

**Summary Minutes
City of Sedona
Planning & Zoning Commission Work Session
Council Chambers, Sedona City Hall, Sedona, AZ
Thursday, March 28, 2013 - 3:30 p.m.**

1. Verification of Notice, Call to Order, and Roll Call. (5 minutes; 3:30 – 3:35)

Chairman Losoff called the work session to order at 3:32 p.m.

Roll Call:

Planning & Zoning Commissioners: Chairman Marty Losoff and Commissioners Michael Hadley, Geoffrey Messer and Norm Taylor. Commissioners Eric Brandt and Scott Jablow were excused.

Staff: Audree Juhlin, Cari Meyer, David Nicolella, David Peck, Ron Ramsey and Kevin Snyder

2. Welcome and oath of office for new Commissioner. (5 minutes; 3:35 – 3:40)

Susan Irvine, City Clerk, administered the oath of office to John Currivan as a new Planning & Zoning Commissioner, who then joined the Commission on the dais for the remainder of the work session.

Audree Juhlin introduced Kevin Snyder, Community Development Director, to the Commission and Kevin thanked the Commissioners for the opportunity to work with them today and in the future. He looks forward to working with the Commission on a host of current and long-range issues.

3. Discussion regarding current planning projects. (5 minutes; 3:40 – 3:45)

Cari Meyer indicated that the items listed will be on the May 7th public hearing, and on Tuesday, we have the Studio Live CUP and Mariposa Restaurant for Zone Change and Development Review. Staff also received two new applications this week that the Commission will see in a preliminary work session on May 2nd, and they are currently scheduled for a public hearing in June. One is for a model home sales office at the Rimstone Subdivision, formally known as Cor D'Amor, and there have been some changes to the Wyndham planned development, timeshare/apartment subdivision and those will be on the website by the end of the week.

Cari indicated that as far as Building Permits, the Goldenstein Gallery, which the Commission saw for a Zone Change last fall, is anticipating opening in the next week or two. It looks great and they are finishing up some things with the Building Permits and water lines, so as soon as they get those final approvals, they will be open. Staff also recently approved an Administrative Waiver, to reduce a setback for a new garage in the Kachina subdivision.

Chairman Losoff indicated site visits to the projects the Commission has approved would be nice, so the Commission could see what they approved. Commissioner Hadley indicated that is a good idea. The Chairman then noted that they could do it on their own, but it would be nice as a Commission, and we could set up some process for a special preview or walk-through to see how they look. He then asked for staff to take a look at that.

Commissioner Hadley asked if there were any permit updates on Thai Spices or C-Market and Cari indicated that Thai Spices is still going through the permit review, and a month ago, the C-Market's architect said that they are anticipating submitting in the next two months. The Chairman asked if both of those projects are coming up on their timeline and Cari stated no, Thai Spices is within their time limits and the C-Market has about another year to submit.

4. Introduction/discussion regarding the agenda items for the regularly scheduled meeting of Tuesday, May 7, 2013: (1 hour, 15 minutes; 3:45 – 5:00)

- A. Discussion regarding a request for Subdivision/Condominium Conversion approval to create 6 airspace units for individual sale in an existing office building at 30 Kayenta Court (Kayenta Plaza). The property is zoned C-2 (General Commercial) and has a 5,668 square foot office building. A general description of the area affected includes but is not limited to the northeastern terminus of Kayenta Court. The property is approximately 0.42 acres and is further identified as Assessor's Parcel Number 408-24-343. (15 minutes) Applicant: ATL Holdings, LLC, Case Number: PZ13-00004 (SUB). Staff: Cari Meyer**

Presentation:

Cari Meyer explained that this is an existing office building on Kayenta Court, which is behind the Fire Station, and they are proposing to do ownership condominiums. They will remain offices, but they will be able to sell them.

Jason Segneri, with the Survey Innovation Group: Indicated they are preparing the condominium plat and representing the ownership group today. Chairman Losoff explained that the Commission doesn't want a lot of specifics on design issues today, but rather to see the overall concept and how it fits with the overall plans for the City.

Cari Meyer then indicated that they are not doing any exterior work and staff met with the Fire District and Public Works, and there are very minimal comments. There would be six units ranging from 400 sq. ft. to about 1,000 sq. ft. and the subdivision process requires that they come before Planning & Zoning for the conceptual and preliminary plat, then it would go to the City Council for preliminary approval, and later be on a Consent Agenda for final approval. Cari then indicated that staff is available to answer questions and Jason can address more specifics about the project.

Commission's Questions:

Commissioner Taylor indicated that neighborhood is confusing; it is hard to tell what is going on between commercial, residential and these places. As a condominium, the approach is over an asphalt spill cul-de-sac, but the building has a residential character to it, so he doesn't have any problems with it being residential, and the building behind it appears to be residential, but the other buildings appear to be commercial.

Jason Segneri explained that the building use is existing as C-2, Commercial, and the condominium units will be for sale for commercial use, so they will be commercial condominium units -- commercial only and no residential.

Commissioner Messer asked if it is the tan building with lots of glass, a two-story with a driveway to the left of the building, and Jason explained that as you roll into the cul-de-sac, it is the one off to the right. It is a two-story building with a little bit of glass and it is a tan building.

Commissioner Hadley asked if, since the building and site improvements exist, the only thing the Commission is concerned about is the conversion to condominiums, since what is there was previously approved and nothing has changed, so the Commission's function is just to approve it from rental space to ownership space. Cari stated yes, that is correct.

Commissioner Currivan asked, since this is only going to be commercial condominiums, if there is any need for the recreational space. Cari indicated that is something staff is looking at. There is a provision in the City Code that says that is a requirement that can be waived, and we have asked the applicant to address that in a revised Letter of Intent.

Chairman Losoff asked if there was any rationale as to why it was in there to begin with; it makes more sense for residential. Cari explained that most condo conversions that you would see would be for residential, and it is a requirement to ensure that residential units have outside space.

Chairman Losoff indicated that he saw Cari's comments, but it would be helpful to have a date on them. Cari explained that the comments are the same date as the letter, which is the first page. The Chairman indicated that he couldn't tell that and it would be nice to have that. Also, for the three projects, it would be nice to have some site visits. It took him a while to find the place, so it might be nice to have a site visit, and on the other two projects as well -- either separate or before the next meeting.

The Chairman then asked if Cari is okay with the answers to her questions regarding the initial concerns, and Cari responded that the applicants received the comments and they are diligently working on them. Their responses are due by April 15th.

Chairman Losoff then indicated that it would be helpful for future projects, even though we will do a site visit, maybe there could be an easier to understand map of the facility. The boundaries are there and we have a little vicinity map, but if there is an easier way to find it. The Chairman then expressed appreciation for the applicant's cooperation with staff and for listening to the Commission's advice. Mr. Segneri noted that Cari has been great to work with.

B. Discussion regarding a request for Conditional Use Permit approval to operate an outdoor food service business at 1695 W Highway 89A (Over the Edge Bikes). The property is zoned C-2 (General Commercial) and has an approximately 1,300 square foot bike shop. A general description of the area affected includes but is not limited to the southern side of W Highway 89A between Northview Road and View Drive. The property is approximately 0.28 acres and is further identified as Assessor's Parcel Number 408-26-431. (15 minutes) Applicant: Jonathon Kerchner, Case Number: PZ13-00005 (CUP). Staff: Cari Meyer

Commissioner Messer disclosed that he lives on View Drive and got a notice, so he wondered if that is a Conflict of Interest for him to be part of this discussion, and Ron Ramsey indicated that would not create a Conflict of Interest.

Presentation:

Cari Meyer explained that this is a Conditional Use Permit application to place an outdoor food trailer at Over the Edge bike store, and the permit is required because it is an open-air business, and under the City Code, those require a Conditional Use Permit. Jonathon Kerchner is the applicant and is present to discuss his project.

Applicant, Jonathon Kerchner: Indicated that he was approached by the bike shop, because he is going to be operating a food trailer during the summers to do vending at festivals, and in the spring and fall, they would like to set up the trailer at the bike shop to do food vending as an extension. They are going to create a courtyard in the back of the bike shop and there is an existing patio. He then pointed out where the trailer would be placed, and indicated that fencing would be created per the conditions of the permit to screen the trailer from adjacent businesses, which would create a courtyard in the back.

Mr. Kerchner explained that the trailer would be fixed in a set location on the property and not be moved, and it would be set up to be able to serve food for people at the bike shop. There is an increasing need for people that need food for rides and most of the menu would be designed around that, so people could get a good meal before or after their ride. A lot of the meals would be made and packaged so they could be taken on the rides. It is something that would improve the experience of the bike shop and make it easier for people, when they get their bikes ready for the ride. They can remain there and focus on what they are doing and be able to get their food and have energy for their ride, so it will be something that benefits everyone.

Commission's Questions:

Chairman Losoff asked if it would be left there permanently and Mr. Kerchner explained it will be there in the spring, fall and winter, and during the summer, it will leave for approximately two months to do festivals, which is what he has the trailer for. The fencing would have to be removed to get the trailer out, and then put back, so it would be designed in a fashion so it would be easy to remove sections. He is working with the City on the sewer system to have a RV-type hook-up for the sewer line, and the trailer is a professional food trailer; it would be landscaped around it and set as a permanent thing while it is there, but in the summer, it would leave for two months and be an open courtyard. Mr. Kerchner added that the space would be designed to look nice whether it is there or not and that is how it would operate.

Commissioner Messer asked how this is governed by the Health Department; do they want to check-in on this and is that part of the process? Cari explained the Health Department has reviewed this permit and the applicant has been working with them to ensure that all proper permits will be obtained.

Chairman Losoff asked if that is a Condition of Occupancy and if they make regular inspections. Mr. Kerchner explained that he has been dealing with Robert Mumper, Environmental Health Specialist at Yavapai County, and Mr. Kerchner has some feedback to give him by the April 15th deadline. There are several things he is working on for the Health Department, as well as for the Fire Chief, but yes, the Health Department has a specific set of codes that will have to be followed.

The Chairman then asked how often they inspect and Mr. Kerchner indicated that he doesn't know that right now. Commissioner Messer indicated that he thinks it is on a surprise basis, and Mr. Kerchner added that Robert seems very thorough and has given him the specific things that they will check from the beginning, and they plan to maintain that.

Chairman Losoff then asked if Mr. Kerchner operates other food trailers and he replied, no. This will be the start of having one set here, and he is buying into the business with a friend to do this festival that only runs in the summer. He has worked with him doing it for a few years, and they do high volume with the festivals, so this will be a little different, but it is the same codes. The Chairman asked if he is talking about festivals out-of-state and Mr. Kerchner indicated yes, in Colorado.

Chairman Losoff asked how this relates to like the popcorn trailer at the art fairs and Cari explained that the popcorn trailer at festivals in town would typically be included by the festival organizer and included on the Temporary Use Permit application. We do receive quite a number of calls inquiring about the City's regulations for these kinds of trailers and food trucks for ongoing events, and since they are regulated under the Open-Air Business and there are Conditional Use Permits required, the conditions and requirements make it prohibitive for a number of the trailers to operate on an ongoing basis, but they are often included in a Temporary Use Permit.

Commissioner Hadley asked what length of time they are requesting for the Conditional Use Permit and Cari indicated that they are amending their Letter of Intent to ask for five years. The Commissioner indicated that he doesn't have any issues about the concept, but there was a photograph of a similar trailer. Mr. Kerchner indicated that it is similar in that the base trailer would be similar to that one; however, theirs will have quite a bit of landscaping around it and be completely screened and blocked; they are creating privacy fencing all around it. There will be skirting around, so essentially it won't look like a standard trailer, when it is set there. It will be made to look like a permanent structure and not like a trailer.

Commissioner Hadley asked when the applicant comes back for the hearing, if it would be possible to have a photograph of the actual trailer you are going to provide or of that model. Mr. Kerchner indicated yes, and it is very similar to the one you have. They haven't made the

modifications; at this point, they are waiting to see if they get the permit before investing more. The plan is to beautify the trailer and put like a sticker wrap around it or paint it, so it matches the façade of the bike shop, and they are trying to make it like a true extension of the bike shop, so you would go into the bike shop and when you enter the courtyard, it would feel like you are still at the bike shop and that they are providing the open-air food setting, which is different than the vendors at the festivals. This trailer is much more advanced and substantial than that; it would be set in a solid place with landscaping to be attractive from the outside, as well as while you are ordering food.

Commissioner Hadley stated that he would like to see colors and a little more detail of what you are proposing when you return, so if you could provide more of that, it would be great. Chairman Losoff noted that Mr. Kerchner may not be able to take a picture, but perhaps an artist rendering. Mr. Kerchner then indicated he can work on getting that done.

Commissioner Currivan disclosed that yesterday, he stopped by the location of the bike shop and while he was there, somebody named Jason came out and introduced himself, so he told him why he was there. He did have a long conversation with Jason, and the one thing that came out of the conversation that is worth mentioning is that he did say that the location of the trailer was somewhat still a work in progress, in that it is possible that it could be in the diagonal position shown in the diagram, but it was also possible that it might be placed parallel to the store next door, so he wanted to know if that is still a possibility.

Mr. Kerchner explained that Jason is one of the owners of Over the Edge and the owner that is very much involved with this project is Mike Raney, and Jason is working off of old information. They have come to the conclusion that this is the place to have it. He has had some discussion with the owner of What You Want and this is where they have discussed having the trailer. If there is any plan to change that, he would make notification of that, but as it stands, that is old information, and he and Mike Raney are the primary planners of this.

Commissioner Currivan then asked if the owners of What You Want are okay with the project and Mr. Kerchner stated yes, per his discussion with the owner yesterday, everything was a go. She is interested to see how it will work. Her name is Dee and she was interested and a little apprehensive at first, but they walked the site and he told her all about it. Her main concern was how the place would look and the flow of things, and to operate a business like this, his plan is to have the place look as good as possible, so the plan is to work with her, as well as the bike shop.

Commissioner Currivan indicated that one diagram shows the lot boundaries and asked if this is one big parcel, and Cari stated yes. Mr. Kerchner explained that the bike shop rents the space that is not shown, and the proposed permit is on the front lot. The Commissioner asked if there is a separate part of this land that What You Want has a right to occupy and that you wouldn't be encroaching on somehow, but you are getting very close to it. Cari explained that What You Want and Over the Edge bike shop are both renters from one property owner. The Commissioner indicated he understands that, but presumably the portion of the property rented by What You Want must have some delineated boundary that they have the right to occupy.

Mr. Kerchner explained that the owner, Joe, is making sure that the owner of What You Want is taken care of and kept up to date, and is okay with it. The property she has, and he doesn't know if it is completely accurate, because he didn't have good information to make this site plan, but everything on the site plan is to scale, and he pointed out the boundary as it has been told to him and the little block that she rents. The Commissioner then asked if he is comfortable that you wouldn't be encroaching on their property and Mr. Kerchner indicated yes, he doesn't want to get into that, and they want to work with everyone to make sure it is beneficial to all.

Commissioner Currivan then asked if any of the food is going to be consumed on premise and Mr. Kerchner explained that it is anticipated that it probably will be. They are working with the

City for the sewer hook-up, and they mandated that their initial capacity fees will be done as a 5-seat minimum. Any additional seating will make them pay above that, so initially they will have five seats in the open area and that is what the sewer capacity will be, then as they add, they will have to pay per seat, just like a restaurant.

The Commissioner explained he was more concerned about the stuff left over, when people leave. Will there be some people busing tables? Mr. Kerchner replied, oh yeah; there will be a table and the trash will be handled in an appropriate manner.

Commissioner Messer stated that for the record, he did talk with Dee Bernardo yesterday, who is the owner of What You Want, a family friend, and he asked her what she thought about it. She is excited about the prospect of people, thinking it will bring more business to her, and there is plenty of parking in her opinion. When Mountain Bike Heaven closed, it left a void in our mountain biking community. Over the Edge came in and filled that void exquisitely and this will only add to the sense of community in Grasshopper Flats, and Mountain Bike Heaven used to be the Mecca of that, so it is exciting for the neighborhood.

Chairman Losoff asked if there is a way to restrict the food being offered; you talk about healthy fast foods, but things can expand as they go, so can the food choices be limited. Audree asked what the Chairman has in mind and he said like steaks and who knows what; keep it to fast foods perhaps. He doesn't want to see it become an outdoor Burger King with a big grill and smoke going up for hamburgers and hot dogs, etc. Cari indicated that she doesn't know if the City can restrict the type of food, but they would be restricted to the site plan and trailer and the types of food they can cook in there, so based on Fire District requirements for the hoods, etc., it will limit them. Audree Juhlin added that it is also addressed through whatever Yavapai County Health Department permit is issued, which restricts the food through that permit.

Chairman Losoff stated that next time we may also want to look at the five years versus three years, since this is a new venture. He doesn't think we have had this before, and it is a CUP, so we may want to look at three years to give it a chance to see how it goes. The Chairman then indicated that as he understands it, Over the Edge leases from the owner for the bike shop and you are going to sub-lease the space. Mr. Kerchner indicated yes, they are working on the agreement for that, and because it is a new business, they have talked about basing it off of a percentage of sales at the beginning, and then they would sublet on a square footage price. The Chairman then asked if he would own it as a lessee and Mr. Kerchner stated yes. Cari then added that the property owner has agreed to the application.

Chairman Losoff stated that for the next work session, it might be helpful to have either statements or the owners of the store and the land present, and even the bike shop proprietor present to indicate their support or issues. Audree pointed out that in the packet there is a letter from the property owner with written authorization for the use. The Chairman stated it might be good to have a face-to-face.

The Chairman then asked if we are setting a precedent and if this is going to be a trend that we should welcome or be concerned about. Audree stated that we may see more requests for this type of use, since it is something that is catching on all over the country -- food trucks are a popular source of restaurant fast food, and two or three have spoken to staff about permanent locations, but they haven't moved forward for the reasons Cari discussed, but staff is seeing an increase in questions to staff about that type of use.

Kevin Snyder agreed there is a big trend and a number of jurisdictions have actually put in specific ordinances around food courts; for example, the City of Portland, Oregon is the national leader right now and they have established clusters of food carts on properties, rather than being spread all over the City. You go to one place for them, but a number of jurisdictions have taken the path of actually creating specific ordinances governing the use, development

standards and things that the Commission would look at, and a number of them have done it through the Conditional Use Permit process.

Chairman Losoff asked if Kevin has had any direct experience with them and Kevin indicated he had some experience in that in his previous jurisdiction. They were starting down the path of developing the regulations. One of the key issues normally ends up being the relationship between the brick and mortar establishments and the food carts, so several jurisdictions have had a task force or some ad hoc committee made up of representatives from both sides to develop regulations, so there is adequate spacing between the brick and mortar and the food carts, and they are not stealing from each other in terms of their customer base. Again, Audree is right, this is not a fad; it is an in-place trend that is only going up.

Chairman Losoff referenced the Letter of Intent's comment that he is still building the menu and plans to sell a variety of health foods, coffee, smoothies, sandwiches, etc., and it says all food will be prepared onsite in the trailer or in an offsite commissary. The Chairman asked what that is referring to and Mr. Kerchner explained that per the Health Department, if you have a food cart business, you have to have an offsite commissary, which is a kitchen, so you would rent space from them to store foods and prepare certain things. The Chairman asked if he is making arrangements for that and Mr. Kerchner indicated yes; he is talking with the Elks Lodge, Sedona Community Center and he will speak with Heartline Café, because they have an extra kitchen that someone else is using for a different restaurant.

Chairman Losoff then commented that they wouldn't prepare the food for you and Kevin stated no, he would rent space. As far as the popularity of food trucks, everything said sounded accurate; however, the reason there has been a lot of inquiry and not follow-throughs is because the permitting process is very prohibitive. This is not like a food truck that comes in; there has been a lot of heated debates with brick and mortar, because the food trucks drive-n and set up shop. In some cities, they stop in front of a business and start selling food, while this is an extension of the bike shop. Per the permitting process, the trailer has to be screened from the street, which is the opposite of what most trucks want. This is designed for the customers of the bike shop, and it will be set up in a stationary location. It has to be screened and landscaped, so it is not set up to be a food cart and is not typical to the trend in the United States.

Commissioner Taylor indicated that there are a lot of food trucks in Los Angeles, but this isn't really about that. The Commissioner then asked what governs any business along SR 89A from deciding to add to their facility by bringing in some trailer or modular building and plugging it into the back of the building, because that in a sense is what we are doing here. It moves away for two months, but somebody else might say they aren't going to move away at all and take the wheels off and leave it there, so when does a trailer become part of a building and when isn't it?

Chairman Losoff indicated that is a good question and that is why he asked if there is a trend and if we are okay with it. If this comes up frequently, we will need something in zoning ordinances to help control that, or we could find this stacked all along SR 89A. Commissioner Taylor indicated he is thinking of the modular refrigeration units in Uptown in the back of restaurants and chaotic in kind of a public area. The other item about this is beer; he knows they don't have a license to serve beer, but he doesn't know the rules about uncorking bottles. If you are going to serve food to young people, how does one control beer?

Audree Juhlin explained that the State Department of Liquor Services regulates all liquor permits in the state, so if they wanted to uncork a bottle of wine or beer, they would have to apply for a permit, and they couldn't serve it otherwise. Commissioner Taylor asked what is to stop the kids from bringing beer into the bike shop.

Audree indicated that in talking with the State Liquor Department, they have investigators that come out and if they were to find that, they would be cited for a violation for not having the proper permits. From the City's perspective, if we find out, we would be contacting the state and letting them know of the complaint.

Commissioner Hadley asked if this additional function impacts the parking requirements and Cari indicated that staff requested a parking plan. They would be required to provide parking for the bike shop, and outdoor areas require half of the parking required for indoor areas, so that is coming. The applicant is working on a parking plan.

Chairman Losoff indicated that in the future, he would be curious to know how the Engineers and others look at the project. The seating, etc., would also be interesting. The Chairman then wished the applicant luck and indicated he is excited about it and a little apprehensive about how it will work, but it seems the applicant is moving along with getting the homework done.

The applicant referenced the comment about at what point the trailer becomes a trailer versus not a trailer, and indicated that per the Health Department, there are stipulations that it has to retain the ability to be mobile, which adds to the expense for the hook-ups, etc., to retain the ability for the trailer to be moved, so there are permitting issues in place that define that.

- C. Discussion regarding a request for Development Review approval to redesign a portion of the previously approved Park Place Condominiums Project (DEV 2002-16 & SUB 2002-08) at 3865 W Highway 89A. The redesigned units will be smaller units with decreased height and lot coverage. The applicant is also requesting approval of a new community building. The project site is zoned RM-2 (High Density Multi-Family Residential). The parcel was originally approved for 88 residential condominium units. Twelve of the approved units have been built and the rest of the site is vacant. A general description of the area affected includes but is not necessarily limited to the area on the southern side of W Highway 89A across from Bristlecone Pines Road and adjacent to the Foothills South Subdivision. The project site is approximately 7.94 acres and is further identified as Assessor's Parcel Number 408-11-531. (45 minutes) Applicant: Don Woods, Case Number: PZ13-00002 (DEV). Staff: David Nicolella**

Presentation:

David Nicolella introduced Don Woods as the consulting Architect for the project, and indicated that Don was the main source when the project was conceived in 2003. David pointed out the 12 units that are developed and explained that the entire project consists of 88 units. The current approvals are the final plat and a Development Review approval for the entire project that is good until September of 2013. David then pointed out the area where they are proposing changes that were deemed significant enough to go through a Development Review approval process again.

Don Woods, Architect, Sedona, AZ: Explained that he was the original architect with his son Bob, who is present. Don then showed that there are 18 units in the proposed area that are being reduced to 12, plus the community building, pool and outside area. Two other big differences are the underground parking is gone. All of the buildings had underground parking in the original project, but that is gone, because it is expensive and one of the reasons the project sat for a long period of time was they couldn't meet the market. That is the main reason for the change, but also out of that, comes some good things for the community and the neighbors. Now, they are going to limit all buildings to 27 ft. instead of 32 ft. The buildings on the original approved plat could go to 32 ft., by mostly darkening the colors and using alternate standards, and they were taken right to 32 ft. in most cases. They also were longer in some cases than is approved today; a few of the buildings were about 180 ft. long, and they had a Settlement Agreement for three on the highway that were changed to 150 ft., as a result of a lawsuit before they started to build, and those were changed to what happens to be the current restricted length of the buildings, so the new buildings won't be longer than 150 ft.

Don then pointed out the area and explained that the white buildings are the old buildings showing under the proposed buildings, so you can see the difference in the impact on the highway. There is a lot of open space, even though some of it is the swimming pool and an auto court, but the visual impact is considerably different. Don also indicated that in terms of overall height of the buildings, they are down 5 ft. from what was originally approved. They had a three-story structure before, with a parking garage and two floors of living, and since they no longer have the parking garage, they raised that floor, so the first floor of the buildings were 5 ft. higher than the parking garage, and then it is 5 ft. lower on top, and that is how they gained that space.

Don indicated that these were all two-story buildings with all the parking on the lower floor, but it is individual garages now, not one huge garage, so everyone has their own private garage with access through an auto court. Don then pointed out some of the garages and again explained that they are accessed through an auto court. Two garages in each complex are smaller, because those are for the smaller units. They provided two-car parking in a garage for half of the units, and the others have one car covered and parking space for an extra car, plus there are handicap spaces; however, the parking will be made clearer.

Chairman Losoff asked if there is going to be some screening or landscaping to block SR 89A from the parking area, and David Nicolella pointed out that there is a Landscape Plan in the packet. Don Woods then explained that it is all landscaped, and the Chairman noted that we can go into more detail on that in the next meeting. Don then stated that they tried to meet all of the regulations, in fact, in the original Park Place, they met all of the current Sedona requirements at that time, and they will do the same thing now. If something has been overlooked, they will change it. He is not asking for any exceptions to anything, and he thinks it will be a much better project than before.

Don then referenced the second floor and pointed out three units in two locations and explained that is one building that is joined in the middle by a roof structure. He then showed the 150 ft. distance and indicated where the upper floor has three units and that the three plans of the upper floor are identical, except there is a reverse with the same ingredients, so each building's plans are the same.

Don showed some typical elevations and pointed out the existing Park Place building to the east, and then indicated that character shows itself in the new buildings with the idea to make it look like it was all done at the same time, which was one of the reasons they dragged him out of semi-retirement, so they are trying to develop it in that sense.

David Nicolella referenced the existing building as you enter from SR 89A and turn to the left, and indicated that one of the most dramatic things is looking at the original elevation of what was approved versus the proposed redesign, and this would be the front elevation facing the internal street. David then showed the comparison of the back portion of the building, which is closes to the residential development in the rear.

Don added that the dotted line shown on a slant is the original grade and explained that since there has been some excavation done, they are using the historical grades to establish the heights above the ground.

Commission's Questions:

Commissioner Hadley indicated this looks really good. He followed the project from the time it was first built and thought they were fairly massive buildings, but this is going to be nothing more than an improvement and he was pleased to see the profiles coming down and the parking garage eliminated. He thinks it is good and he doesn't have any criticisms or questions at this time.

Commissioner Currivan indicated that he did look at the site and he thinks the original plan included 88 units and 12 are completed. The Commissioner then asked, in this proposal, how many additional units there are and Don indicated they actually have six less than before. The Commissioner then noted that they would end up with 82 units. David Nicolella then explained that the original approval for the area being discussed had 18 units, and the proposal is for 12 units. Commissioner Currivan stated that he understood that, but when it is finished, they will have a total of 82 units; however, Don stated no, because they are going to come back. They are doing it piecemeal, because they have to test the market. They don't want to bite the bullet and do a bunch of units again and stumble, so these 12 will give them a good idea of the reception, then they will come back. This is a minor plat adjustment, because they kept the replacement units in about the same location and didn't increase the number, but later on, they are going to do two more phases and redo the whole thing, so they may end up back at 88 units. According to the zoning, they are allowed 112 units or something, but they won't ever get there.

Commissioner Currivan then asked if the Commission is being asked to approve the entire project at this point or just this incremental piece and Don Woods stated, "This incremental piece". The Commissioner then referenced north of Building 110 and indicated that a lot of excavation has been done there, and the letter said the underground parking is being eliminated, in part, because the over-excavation necessary to put in those underground garages wasn't kind to the landscape, so his question was that the rearranging of the landscape has already been done on that building. Don explained that they had great discussion about that and if they should continue on that building with the same concept they had before, because they have spent the money on the excavation; however, that is only one part of the expensive cost of that underground parking. The structural cost for that was phenomenal; they had clear spans so cars could get in there, a 12-inch set concrete slab totally reinforced, and the slab on top of the garage has to hold point loads from the roof coming down and hitting that in any place, so they had multi-uses of steel to allow for that, because he couldn't put a column every time he needed a load. Going back to the question, they are going to have to put back a compacted engineered field to fill what was over-excavated. He thinks they are about 4 ft. over-excavated right now.

Commissioner Currivan then referenced the earlier comment about going to 27 ft. and measuring that from historical grade, but with that building, the historical grade is quite a bit higher. Don indicated that the historical grade would be 4 ft. or 5 ft. higher, 4 ft. perhaps, and he is going from that line. The Commissioner then asked how many feet of that they are going to be refilling and Don indicated 3 ft. or 4 ft.; it will vary, because that wasn't a straight shot. The Commissioner then stated that the profile is still below what was previously approved and Don indicated by 5 ft.

Commissioner Taylor indicated that he thinks the project is really good, but he sees that quite a few units were sacrificed to get there; however, Don stated that they don't know, because they may get some of them back. It depends on how they lay it out and the size of the unit that ends up being popular. They may go the other way and have fewer units and build bigger units. One thing that caused an issue is the land coverage, they took out the garages that were underneath the buildings, and that hadn't counted against the land coverage, but now he has to get all of those garages on top and they all count, so they had to reduce things.

Commissioner Taylor asked where guests will park and Don pointed out the guest parking along the street with two and three cars in groups, which is how the original project was. The Commissioner stated that it looks really good and he likes the units; they look well planned.

Chairman Losoff indicated that for the next meeting, it might be good to give more history as to the original issues, controversy, etc., and David indicated that the Commission will be getting an outline describing some of the history. The Chairman then referenced the landscape drawings not being consistent, so the Commission would want a better view of that. It also

would be nice to see what it would look like from SR 89A. Don indicated that they had a color photo, but the color didn't come out, but they will try to improve that.

Chairman Losoff referenced the timeframe of the permit running out in September and asked what happens if they are only putting in six more units. David explained that is just talking about the Development Review approvals, so they if they miss that deadline, they wouldn't be able to build the other buildings as previously approved and they would have to come back for Development Review. The Chairman then asked if they have talked to the development behind them and Don indicated they have both morning and afternoon meetings tomorrow. One is with the current residents of Park Place, and then the afternoon meeting is with all of Foothills South and anyone else within 500 ft. The review process started about six weeks ago with some preliminary meetings with the Park Place residents and they had a few objections, and some buildings were lowered and shifted to help those neighbors, so that process has already started. The Chairman commented that he suspects there may be some issues with Foothills South, but we'll find out after you get their feedback.

Chairman Losoff then asked if the current Park Place residents had any major objections and Don stated no. There was one fellow, but they accommodated him, so he doesn't think there will be any opposition. The Chairman indicated that they talk about downsizing the size of the units, etc., but what will be the difference in unit cost and Don indicated that the sales cost is quite a bit, a few hundred thousand.

Chairman Losoff asked what the mention of a fair housing issue was about and that it was previously designed for alternate plans to accommodate Fair Housing Standards. Don Woods explained that when they originally did this, Brian Pearson was new to Sedona, and they didn't want to design every unit for fair housing, ADA, because very few people would buy those and they wanted to adapt, if they had to, so they had designed some alternate bathrooms that could meet ADA requirements, and for other things like putting switches at the right height, etc., but Brian feels a little differently now. They are hiring a Fair Housing consultant, so the plans will change a little, because of adhering to Fair Housing right off the bat; however, it is not like ADA, which is far stricter than Fair Housing. Under Fair Housing, you need a 36" countertop and ADA requires 34".

The Chairman asked if they had any thoughts about green building codes and Don stated only in insulating them properly, and everything they can do in materials, the best they can. The Chairman then indicated that the project looks like it is going to be good, and he likes the fact that it is coming down in size. A big thing for the Commission has always been the view corridors, and anything we can do to improve or maintain those are important to him. It sounds like we are on the right track and he didn't hear any major issues for the next meeting, but you have heard what we need for the next meeting.

The Chairman then referenced his earlier statement that the Commission having site visits, so he wanted to remind David and Audree that this site could be included.

5. Discussion regarding the Draft Energy Policy proposed by the Sustainability Commission (30 minutes, 5:00 -5:30 pm)

Chairman Losoff indicated that this policy came up several months ago and asked staff to give some background. The Chairman then indicated that the Sustainability Commission had a joint meeting with the City Council to talk about an Energy Policy, and as a result a committee was set-up to look at drafting one, and this is the result.

Presentation:

Audree Juhlin indicated that she hopes the Commission had a chance to review the policy. This meeting . . ., Chairman Losoff interrupted to say for future discussions, as we are asking the Commissioners to do their homework, we can assume people are going to read these things, so as

staff makes a presentation, we don't have to read them line by line. Audree then stated that she won't. The Commission has a copy of a draft Sustainable Energy Policy that was created by members of the Planning & Zoning Commission and Sustainability Commission, as well as the Chair of the Citizens Steering Committee for the Community Plan update.

Audree explained that it has been reviewed by the Sustainability Commission and they are comfortable with this draft and have asked that the Planning & Zoning Commission provide comments. The Sustainability Commission will be meeting with the City Council on May 22nd, so they would like to have all comments at that time. Staff is currently reviewing the document, so staff's review isn't completed, but will be by May 22nd, and staff would also like to hear from P&Z as staff's comments are put together.

Commission's Comments:

Commissioner Currivan questioned the fourth bullet on the first page of the draft, which is the paragraph that starts with, "The adoption of this policy will benefit the entire community as follows: . . .", and there are four bullet points. The first three seem to make a lot of sense; the fourth one, he wants to be sure we look at very carefully. He is not necessarily opposing it, but we should consider carefully making one of our goals the reduction of fossil fuels to mitigate climate change, because that is a highly political issue and one that seems to be in some debate among the experts, as to whether or not man-made fossil fuel usage actually leads to climate change, and he doesn't want to debate that one way or the other. He just wants to note that it is something under debate, and wonders if that is properly part of the game plan for this policy statement.

Commissioner Taylor agreed with what was just said, but in general, he thinks the whole thing is unsustainable. What they are asking the City to do is almost impossible; you would have to double your staff or Lord knows what you would have to do, to do the things they are suggesting. He also has real mixed feelings about that aspect of the plan, and that suggestion that the City set the example by switching to renewable energy wherever they can, with electric or hybrid cars, etc., because you are shifting that extra cost to the taxpayer, because it is an extra cost, and he is not sure that it is right to put the burden of something on every taxpayer to set the example. It is great through education if individuals who can afford it go with some renewable source, but he has mixed feelings about such things as what was done at the high school. The taxpayers paid for that and will pay for it again, when those panels lose their efficiency and have to be replaced. He thinks a lot of thought has to go into a real policy statement -- something to follow for a specific number of years, say over the next 10 years or 20 years, or whatever the outreach is. Also at this point in time, there is no way that mankind can fully replace oil, fossil fuels and natural gas, etc. We don't know how to do that, and we have to strive for it obviously, especially in view of population growth and the demands of the population for increased energy consumption, but he thinks it somehow has to be brought down to a more realistic set of guidelines, and it requires some more careful wording, because there are a few places like the one already brought up.

Commissioner Messer indicated that he was going to say a lot of what Commissioner Taylor just said. These kinds of mandates, he would hope one day come from the federal level and not City government. To place the onus on the taxpayer is a little dodgy. Chairman Losoff noted that is coming from somebody who rides his bike all over town. Commissioner Messer then added that he believes fossil fuels totally cause greenhouse gas effects.

Commissioner Hadley indicated that Commissioner Currivan stole his thunder; that is exactly the one sentence in the document that he underlined as taking objection to. The rest of it, he thinks is okay, but there are two points. Some of the alternate energy things that we see in residential and commercial markets that are coming into play only work because there is government subsidy to help pay for it. If it had to stand on its own, we aren't quite there yet, so he worries that this is actually going to, in the short term, wind up costing the City more money. Particularly the sentence about fossil fuels and helping to mitigate the impact of energy consumption on climate change; he is a skeptic. Climate is changing, he has no doubt and he has read a lot about this, it is a great interest of his, and there appears to be a scientific provable theory that the Earth goes through a

1,500 year climate change, with or without mankind, so he doesn't think we are impacting the current warming trend, he thinks it is a natural phenomena based more on solar activity, and that is really his only true objection to what has been written so far.

Chairman Losoff noted that he also underlined and circled the same issues. His first overall thought is that we don't want to be preaching or assume, because we all have different feelings about climate change, and we don't want to assume there is or isn't a climate change in our policy. If this policy is approved and accepted, we want to avoid any major political battles. We've heard enough in the City already about smart meters and things like that, and this could open another Pandora's Box, if we start telling people we have an issue with climate change. He thinks the policy is pretty good overall, but he wouldn't want to see a three-page policy. He would like to see this condensed into one page with general statements. He is not sure we have to spell out all of the specifics; we may want a general statement on electricity, and if we have a general statement on City administration, we talk about City administration leading, etc., if we don't go into too many specifics there. Electricity, maybe we could say overall we want to reduce energy consumption by X or at least provide basic energy consumption activities or models to limit, without going into all of these details on each specific energy or gasoline, etc. We also should have some building codes to look at that should be voluntary. He is not sure we want to impose green building codes; we could have them voluntary and side-by-side with our current codes, so if we want to state that in such a way or again be general as opposed to specific. If these are approved overall, the less preaching and the less mandating we seem to be doing the better. Additionally, the Community Plan update would tie into some of this. They are talking about transportation, circulation and various things that would reduce the use of some of these energy concerns, so it is not stated specifically, but it would tie-in with this. He is not saying to wait for the Plan, but there is an interconnect some place. The more general this is, the better it would be, and the less assuming there is going to be a climate change issue the better.

Commissioner Messer indicated that green building is a great idea, but you have to offer incentives, because green building is prohibitively expensive -- radium floor heating is triple the cost of conventional HVAC stuff, and APS used to kick back money with solar panels, but now they have stopped doing that, so it is an expensive outlay, and if we are going to say that we promote that and want it, we are going to have to give them some deal on their permit process, etc.

Chairman Losoff indicated that he has had conversations with the Chairman of the Sustainability Commission and we have discussed that. In fact, we discussed having a Working Team to talk about green building codes, knowing that and we've seen LEEDS, etc., and that is why he says it shouldn't be mandatory. They should be voluntary, but there should be things built in to allow developers to do that, whether they are financial incentives, permit incentives, etc. The Chairman then referenced the last paragraph where it said you don't want to get into a discussion of water use, food consumption, stormwater management, etc. He understands food consumption, but isn't water use and stormwater something we want to look at overall?

Audree Juhlin explained that the Sustainability Commission is proposing in their May joint meeting with the City Council drafting a water policy, so they are separating the two. Chairman Losoff stated that we want to be careful that we don't have a lot of separate policies. Water tomorrow could be using a bike and who knows what, so as staff talks with them, let's advise both the Commission and City Council to put it all in a package and not have separate comments out there. Audree Juhlin stated that all of the Commission's comments will be forwarded to the Commission for their next meeting in April.

Commissioner Taylor indicated that there are lots of ways to encourage energy conservation or use of energy-conserving vehicles, etc., such as having the close-in parking at Basha's for hybrids, if you see those as really energy-saving.

Commissioner Hadley wanted to underscore what Commissioner Messer said about green building. Most of the Commission has heard him talk about the home in Santa Fe that he designed where

they implemented a green building code about three years ago. Now that it is built and they know what it cost, Commissioner Messer is right. It raised the price of that home about 20% and it was substantial. It was supposed to be a \$250 per sq. ft. home that ended up being about \$300 per sq. ft. In theory, all of these things are good and it will save energy; there is no debate about that, but it raised the place beyond what the recovery would ever be for the home.

Chairman Losoff asked if there is a comparison or any payback in terms of energy and Commissioner Hadley stated of course there is, but it is very long-term. Kevin Snyder added that staff has had preliminary conversations regarding the concept of green building codes, and although staff is not the decision-maker in that, the Commission and ultimately the Council weigh-in on that, but staff concurs with the incentive-based approach, because it has been staff's experience that you tend to get more interest and opportunity to promote that than by making it a requirement, so he thinks the Commission will see at least Community Development aligning along the lines of incentive-based.

The Chairman stated that is great; we will talk more specifically next time, but if we go forward looking at our existing Land Development Code and Design Review Manual, we can start talking about those things, whether it is a Form-based Code or whatever, to encourage energy consumption, but the more general we are -- it is a hot topic and we want to be careful. We have heard a lot of discussion about cost and people promoting energy are saying we have to start someplace, but there is a realistic approach to all of it. Let's just be a little cautious going forward and not inundate us with a lot of energy policies and needs all of a sudden.

6. Adjournment. (5:30)

Chairman Losoff called for adjournment at 5:00 p.m., without objection.

I certify that the above is a true and correct summary of the work session of the Planning & Zoning Commission held on March 28, 2013.

Donna A. S. Puckett, *Recording Secretary*

Date