this property.

Cari stated that the Planning & Zoning Commission recommended approval of both of those Major Community Plan Amendments on September 19th and the City Council conducted a work session

on October 11th. They will conduct a public hearing on October 25th, and staff does have this request scheduled for a public hearing on November 7th; however, that is contingent on what happens with the City Council. If the City Council does not approve it, there will be no discussion about this project, so we are not assuming they will approve it, but our language in the presentation will be as if they had; otherwise, we wouldn't be here discussing it.

Cari explained that this is a work session for discussion only and is a chance for the Commission to review the project and provide comments and feedback on the project prior to the public hearing, which is tentatively scheduled for November 7th, pending City Council's action. Comments tonight should focus on what additional information the Commission will need in order to take action on this project at that meeting, and it should not include an evaluation of the merits of the project. Staff and review agency comments, plus the public comments received, were included in the packet.

Cari identified the location of the property that is owned by Haven Management and Consulting and the applicant is Keith Holben with MK Company, Inc. The property is just over 2.25 acres and is currently vacant. It also is within the Dry Creek Community Focus Area. Cari showed a slide of the subject property and the surrounding area and indicated that there is some natural vegetation on the vacant property and some juniper trees that are to be preserved.

Cari stated that if the applications are approved next week, the Community Plan will designate this site as Multi-family High Density Residential. The current zoning is C-2 and the proposed zoning would be RM-3 High Density Multi-family Residential, which is considered a less intense Zoning District than Commercial, C-2. Regarding the Dry Creek CFA, there is no CFA Plan in place, so we are referring to the Community Expectations for this area, which include:

- Providing mixed uses and a more walkable environment that build on the variety of civic, social, service, and visitor-oriented uses already in place.
- Providing buffering and land use alternatives as transitions between more intensive commercial and residential uses and adjacent single-family neighborhoods.
- Preserving natural open space along SR 89A.
- Focusing on the general needs discussed for the West Sedona Corridor.

Cari added that in addition to the CFA Plan, there are other elements in the Community Plan that would apply to this project.

Cari showed a slide of the Zoning Map of the area with the property highlighted in pink and a variety of other uses and Zoning Districts in the area. The blue is Commercial, red is Lodging, purple is Office Professional and the yellows are Residential with the darker yellow being higher density designations. There is also a CF zone for the library, so there are a number of different uses.

Cari indicated that the proposed site plan shows 45 apartment units in three separate buildings with an additional building for an office and manager's unit with some garages. Access is off of Pinon Drive with the existing driveway off of S.R. 89A proposed to be closed. The detention basin will also double as a community park, with a pool area and BBQ in the center of the site. There is also a proposed Development Agreement and/or Deed Restriction that would ensure the items in the Letter of Intent, including the minimum lease lengths, prohibition of subleasing, prohibition on condominium conversion and ensuring the units are available for the local workforce, so if this moves forward, those items would be ensured through a Development Agreement and/or Deed Restrictions.

Cari described the surrounding area and how the project site relates to the Relics Restaurant, hotel and single-family uses to the south. She then referenced the proposed elevations and indicated that she met with the applicant and his architect this afternoon. Staff had some questions regarding height, and she believes that those issues have been worked out, so going forward, the colors and some of the articulations of the building may change to ensure they meet the height requirements, but the general mass of the buildings is allowable under our height requirements.

Cari indicated that staff is looking at the Community Plan, the CFA Plan, different standards in the Land Development Code, access, traffic, connectivity for both vehicular and pedestrian, grading and drainage and wastewater disposal. One area was a requested parking reduction and based on the standards, the project would require 80 parking spaces and 68 are shown. In talking with the applicant, we are looking at some area at the end of the fire lanes where parking could be added in the future if needed. There is also potential to add some parking back in the area of the juniper trees if parking became an issue; they are being preserved right now. Going forward, you will see a revised site plan where some additional parking would be ghosted in, because we would want to wait to cut down trees, etc., until we determine it is needed.

Cari stated that another question that came up during the Major Community Plan Amendment work session was the issue of traffic, so we looked at the access to the highway at the intersection from this neighborhood and compared it to other places in town to get a general feel of what this could look like. This neighborhood has 85 single-family lots and just over four acres of vacant commercial land, and it is accessed at S.R. 89A by two different places, so that traffic is split between those two, but we didn't do any studies to find out what percentage goes to each intersection. When compared to the neighborhood directly to the east that is the signalized intersection at Arroyo Pinon, it has almost the same amount of commercial land and it has 128 lodging units and about 58 residential units, both single-family and multi-family, along with a church, and there is some access for the neighborhood to the east. In experience, the traffic on this side of the light rarely backs up; the warrant for the light is more the Dry Creek Road on the north side of SR. 89A, where you have all of the subdivisions, trailheads and Enchantment, and that volume of traffic is the reason for the light.

Cari indicated that staff also looked at another neighborhood around the same area of the first project discussed tonight that has two unsignalized accesses to the highway as well, and has nearly 300 single-family residential lots and just over an acre of commercial land, and there is some potential to cut through the Andante Inn parking lot to get to a light. Again, staff didn't do studies to find out how many people do that, but the number of single-family lots accessing at these two intersections is significantly higher than this specific neighborhood, and we don't experience traffic issues there. There was one other neighborhood that our Public Works Department looked at and that was the Rolling Hills neighborhood across from the Mariposa Restaurant that has one unsignalized access for 132 single-family lots, which again is more than the area we are looking at with this application. Finally, staff looked at areas that do have signalized access and what land uses, densities and intensities would warrant a light access. The lights at Shelby and Sunset have significantly more lodging units, more residential units and other uses such as the park, a church, etc., and that type of volume of traffic would warrant a signalized intersection, not what we are looking at for this project.

Cari stated that this was routed to the review agencies and the comments we received were included in the packet; they came from Community Development, Public Works, the City's Economic Development Director, ADOT and Unisource. Since the applicant began with the Community Plan Amendment in the spring of this year, the applicant has conducted two open houses and met with a number of the neighbors individually. The Citizen Participation Report is included in the Revised Letter of Intent and all comments received were included in the packet.

Cari again reminded the Commission that the purpose of the work session is to get additional feedback and determine what information is needed for the hearing scheduled for November 7th, pending the City Council's action.

Commission's Questions and Comments:

Vice Chair Levin expressed appreciation for the good work that staff and the applicant did in submitting documents to the Commission that highlighted the changes from before; that is a really good technique and it was very helpful. She then emphasized staff's comments about the purpose of this work session and that it is to provide comments and feedback for additional information needed for the public hearing. The Vice Chair then asked Cari if she could provide the analysis or

traffic scenarios to the Commission, since they will be germane to the next step, and Cari indicated they could be added to the packet.

Commissioner Klein referenced the parking and indicated that Cari had said there were 80 required spaces, but he thought he had seen 83, and she said the applicant is providing 68, but he counted 66. He then asked if 66 spaces will be sufficient for this project. Cari stated that staff will double check the numbers, but the difference between 83 and 80 is that the applicant had counted the guest parking requirement twice. Also, the applicant can speak from his experience in managing apartment complexes as to how the parking works, but based on the information staff has seen and the potential to add more parking in various areas if needed is how staff is looking at it. Audree Juhlin explained that for those reasons, staff does support the proposal as submitted. Vice Chair Levin added, with the ghosted parking spaces, and Audree indicated that is correct and reducing the number of required because the guest parking was counted twice. Commissioner Klein then asked why the applicant can't provide the required number of parking spaces.

Applicant Keith Holben, Scottsdale, AZ: Mr. Holben responded by explaining that staff requested a graphic that could produce more parking on the site if needed, and they are happy to provide that. They have not provided it today, because it first goes back to some of the Community Expectations in the Community Plan, and in working with staff, it is that the element of being a more walkable and bike-able environment really starts with the ability when these projects are designed, so when they take that goal, which they fully believe in as a developer, providing more parking is not always the right answer for that, and for some of that they can partner with the City and do on site through their management. What they have learned and how they manage their projects, and in fact will recommend that we do here is parking is regulated by each unit that is leased, and parking becomes a part of each application in every lease, so residents aren't allowed to just show up and park however many cars they have. They are regulated and every automobile is a part of each lease and it gets a parking permit for an assigned place or places, and by doing that, they can approve the tenants that would be appropriate for this site. For example, if there is a proposed tenant that has three cars or maybe they sell cars on the side, they are not going to be appropriate for this community whether we have 85 spaces or 60 spaces, so this is unlike a shopping center where people just show up and come and go as they please. They have to regulate the parking, so they don't over park and need more asphalt than necessary in their community, and that is a really important element that they have found in communities. Again, those automobiles are a part of the lease just as part of individuals that are approved on the lease.

Commissioner Klein then asked if a husband and wife rent a one-bedroom apartment, would they only be allowed to have one car between them. Mr. Holben stated not necessarily; they keep a matrix of allocated parking spaces per unit type and size, and they will assign a number of parking spaces and guest spaces in the community, so somebody that might show up with multiple cars won't going to be a candidate for it. They have to do that regardless of how many parking spaces they provide on the site plan, and that is how they have managed it in the past and how they see it managed here. Commissioner Klein indicated that he didn't know if that answered his question and again asked about a husband and wife that each had a car and would you not rent to them, because you don't want two cars for a one-bedroom apartment. Mr. Holben explained that if a husband and wife rented and everybody in their community had two cars that would be 90 cars, and they don't see that for these one-bedrooms. They are going to see a lot of single occupancy in the one-bedroom units, and they don't believe they will be up against that challenge. If they find that they are, they can add more parking.

Commissioner Klein then referenced the two-bedroom apartments and indicated that if he remembered right, Mr. Holben had said those might rented for \$1,200 to \$1,300 per month. Mr. Holben indicated that he did not say that; they will be market rents and they thought the one-bedrooms would be in the \$1,200 to \$1,300 range. The Commissioner then commented that the two-bedroom units would be more, and Mr. Holben agreed. Commissioner Klein then asked if it is possible that you could have individuals who aren't related renting a two-bedroom unit to share the rent, and Mr. Holben stated yes. The Commissioner then stated that it is likely that each of those

might have a car, and Mr. Holben indicated that they could. The Commissioner then asked what Mr. Holben is going to do if it is fully rented and there are not enough parking spaces; where are people supposed to park? Mr. Holben explained that there are a couple of ways they could address that issue. One is that they can't lease more spaces than they have; those are part of the lease, so they can't approve a tenant that is going to have multiple vehicles if the spaces aren't available. Secondly, if they find that need, they can provide that parking onsite. One of the questions that they try to address, as a developer and being a sensitive site plan, is if they want to just provide asphalt, because they think they need the parking upfront or do they want to provide the asphalt if they need the additional parking. They tend to take the more conservative approach that asphalt isn't always better for a community, and if it doesn't need to be over-paved, don't over-pave it and keep that as open space on the site. They have a contingency plan, which would be to provide the extra parking, if they run into that situation that suggests that they are under-parked.

Vice Chair Levin asked Commissioner Klein if the Commission knew the number of ghosted parking spaces was equivalent to two per unit, and Commissioner Klein indicated that he didn't know what a ghosted parking space is. The Vice Chair explained that means that you don't put in the pavement today, but you have room to park tomorrow, and you may need to reconfigure your circulation or remove some trees, etc., but the site would allow for additional parking, so you don't have to start with 100% asphalt. Maybe if we knew the potential ghosted parking spaces that question would go away. Cari explained that is something that staff has asked the applicant to provide and it will be part of your final packet.

Audree Juhlin explained that as part of the Staff Report, we will give an analysis of the parking with the required parking, what is being proposed, our parking requirements. It is confusing because of the guest parking for a one-bedroom versus a two-bedroom having a double impact, and the reason for supporting the ghost parking in the first place. It is not uncommon; the City has approved projects with Conditions of Approval that this is going to be ghost parking, meaning that if we need it in the future, then we will require those parking spaces to be paved and turned into parking; that is not an uncommon practice. Additionally, the Land Development Code does provide for a reduction in parking through the process we are going through now, if we can show that it warrants a reduction, and in this case, we are targeting employees working within a certain radius for walking distance of a transit shuttle stop and promoting bike-ability with the number of bike spaces, and there will be a full analysis of that in the Staff Report.

Commissioner Klein stated that you realize that if you build this thing and fully lease it and there is not enough parking, vehicles cannot park on Pinon Drive – that would be a disaster. Mr. Holben responded that is understood, and Audree Juhlin added that as part of the Conditions of Approval, staff will identify those locations that would meet the additional parking requirements if they are warranted in the future.

Commissioner Klein indicated that the other main issue is that Commissioner Mayer and him live in the neighborhood and when you come around Pinon toward S.R. 89A, there is a sharp 'S' curve, and a big concern is that with the placement of the driveway on Pinon, you are creating a dangerous condition where if someone is coming around Pinon toward S.R. 89A as someone is coming out of the apartment complex, will there be enough time for a vehicle to stop and avoid a collision. That is his major concern and if he recalls the materials correctly, there were photographs submitted by the applicant that showed the line of sight from the driveway proposed on S.R. 89A to where you could see a car coming around Pinon is 150 ft. He then asked if that is correct, and Cari indicated that she believes the City Engineer is prepared to answer some of these questions.

Andy Dickey introduced himself for the record and the Vice Chair summarized that the question is about visibility, sight distance and queuing. Andy explained that those issues were addressed in their Traffic Analysis Report, and as far as sight distance, it was determined to be adequate. Stacking for the intersection was also considered adequate. Commissioner Klein stated let's talk numbers; is he correct in stating that – how many feet – someone coming around Pinon, once they clear the "S" curve, at what point are they going to be able to see a car coming out of that driveway

and how many feet is that? Andy explained that the sight distance was determined to be 150 ft. visibility – that is correct.

Vice Chair Levin then asked if based on general engineering practices that is sufficient for the project and Andy indicated that is right, per the AASHTO guidelines, it is adequate. Commissioner Klein then asked what those guidelines are and what they specifically say. Andy Dickey indicated that he doesn't know that minimum distance, and Audree Juhlin stated that can be included in the Staff Report for the public hearing.

Commissioner Klein then indicated he thinks there was some talk about moving the driveway 26 ft. further south from the intersection, because of potential queuing problems, and Andy acknowledged that was mentioned in the analysis; however, there is something that is misstated. There was a statement that they felt the distance was not adequate by a few feet; however, staff reviewed the criteria and found that it actually is adequate, so it does not need to be relocated. Commissioner Klein then asked what is adequate, and Andy stated the intersection spacing between their driveway and the Pinon/S.R. 89A intersection. The Commissioner then stated that if you were to relocate that driveway 26 ft. further south, you would be creating more of a problem with there being an accident, because he did a little accident reconstruction and if you – the way you determine how long it is going to take to stop a vehicle, there is perception time, reaction time and braking distance, so the standard perception time is three-quarters of a second, the standard reaction time is three-quarters of a second, and that may not apply to someone who is elderly, and we have an elderly population here. Someone who is elderly may not have as good a perception and reaction time as a 25-year-old driver. He has driven that curve a couple of times in the last few days, so it is realistic that someone coming around that curve going 25 mph is going 37 ft. per second, and if someone takes two seconds for perception and reaction time, then that is 74 ft., and if you add the braking distance, you are over 100 ft. His concern is that if you – it seems like 150 ft. would be okay, but if you move that driveway back further south, you are narrowing that distance to where – to put it 26 ft. further south, you are only giving 25 ft. margin of error and he would be very concerned about that. Also, he saw in the applicant's papers that they talked about, if necessary, they could trim some hedges, bushes and trees to create a sight distance of 200 ft. instead of 150 ft., and that would be a better idea, because he is not as concerned about vehicles backing up from the intersection as he is about creating a potentially dangerous condition where someone has an accident, and then the developer and the City wind up getting sued for creating a dangerous condition, so the driveway should not be moved any further south.

Vice Chair Levin pointed out that staff said that wasn't supported, but your concern stands on the vegetation interrupting good sight visibility. She then asked Commissioner Klein if he had any other comments, and the Commissioner indicated that there was some talk about either extending or putting in a sidewalk along the east side of Pinon Dr., and he asked where exactly that is going to be. Mr. Holben stated that in discussions with staff, they have requested an improved sidewalk service to curve from S.R. 89A and they had a team meeting this week. They need to discuss with staff where they would like for that to terminate as Pinon Dr. moves further to the west, so generally in the area north of the entrance to S.R. 89A. The area to the south will be subject to further discussion with staff as to how they want that designed on the final plans.

Commissioner Klein then recalled something in the papers that you are going to agree that the minimum lease period will be 90 days, no nightly rentals, and then he saw that with regard to condo conversions, there won't be any condo conversions for 30 years. He asked if that is what that says and Mr. Holben stated that is correct. The Commissioner then asked why 30 years versus forever and Mr. Holben stated that 30 years, in discussions with staff, was a suggested guideline that 30 years would be a reasonable period to restrict the project to ensure it would not be used or sold off as individual units.

Commissioner Mayer indicated that he wanted to comment about guest parking and asked if Joe DeSalvo, the owner of Relics, will appreciate it if people visiting your renters park in their parking lot and asked how Mr. Holben would prevent that. Mr. Holben stated that they are proposing a wall

along the perimeter and part of that is in discussion with area neighbors. Their landscape plans do show a wall around the perimeter, so as a matter of practicality there has been discussions with staff that the existing curb cut that is on this property, but used by Relics to access their property and park on this property, would be closed per stipulation by the City. In order for somebody to be a guest here, they would have to use a curb cut on S.R. 89A, park and walk all around to the site. He couldn't say they could necessarily prevent that, but it is a rather impractical venture for most people.

Commissioner Mayer stated that he is also concerned not only about people in the subdivision, but about your renters when they come out. They aren't going to appreciate it if they get into a dangerous situation with the neighbors, and there was something that Joe DeSalvo talked to you about regarding the possibility of some realignment in his parking lot where the sign is. He had several concerns and suggestions as well. Mr. Holben explained that he met with Joe, and he raised a couple of issues – noise that emits from his live entertainment that occurs at this location, and he was also concerned that he has a patio right there for outside activities, but no outside music, so they hired a sound expert to look at those issues, because he wanted to have some quantifiable data that they could submit to Joe and bring to the Commission. . . . Commissioner Mayer interrupted to say that (audio unclear) is not always the solution and does not always point out what is really happening, because if you have the sound and your tenants are bothered by it, they are going to call the Police, then we have an issue with Relics; they are not going to be happy, you are not going to be happy, and the renters are not going to be happy. Joe suggested something to relocate that building to where the retention center is. He then asked if Mr. Holben remembered that and Mr. Holben stated yes and his suggestion was to take the retention basin and put it adjacent to him; however, that suggested solution is not practical from. . . . The Commissioner again interrupted to ask for what reasons, and Mr. Holben continued to state from an engineering perspective. This is the low point of the property and the water needs to be collected at the low point of the property; it is not possible to collect the stormwater at any other location on the site, so that is a given they can't deal with. If the Commission cares, he can talk about the results of the sound study and that information, if that would be helpful. Commissioner Mayer stated that would be between you and Joe DeSalvo; however, Vice Chair Levin clarified that Mr. Holben was asking if the Commission would like a summary, and Commissioner Mayer then stated of course, yes.

Audree Juhlin added that regarding the sound issues, if there are code violations, it happens if they are violating the Sound Ordinance and it is usually because the door is open. If we can work with Relics to adhere to the Sound Code, we can mitigate a lot of the noise concerns by just doing some of those things. If the noise is transferring across the street, the placement of the buildings on this property doesn't really matter, as indicated by Joe in the previous meeting, they are complaining across the street, so she thinks we have a Code issue that we need to deal with as well. Commissioner Mayer stated that he understands all of that and he is in favor of the project, don't misunderstand him, but he is concerned about the adjacent property owner. He is not the spokesperson for Joe DeSalvo, but he does like to voice his opinion in regard to noise and a possible problem between the two parties.

Commissioner Mayer stated that he also wanted to come back to one of the previous presentations in regard to reaching out to the neighbors, in which you pointed out a green block of three properties on the south side of the property. Vice Chair Levin asked to interrupt for a minute and asked if the Commission wanted to hear a summary of the sound study tonight or have it come back to the public hearing. Commissioner Mayer stated to keep it for the public hearing and again referenced the three properties. Mr. Holben indicated that maybe the graphic or his description of it was inadequate or not clear, and he apologizes if that was the case. The graphic was just trying to indicate that the neighbors who immediately abut their property and share a common property line that one could argue would be the most impacted by whatever occurs on this property either under this proposal or the existing zoning, that a greater level of communication with those folks might be warranted about the land use. . . . Commissioner Mayer interrupted to say, but you didn't; however, Mr. Holben stated yes sir, he did. The Commissioner then asked with whom, just the one property with the Airbnb where the house is on the west side. Mr. Holben stated no sir, he spoke to the

Youngs and met with them several times who are existing residents and met with them in their home. He then identified where they live, and Mr. Mayer indicated that is the Airbnb; that is one resident and the other ones are empty lots; you didn't talk to those people, right? Mr. Holben explained that the Youngs are full-time residents and don't Airbnb their home. The Commissioner then stated that didn't matter; there are people living there, so that is alright, but what about the other empty properties; you haven't talked to those owners, right? Mr. Holben stated yes, he did speak to the owner and he has written support that he submitted from three owners and. . . , Commissioner Mayer interrupted to ask how much further south he reached, and Mr. Holben stated that they were required to mail to a minimum of 300 ft.; they exceeded that by approximately twice that, so they exceeded that radius by approximately twice. It wasn't a perfect radius, because they had to kind of cut around property lines and spent a lot of time trying to notify the greater community over what the minimum requirements were.

Commissioner Mayer stated that Mr. Holben also heard the comments when there was a prior public hearing, the last meeting, the neighbors, their concerns, traffic. Mr. Holben stated yes. The Commissioner then indicated that Mr. Holben initially said there was going to be a manager's office or somebody living on site, and Mr. Holben explained that they intend that there would be a representative there. . . Commissioner Mayer interrupted to say 24/7, and Mr. Holben stated yes.

Commissioner Brandt referenced the 30 years for sunset or grandfathering of not converting to condominiums and asked if that is something Mr. Holben was looking for or how he would feel if it was not allowed to be 'condominiumized'. Mr. Holben indicated that he doesn't really have a concern about that, because it is not their intent to make them into condos. The discussion with staff was really about hey, can you ensure for a long period of time that these will not be sold off as condominium units, so that 30 years just really came up about suggestions in conversation with staff. If the Commission feels that they would like to visit that, he is certainly open to the issue.

Commissioner Brandt stated that it is ironic that the streets into the adjoining neighborhood were purposely curved, so that there wasn't a direct shot open to the highway when that subdivision was created; he thinks that is why the streets were built that way, yet it seems to be causing a problem. He just read a report about if you want to make roads safer, you actually make them narrower and dangerous so the cars slow down.

Commissioner Brandt indicated that for the things he would like to see for the public hearing, overall it is a great design for an apartment house. It is high visibility, so it is good to do that and it gives it a feeling of more character and value, but the ends are somewhat under-designed, but only the side that faces the highway, so perhaps we could see what other options there are for having that façade address the public way, the main street.

Commissioner Brandt noted that Relics is somewhat of a historic building even though it is not designated; it has been there a long time. The adjoining hotel is set back a ways from it where your proposal is relatively close, and it seems that it is nice that Relics is pushed towards the highway; the facades will pretty much align, but the two story next to the really low one story will seem a little crowded to the historic building, so he would look for something that would dress up that façade and would also try to tie the one story Relics building visually together, so at least being two story that there is a one story element or something that visually connects the two.

Commissioner Brandt noted that interestingly enough the front facades or the long facades seem over-developed for the size of building. They are almost as long as the Relics building itself; they are just a little longer, maybe a third longer. The Relics building is divided into three major components, the same as the old theater across the street has three major components. The facades you have are beautiful, but they seem to suggest that the building is a lot bigger than it is and they might be too broken up. It is compounded by the variety of colors, and he appreciates that the different buildings have different colors, but within the façades maybe to deemphasize the little sliver façades and have it be something that works more with the neighborhood might be something to look at. Again, not the massing; the overall size of the building, if it meets the Land Development

Code for massing, heights and development standards, great, but just overall presentation. It is going to have a lot of scrutiny and it is going to be a big splash, because right now everybody loves the little Relics, and then there are a lot of trees along the highway, so this is going to fit in there, but we want to make sure it fits in the best.

Mr. Holben indicated that the Project Architect Mr. Brian Andersen from BMA Architecture is here and asked if Commissioner Brandt could perhaps give them a little more detail or information or suggestions on the relationship between Relics and their building that might be helpful as they evaluate the comments. He wants to be sure they don't miss one of the comments and they want to capture the element of the suggestions. Commissioner Brandt explained that the Relics building is about twice as long as the short side of the façade you see in the drawings on the left side; it is about twice as long as that and yet Relics is the same type of three elements, so imagine it is a lot stretched out, and that façade being three elements seems to work as far as being just three elements, but if you turn the corner and look at the major façades, you will see it all together. When coming east to west on the highway, you will see Relics and then this building will be tall behind it, and then coming from the other direction, you will see askew the long façade of your proposal with the Relics front being three portions. It seems that the colors are emphasizing that this building is much more broken up and busy, and it will appear bigger and look like there is more going on, because there is a lot of divisions going on. When he worked in a historic district, the overall was to try to make buildings more broken up, because the new buildings were a lot bigger than the historic buildings, so a lot of these kinds of things were employed, a lot of the façade articulations, etc., but in this case, it looks like it is a block long as opposed to being 100 or 150 ft. long. It looks like it is about 300 ft. long, so that is where he is heading, but of course, he is one vote, so you should hear if anybody else feels that way.

Audree Juhlin asked Commissioner Brandt if they would be able to accomplish what he is talking about by eliminating some of the various colors on that front side, and Commissioner Brandt stated that does compound the issue, yes. Vice Chair Levin asked if that is one way to mitigate it, and Commissioner Brandt stated that the colors emphasize the articulation. Audree Juhlin stated that is a really good point, now that you point it out, she sees exactly what you are saying. Commissioner Brandt stated that would be good, and Mr. Holben added that it does, thank you; that is very helpful.

Commissioner Brandt referenced the discussion about the noise and a question for staff is, he is happy that we are seeing a multi-family proposal coming in and it seems like it is in the right spot in the City, but he is also concerned about the fact that it is right next door to a night club, and there have been other night clubs in town that has closed, because of noise complaints, so he is wondering if we can work in reverse here. He doesn't want to see the night club go away, so is it possible within a Development Agreement to say that the people in this building can't complain about noise beyond the . . . Audree Juhlin indicated that regarding the night club that Commissioner Brandt was referring to, it was related to outdoor music, and this situation does not allow for outdoor entertainment, so there is a big distinction there. They are required to adhere to the Sound Ordinance, and the night club you are referring to was in violation of the Sound Ordinance often, and some of the measures that the applicant is proposing is above and beyond what a normal project would include. Their sound mitigation measures will help address some of those concerns, and she also believes that the wall around the perimeter and the landscaping will also act as some noise mitigation. If you remember the night club you are talking about had a lot of trees on the back side of the project and we never got any noise complaints. When they took those trees down and the barriers between that site and the neighborhood, and then put up a carport, we immediately began receiving complaints, so there are things we can do to mitigate noise complaints, and in this case we are attempting to do so.

Commissioner Brandt stated that the short answer is no, and Audree Juhlin agreed, no, we can't make the tenants not complain. Mr. Holben added that in his discussions with Mr. DeSalvo, because he has the live music occasionally and the sound study helps his understanding of the issues a lot, but they are happy to provide a disclosure in their leases that talks about the use next door that has this, and if one of the residents has a concern, they should contact their management

company, so the City, the community and Relics is not getting multiple sources of calls, and we can address those at the management level of the community; that is probably the best way to address it if those concerns do arise. Commissioner Brandt stated great, that is good, thank you.

Commissioner Mayer suggested making a selection of who is going to be living in those apartments; they might like the music. Mr. Holben stated good point.

Commissioner Barcus indicated that like the rest of the Commissioners he certainly has some concerns about the parking and asked about the feasibility of widening Pinon Drive and providing for on-street parking for overflow for this property. Andy Dickey explained that regarding the feasibility, he is not sure if that could be considered through Development Impact Fees or not. Audree Juhlin added that before the City looked at that as an option, we would want to first address parking on site, because we do have the space and ability to place the parking on site. She doesn't know that we need to go to providing on-street parking and widening the road, if we feel that we need to put the additional seven or eight parking spaces on site. Commissioner Barcus indicated that he understands, but we are putting in sidewalks and landscaping, we've got setbacks, and then if we go back to widen the street, we are tearing out a lot of stuff that could be done first. He understands that a right-turn lane doesn't appear to be necessitated by the traffic volumes that are going to be generated by the neighborhood and the complex, but he was trying to figure out if widening Pinon Dr. was feasible.

Andy Dickey referenced the aerial image with the parcel lines overlaid and indicated that his initial impression is that there isn't enough room to do a lot of widening. Additionally, due to the curvature of the road, he is not sure that would be a safe thing to do at this location. Commissioner Barcus indicated that answers his question. Audree Juhlin added that another option the Commission may have in its recommendation is to request that the City Council consider the placement of no parking signs in this vicinity. Andy Dickey agreed and indicated that is another thing as far as the existing condition and the availability of parking here, he doesn't have the exact width measurements in this particular location, but that is something we could get for the next meeting if that is something the Commission wants, but that is relevant, because if it is not more than 20 ft. and you impede that pavement width, then by Code that would be illegal parking, whether it is signed or not.

Commissioner Barcus stated that some streets are 20 ft. wide and the right-of-way is 50 ft. wide, and he was just trying to figure out if there might be an opportunity for some on-street overflow temporary parking. The Commissioner then indicated that the next question about parking is that he goes to various parking lots throughout the City, and some of them have asphalt and some have permeable surfaces, including some very new developments, so the question is if we can provide more space for parking by providing permeable parking surfaces in this development and shrinking the stormwater retention pond on the premises. Andy Dickey indicated that it could be considered, but he doesn't know if the developer is open to that. He doesn't think you are asking if we can require it. The Commissioner indicated that he is asking how the math works on stormwater retention to make more usable space for parking on this lot. Andy Dickey explained that without doing calculations, his guess is that there couldn't be a one-for-one offset between the need and what would be provided completely, and the reason for that is they're accounting for not only the parking, but also the impermeable area of the buildings, etc.

Commissioner Barcus then asked about the maximum number of real and ghost parking spaces that could be put on the lot, because that would make him be more comfortable in making a decision, and he would like to see those in like Phase I, Phase II, etc., while preserving trees to the last phase. He also would like to see those ghost parking spaces on the schematic.

Commissioner Barcus referenced the Sign Ordinance and asked if it is common to have a sign for an apartment complex where people know where they live. He is trying to figure out why we have a monument sign for a 45-unit apartment building that has a street address and can be found without a sign. Audree Juhlin stated that it is very common for multi-family apartment complex, condominium, townhome projects and subdivisions to have a monument sign identifying their area

or neighborhood. The Commissioner commented that he would like to have less signs than more and asked if a monument sign for multi-family residential is limited to 3 ft., but could be increased by 25%, so it could be 3.75 ft. Audree Juhlin explained that the 3 ft. is usually related to the traffic visibility triangle, so you want to be able to see over the monument sign when it is at an entrance. In this case, if they expand the size by up to 25%, they would go outward rather than up. The Commissioner then commented that we have the "i's and t's" dotted on this monument sign then.

Commissioner Barcus indicated that he really likes this project and it is going to fill a very significant need in the community. We have discussed it in Planning & Zoning and he watched with great chagrin the conversation of the City Council last week at their hearing, and it has to do with affordability. He is not talking about affordable housing; he is talking about part of the reason we are going to more density is to allow smaller units, so they can be rented at a lower market rate, so it can be available for workforce housing. His question is why the developer is proposing a swimming pool for a 45-unit apartment complex that is designed to be workforce affordable housing, because swimming pools are expensive to construct. They use a lot of scarce resources; the evaporation is roughly equivalent each year to the gallonage of the swimming pool according to the Department of Water Resources for the State of Arizona. There are a lot of reasons why swimming pools are very expensive elements, and they take up space on the lot where they may have a shortage of available parking spaces, so he would like to understand the logic of putting a swimming pool in this development plan.

Mr. Holben explained that when they first started looking in the Sedona market, they did the CR Ranch project in the Village of Oak Creek across from Verde Valley School Road between 2000 – 2007, and in the process of doing that then, they realized the need for housing by talking to various consultants and workers on the project, and it was from not only the construction workers and laborers, it was all the way up to the guys like the Project Engineers, etc. Everybody was saying that they had this problem, so his company has taken a real look here to see where we could try to meet some of this need in this community, and they have evaluated a number of sites. Frankly, there is not much to evaluate, because there aren't many possibilities, but when they identified this site. They went to a market consultant and asked for help in understanding beyond their own knowledge what the dynamics of this market are. One of the big take-aways was that they didn't need a high level of amenities on this site, but they needed some level of amenity to be competitive within the existing communities that occur in the Village of Oak Creek and Sedona markets. If you go to other complexes, you will find that they have pools and some even have more elaborate. They designed what they thought was a minimum level of amenities to attract and retain residents from a competitive market standpoint, and they identified two elements. One element was a pool; not a big pool, just a pool. The other element was a BBQ area. They looked at other elements that would be niceties, but they have leaned against those and tried to prioritize what the minimum level of amenities in today's environment would be, and that is how they chose those. There are others such as fitness centers, yoga rooms, dog parks, etc., and they backed away from those, because they were just add-ons. In answer to your question, it was to make sure they are positioning this project to be competitive in the market and be comfortable, as making their private investment in this, that they at least have a full project.

Vice Chair Levin asked for clarification in the additional information provided in the Revised Letter of Intent. There is a section called Affordable Housing Discussion and on page 15, it states, "Tenants will not be permitted to sublet a lease approved by management. Any sublease shall prohibit short-term rentals." The Vice Chair then asked if there is a 90-day minimum rental, once that 90 days has been used up, would that preclude a back-to-back renewal and/or a sublease at the same 90-day. . .? Mr. Holben explained that an absolute minimum lease term would be 90 days on a new lease; they don't anticipate that would be happening, but that would be the minimum lease term. At the end of 90 days if somebody would like to stay, they would be allowed to stay at renewals of no less than 30 days in addition to the 90-day term. Subleases generally are not permitted, but once somebody signs a long-term lease and say that they have been relocated or lost their job, or they have a compelling reason and they have somebody that they would like to – they don't want the lease liability, because it is a credit obligation, but they have a friend they would

like to lease it to, that would be a sublease situation with management approval. That sublease then could not be shorter than the balance of the term of the remaining lease, so if it was a one-year lease, and there was 60 days left on the lease, then that sublease couldn't be less than the lease term. They really don't allow subleasing on any of their rental projects, because it doesn't work. It is better to entertain the concept of tearing up the lease and letting the people move out, making sure they are releasing it according to the guidelines in the community.

Commissioner Klein asked how high the wall around the property would be and Mr. Holben stated 6 ft. in height. The Commissioner then asked what it would be constructed of and Mr. Holben stated that the materials proposed are composite material, so it would be recycled materials with like a wood-look finish, but it wouldn't be wood; it would be composite. The Commissioner then asked if the wall would encircle the entire property and Mr. Holben stated yes. Cari clarified that there may be some areas where a 6-ft. wall wouldn't be allowed, like along the streets, they would probably have to reduce it to 3 ft.

Commissioner Klein asked for the public hearing, in the traffic report, it says the 150-ft. visibility cone spacing used to satisfy the AASHTO sight visibility requirements for vehicles traveling 15 mph, so he would like to know what AASHTO says the visibility requirement is for vehicles traveling 25 mph.

Vice Chair Levin stated that the applicant has heard from the Commission, staff has clarified points, and there are a number of things that you will come back to the Commission with at the public hearing. She then asked if the applicant had any final remarks or questions of the Commission, and Mr. Holben indicated no and thanked the Commission for the comments and consideration of the project. The Vice Chair thanked the applicant for resubmitting their Letter of Intent with more detail; the Commission was looking for that from the last meeting, and she then thanked the Commission for the thoughtful input.

7. Discussion regarding City Council's adoption of the Revised Sign Ordinance.

Presentation: Cari Meyer indicated that this item was requested to be on the agenda, and the City Council did adopt the revised Sign Code on September 26th. They had five or six meetings on the subject, and the one thing that staff was asked about and one of the hot topics was the off-premise signs. When it was presented to the Planning & Zoning Commission, staff presented the all or nothing approach, but staff had also said that we understood it was a hot topic and staff would continue to monitor what other cities were doing and any cases that came through the court system, and staff would bring it back if we came up with a solution.

Cari explained that in the approximately six months between when the Commission made a recommendation and when the City Council took action last month, there were a number of cities primarily in Arizona that adopted new Sign Codes that came up with different ideas, and the lawyer group that our City Attorney is part of came up with a new interpretation, and she believes there was a case out of San Francisco that is within our Circuit addressing this very issue, so as these things developed, staff was able to come up with a program termed a 'residential activity' that was separated out from commercial activities and allowed them to have off-premise signs under certain regulations. She believes it is 12 times per year and up to three off-premise signs under design standards, etc., so that was the one major change, between the time the Commission saw it and when the City Council adopted it, generally as a result of other cities, the attorneys and the courts working through it. There are also some other minor changes regarding incentives for landscaping and three-dimensional signs that were added as well.

Vice Chair Levin then stated that the bottom line is. . . , and Audree Juhlin stated that the Commission did a great job with the Sign Ordinance in taking that forward to the City Council. With the exception of the off-premise signs, everything the Commission recommended was essentially what the City Council worked through and agreed to. As you recall, staff had a little more restrictive approach to the landscaping and three-dimensional aspects, and the Commission had a little

different opinion and recommended less regulation than staff did, so the Council supported most everything that the Commission proposed, but we were able to find a way to allow residential off-premise signs, because of a court case that separated residential from commercial activity.

Commissioner Klein asked if you are allowed four off-premise signs, not three, and Audree Juhlin stated it is three off-premise signs and one allowed on the property itself, so a total of four. The Commissioner then asked if it is \$25 to get a permit for the sign and Audree Juhlin stated that is correct. The Commissioner asked if you are using four signs, is it \$25 for each sign or \$25 total for four signs, and Audree Juhlin stated that it is \$25 total. The Commissioner then referenced 12 signs per year; however, Audree clarified it is 12 activities, and the Commissioner asked if that is per property, and staff indicated no. Vice Chair Levin commented that is liberal in terms of the need of the real estate industry, and Audree Juhlin added that it is not only residential activity, but non-profit activity, so anything related to residential or non-profit, and they also can be located in a commercial district, if it is referring back to the non-profit or residential activity.

Commissioner Mayer stated that he is very happy that this solution came about, and Audree acknowledged thanks to the court decision in its clarification. Vice Chair Levin indicated that she agreed.

Commissioner Brandt referenced someone that has a home occupation selling ugly houses as an example, like up and down Dry Creek Road, you couldn't have a 'based on content' sign, and Audree explained that in that case it wouldn't be allowed under the new provisions, because it is not referring back to a residential activity; it is actually advertising a commercial activity. If that 'we buy ugly houses' is referring to a specific property for sale, then that would be allowed. The Commissioner indicated that it still seems that there are little billboards all over town, but we will see. Audree agreed that we will see; it hasn't gone into effect yet. It will be next week that it goes into effect and staff will start monitoring and see how it goes. One thing we are going to take back to the City Council, based on their direction, is an enforcement program that will put some repercussions into the off-premise signs that aren't in existence now. She believes that staff is going to propose a reclaiming fee, so if your sign is placed in an improper location, to retrieve your sign from City staff, she thinks we are proposing that it will cost \$25 for the first offense, and then after the third one, it would be discarded and considered debris.

Commissioner Mayer asked if there would be no ugly cartons with rocks in it, and Audree Juhlin stated that the provisions provide very specific standards, and most of those came before the Commission as an option. We discussed that if we were going to look at off-premise signs, what kind of standards you would want, and we talked about the material, paper and boxes, were not allowed, etc., and those provisions were included in the final.

Commissioner Barcus stated that he thought there were two provisions that came through well. Property owners cannot solicit a fee from another property owner to put a sign out on private property, and Audree agree no compensation. The Commissioner indicated that the other was a complete ban of off-premise signs on S.R. 179 and S.R. 89A. Audree explained that basically Council agreed that we have no jurisdiction authority in that they are already banned by state statute, so we just reinforced that. The Commissioner then stated, but we are going to enforce that, and Audree indicated that is still the direction, yes, per our Intergovernmental Agreement that we have with ADOT.

Commissioner Klein indicated that he thought signs could be placed on S.R. 89A as long as they are not in ADOT's right-of-way, and Audree Juhlin indicated that is correct if they are not in the right-of-way and are placed back a certain distance, then with the property owner's permission – and they need to be wayfinding and actually pointing to the event or activity they are directing traffic to. The Commissioner then asked what Audree meant by 'with the property owner's permission'; he thought if it was in a commercial area, then you don't have to have the property owner's permission. Audree responded no, you would need the property owner's permission in any location; it would be allowed in City right-of-way or on private property with the property owner's

permission. The Commissioner then asked if you want to put it on the City right-of-way, do you need the City's permission, and Audree indicated that you could put it in the City's right-of-way and it would be part of the application, so we will understand where the signs will be placed.

Commissioner Klein then wanted to know if someone is holding an open house where they come to get the permit, and Audree indicated that they will come to the Community Development Department's front counter, just like any other Sign Permit or Temporary Sign Permit application process.

8. FUTURE MEETING DATES AND AGENDA ITEMS

- a. **Thursday, November 2, 2017; 3:30 pm (Work Session)**
- b. **Tuesday, November 7, 2017; 5:30 pm (Public Hearing)**
- c. **Thursday, November 16, 2017; 3:30 pm (Work Session)**
- d. **Tuesday, November 21, 2017; 5:30 pm (Public Hearing)**

Audree Juhlin indicated that the next meeting is Thursday, November 2nd, but we don't have any items for that work session, so we will be canceling that meeting. The public hearing on Thursday, November 7th, will have a number of items, including the apartment complex; the Wireless Master Plan and Ordinance revisions as a continuation of the public hearing, so all of the public hearing parts are closed and this is for action, and we also have a Conditional Use Permit application for a wireless pole at the Methodist Church on S.R. 179. Vice Chair Levin asked if the pole would be considered under the old ordinance and Audree Juhlin stated yes. Audree then indicated that it could be a long meeting, but she doesn't know that it will be without public comment on the Wireless.

Audree noted that the next meeting would be on Thursday, November 16th for a work session, but there is no item for that agenda at this time, so if nothing changes, we will probably cancel that meeting. We are most likely canceling the meeting on Tuesday, November 21st, which is the Tuesday before Thanksgiving, and November 30th is the Land Development Code update with Clarion.

9. EXECUTIVE SESSION

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

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

No Executive Session was held.

10. ADJOURNMENT

Vice Chair Levin adjourned the meeting at 7:10 p.m. without objection.

I certify that the above is a true and correct summary of the meeting of the Planning & Zoning Commission held on October 17, 2017.

Donna A. S. Puckett, *Administrative Assistant*

Date