

Summary Minutes
City of Sedona
Planning & Zoning Commission Meeting
City Council Chambers, Sedona City Hall, Sedona, AZ
Tuesday, February 4, 2014 - 5:30 p.m.

1. VERIFICATION OF NOTICE

Chair Losoff verified notice and called the meeting to order at 5:30 p.m.

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

Roll Call:

Planning & Zoning Commissioners Present: Chair Marty Losoff, Vice Chair Michael Hadley and Commissioners Eric Brandt, John Currivan, Scott Jablow, Kathy Levin and Norm Taylor.

Staff Present: Audree Juhlin, Cari Meyer, David Peck, Donna Puckett and Ron Ramsey

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

The Chair noted that Valentine's Day is coming up.

4. APPROVAL OF THE FOLLOWING MINUTES:

- a. **November 13, 2013 (WS); November 19, 2013 (R); December 12, 2013 (WS); January 16, 2014 (WS)**

Chair Losoff pointed out that there is a typographical error in the agenda; the minutes listed for November 13th should be November 14th, and because of technicalities, some of these dates will be taken separately.

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5. PUBLIC FORUM: For items not listed on the agenda within the jurisdiction of the Planning and Zoning Commission – limit of three minutes per presentation. Note that the Commission may not discuss or make any decisions on any matter brought forward by a member of the public.

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

6. REGULAR BUSINESS

- a. **PZ13-00014 (ZC, DEV) Discussion regarding a request for a Zone Change from CF (Community Facility) to L (Lodging) and Development Review approval to construct 40 new lodging units, a new meeting facility, and associated site improvements at 1105 Airport Road. A general description of the area affected includes but is not limited to the**

area west of the intersection of Airport Road and Air Terminal Drive on top of Airport Mesa. The lot is further identified as Assessor's Parcel Number 408-27-001. Applicant: Sky Ranch Operations, LLC; PO Box 2579; Sedona, AZ; Agent: Design Group Architects; 376 Jordan Road; Sedona, AZ; Staff: Cari Meyer, Associate Planner (30 minutes; 5:45 pm—6:15pm)

Cari Meyer noted that at the last work session, the Engineering Department had a number of comments regarding the Traffic Impact Analysis, so the Commission requested a work session prior to the public hearing, which is scheduled for February 18th.

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David then indicated that they could also clarify #6. He had asked them to explain how the traffic counts taken in November were representative of some of the busier months and asked if there should be a multiplier. SWI's response was that fall and spring are typically busy times for Sedona, and sunset is around 5:30 p.m., which means the p.m. peak counts from 4:00 p.m. to 6:00 p.m. also captures the traffic heading to the mesa to watch the sunset. No current multipliers were found, but ADOT data from 1992 applied a .95 reduction to November traffic counts during the middle of the week. Also the City's Traffic Aid was able to provide Airport Road traffic counts 250 ft. south of S.R.89A for October 27, 2007 - November 1, 2007 and that

average daily traffic was 2,374, which is slightly higher than SWI's number of 2,253; however, 2007 was still a boom year economically. Additionally, according to the Farmer's Almanac for SWI's count dates, the high temperatures were about 70° that week and there was no precipitation, so higher counts would be expected.

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- Question about the bar being set so low and why we are comparing the level of service to a D, when we are currently in the ABC range; we are around 69% of level C.

Staff explained that the chart has more to do with Airport Road heading up to the mesa and it is compared to level D, because roads are usually designed for level D. We are more around the B or C range, even after the development of the project.

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Staff referenced another table on page 20 that gets into the level of service at the intersection, and none of them change for any turning movements from the 2014 background conditions up to and including the worst case scenario with the development.

- Question about the number of vehicles per hour for a C rating declining and the number for the D rating going up.

David Peck referenced the table on page 11 and explained that the level of service C has a range and that table wasn't in the first report, so he assumes they rounded the 784 to 800, and then took an average of that range for the 574 and used that. On level of service D, both the 1100 and 1162 are roughly in the middle of the range, so staff is satisfied.

- Comment that based on the reports, we are not near the capacity on this road.

Staff agreed and Andy Dickey added that is not to say there couldn't be some extremely rare event a couple of times a year where we get a bad level of service, but we never want to design streets for that.

- Comment that the answer for #6 can be accepted and staff's due diligence with clear answers is appreciated.

Chair Losoff then indicated that the Commission would address the grading issues and asked staff to discuss any outstanding issues. David Peck referenced #16 regarding the drive and parking radii requirements in Chapters 7 and 9 of the Land Development Code, and SWI responded that Article 7 of the Land Development Code is for subdivision regulations and land divisions and Sky Ranch Lodge is a site plan, not a subdivision or a land division, and they aren't sure where they aren't meeting the requirements of Article 9, Development Standards; the parking surface is gravel and there are no curbs on the project.

David explained that the City Attorney's opinion is that Article 7 is designed to promote uniformity in street construction throughout the City, and it is not intended to create a separate set of street design standards that can only be applied to subdivisions. Therefore, what we see in the Land Development Code is open to more than just subdivisions, so this project would be included and we will keep pressing on that matter.

Andy Dickey indicated that part of the issue is that Engineering didn't necessarily have a problem to be resolved, and they are specifically asking what they have not met. Engineering put out those blanket requirements to say that when it gets to a level of design with that kind of detail, our expectation is that you are going to meet those requirements, and that is all staff was trying to say, but the fact that they are saying they don't want to comply with those sections is an issue.

The Chair then asked the Commission for any additional questions on this project.

Commission's Questions:

- Concern expressed about the meeting hall and the population of the room used for the exit requirements, because the size of the room seems like it would hold up to 400 people, which is a concern with the proposed parking.

Staff clarified the square footage and explained that the City Code requires parking at one space per 175 sq. ft. for a meeting facility and that is what is provided.

- Question regarding the Code requirement for exiting.

Max Licher explained that the code is based on occupancy and they were aware of that issue. The room needs to be that size to deal with conferences with people sitting around tables when meals are served. They spoke with the Fire District and they are allowed to set the maximum occupant load at about 220 with staff, even though the space could hold more, and there is no problem with the width of corridors, exit doors, etc. They don't intend to have meetings with 300 people, so the traffic counts, etc., assume that they are voluntarily capping the occupant load at 200 meeting attendees.

- Concern about the City's low parking requirement for 200 people, which generates 90 – 100 cars and where they are going to park those cars.

Staff explained that the parking requirements are based on square footage, not occupant load, and attendees that are staying at the hotel would not be taking up an extra parking space. Based on all of the uses on the site, they are required to have 193 parking spaces and they have provided 212, which is in excess of the minimum Code requirements, and it would be a business decision as to whether they allow a group to come on site, if they don't have enough parking, plus they are allowed to do a shared parking agreement.

- Comment that there could be a parking issue and with the community benefit to offer a free room for community meetings, but they meet the Code.
- Comment that there is really something wrong with the City Code
- Comment that based on staff's research on whether or not other hotels met or exceeded the community benefit offered for the meeting space, which was generous and offered not only free rental space, but discounted rental space, they have not only met but exceeded what at least six other hotel facilities are offering.
- Comment that it is a little apples and oranges. One of the hotels showed a huge rate, but if you have a meal served, they don't charge for the room, but it no doubt is a benefit.
- Suggestion to have a more concise list of tangible benefits.
- Comment that the pathway looks really good, but enhanced signage would be helpful, because people can't see that it connects.

Staff indicated that they are currently working on signage.

Max Licher clarified that this is the final submittal; they aren't rewriting a Letter of Intent or changing drawings until they come back for permits. At that point, staff is prepared to write Conditions of Approval, which the Commission will be voting on at the next meeting. Staff

agreed that the Commission would be asked to make a recommendation to the City Council on the Zone Change and take final action on the Development Review. Max then added that the project has to meet building requirements to actually get a building permit, so there will be more detail at that time that staff will review at that point.

b. Discussing/possible direction regarding current and upcoming projects (15 minutes, 6:15–6:30pm)

Cari Meyer referenced the project summary provided in the Commission's packet and provided updates on the following:

- Outdoor Lighting Small Grant Program awards given to the Cedars Resort and the Fire District, plus work is continuing with other interested property owners.
- The opening of the KFC/Taco Bell and Arco gas station.
- The C-Market's Time Extension request that will be coming to the Commission.
- Mariposa is moving forward and has all of their permits.
- The original applicant for the Over the Edge Eatery is no longer moving forward for the food trailer in the back, although the property owner could find someone else that could comply with the conditions. The Chair indicated that to try to avoid some of those situations, it would be good to get them all together.
- The resubmittal for the Sedona Rouge expansion was received and staff is beginning the substantive review. Commissioner Currivan asked that staff make sure that pictures of the existing architectural style are provided, although the Chair noted that there was no consensus and the Commission didn't say they must change it; it was just a question.

Commission's Questions:

- Question about the location of Kayenta Plaza, and staff explained that it is behind the Fire Station on Kayenta Court and it is an office/condo conversion.
- Question about CVS, and staff explained that their next step would be a resubmittal, but nothing has been heard by staff.
- Question about Park Place, and staff indicated there will be a meeting with the property owner in the next couple of weeks.
- Question about Mormon Hills Estates, and staff indicated that they have completed their Conceptual Review and the next step will be a resubmittal.
- Question about Sol Inn, and staff indicated they are open and have all of their permits, so it was removed from the update list.

Cari then pointed out that the Commission also received the Community & Economic Development Department's Monthly Report, and the Chair noted that they are good reports.

c. Discussion/possible direction regarding the Planning & Zoning Commission's work program. (15 minutes; 6:30–6:45pm)

Cari indicated that the draft work program prepared by Chair Losoff was included in the packet.

Commission's Discussion:

- Question as to if these ideas were generated in a discussion with staff, and Chair Losoff indicated that he put it together in discussion with a couple of people, and he is bringing it here as a draft; it is not written in cement.

Audree Juhlin explained that it is really like a jumping off point, rather than starting from scratch, so does it have everything you want or is there something you are not interested in, etc., to begin the discussion.

- Question regarding "facilitators vs. micro-managers", and Chair Losoff explained that it will be discussed in the retreat, but it seems that over the years there have been some

concerns that as a Commission, we may get too involved and try to get into too much detail, and a subject for the retreat is our scope and responsibilities.

- Question regarding facilitation for the retreat, and Chair Losoff indicated that staff and the attorneys will coordinate it.
- Question regarding “economic development”, and Chair Losoff explained that in the past year or two there has been more emphasis on highlighting economic development, and the new Community Plan talks about that in detail, so the question is what is the Commission’s role in that endeavor. He is hoping to establish a more proactive approach on some of these things, within the law and the rules, regulations and codes.
- Question as to whether or not the Council has expressed interest in a joint meeting to discuss community benefits, and Chair Losoff indicated yes and there has been a suggestion on a couple of levels to have a joint meeting.

Audree Juhlin added that the Council did provide direction that they would like to have a joint work session, and the Chair indicated that the Council Liaison expressed an interest in moving that forward and as a result the City Manager is forming a Community Advisory Committee to look at the community benefits issue. It includes himself, Vice Chair Hadley, a couple of Councilors, a number of business members, and people who have been through the process. Audree explained that the purpose is to have the parameters and philosophy that we want to begin talking about, before having the joint meeting with the Council, especially since the Community Plan has changed in how community benefits are addressed. The group has not met yet; it was just formed in the last week or two.

- Comment that the draft work program makes a lot of sense and has some good points.
- Suggestion to identify the problems we are trying to solve in things like this, so when we say we want to improve the process, it suggests someone has a problem with the process, so we should focus on the problem we are trying to solve.
- Comment that allowing staff to have a heads-up before a meeting is always a good idea.
- Comment that meeting with developers is a way to find out what they think the problems are, and that will help the Commission define the problem, so the Commission can focus on them.
- Comment that in the retreat, the attorneys will give us a pretty thorough presentation, not only on the legal elements, but also some of the pitfalls, etc., that we may cause, and we will discuss things we have heard from the community at large, etc.

Audree Juhlin explained that staff isn’t saying there is a problem with the process; it is always a good idea to constantly look at the process and see if it still makes sense. We have some new Commissioners, and there may be different ways to do it. Chair Losoff then added some background on the process used in the past.

- Comment that developers are always in a negotiating position, so it is always a negotiation; you just have to take what they say in context, and what someone says pertaining to their business doesn’t necessarily pertain to everyone’s business.
- Comment that some developers look at it as a right and some look at it as an inquisition; we’re not looking to be negative, but how we can put our best foot forward.
- Comment that it is unfair if a man owns a piece of property and wants to build a building on it, and there is no problem building it, but when he comes to the Commission and Council, we say maybe he should do this or that for the City, and there has to be a framework or guideline, because it is unfair to the property owner.
- Comment that during the CVS review, there was confusion about what the former Director was saying about the process in terms of what we should and shouldn’t discuss.

Audree Juhlin indicated that can be discussed in great depth at the retreat, and the Chair added that a lot can be learned from that project.

- Question regarding under what circumstances and to what extent the Commission can require things over and above minimum code requirements, such as the earlier concern about parking. The Chair agreed that is a good point for discussion.

Staff pointed out that the Commission had transitioned into the next agenda item.

- Request to discuss community benefits and the contents of Development Agreements, because the Development Agreement is a negotiated instrument that the applicant works with City Council on, however, community benefits work their way into the Development Agreement, and at an earlier work session, it was unclear as to whether a line was being crossed that P&Z isn't supposed to be involved in.

Audree Juhlin indicated that would be included, because it is a great thing to clarify, and Cari repeated that the discussion had transitioned away from the work program to the next agenda item.

d. Discussion/possible direction regarding the Planning & Zoning Commission's retreat planned for Thursday, February 13, 2014. (15 minutes, 6:45–7:00pm)

Cari indicated that as a general overview of what is planned, the City Attorneys will give presentations on the zoning process, updates on State Law, and the Roles & Responsibilities of the Commission, so let staff know if you have a specific topic you wish to have addressed. We will also have an Executive Session agendaized, in case there are any current projects we need to discuss.

The Chair added that we also want to discuss how we are going to go about looking at all of the codes, etc., so there is a lot that we can start to look at to coincide with the new Community Plan that hopefully will be approved.

Audree Juhlin explained that the four hours allotted for the retreat is an insufficient amount of time and a lot of the more in-depth discussions will be in other work sessions or meetings that have available time or in another special meeting.

The Chair indicated that his theme for the year is to be proactive, so if we need to put a retreat issue on each agenda, we will do it.

Ron Ramsey indicated that regarding the legal input for the retreat, he appreciates the comments. You are somewhat limited if you look at the statute that creates the Planning & Zoning Commission, the statute says the following:

- 1) Develop and maintain a general plan.
- 2) Develop specific plans.
- 3) Periodically review Capital Improvement Program.
- 4) Perform such other planning functions as a legislative body may provide.

Ron added that the interesting twist to that is that the definition of "Planning Agency" can include multiple groups, so that means that a Commission, staff and Council can be part of the Planning Agency, so you aren't remiss in that you didn't develop the Community Plan this year, but #4 is the open door for each City to define the role of the Commission, so we then go to the Sedona City Code, and it isn't really helpful in dealing with some of the issues your discussing tonight, so a recommendation may be that this is a good topic for a joint meeting with the City Council, to explain what these assignments are, because like economic development isn't there. In Sedona, one duty is to have hearings and make recommendations to Council regarding amendments to the code. Other duties include hearing, reviewing and acting on Development Review applications, Conditional Use Permits and any appeals of the Director for Temporary Use Permits; hearing and making recommendations regarding rezoning; recommendations to Council regarding Subdivision Plat applications; recommendations to the

Council regarding amendments to the Sedona Community Plan, and then exercise other powers that may be lawfully granted by the Council with respect to this code, but it doesn't say "economic development". In the past, there has been a pull back and forth between times when the Commission has gotten proactive and made comments about some process or another Commission, and there have been some conflicts between Commissions and Committees. We have the ability to change and create a functional Code for you, in terms of your role versus the City Council's.

Ron then indicated that he has also summarized his input to Cari and Audree, and it includes discussing things like community benefits. He has also included exactions, and he has a case that will be interesting, because the facts include an applicant with a property that is zoned correctly on part of the parcel, but needs a rezoning on the other piece, and they said they would give the rezoning if the building is moved back so parking is in front, but if he doesn't get the rezoning, he builds where he can already, but the City demanded in either case, that he had to dedicate right-of-ways on two sides of the property, because "we think there is going to be increased traffic in that area at some time. As a matter of fact, we know that the college is planning its expansion on its campus and we have another business we think is going to pour into that street, so therefore, you are obligated to dedicate that land." That is what the Commission, the City Council and the trial court bought off on, and that is what was reversed. It also has an interesting discussion on traffic counts and what the value of that is on making a decision on rezoning.

Ron explained that regarding community benefits, they have been a problem and nebulously described primarily with a genesis in the old Community Plan, and you will notice in the new Community Plan, they are essentially evaporated, so he went through the new Community Plan and summarized sections of verbiage. You will find that very instructive about the struggle in the new Community Plan to define Sedona's character, and there is a lot that upholds private property rights, so the new Plan may eliminate community benefits, but it is going to present other issues, and depending on your predisposition of an application, you are going to find one page in support and another page in opposition.

Ron then requested that the Commission read his attachments ahead of time and Cari indicated that the Commission will have a packet by the end of this week with the attachments. The Chair encouraged the Commissioners to share any new ideas for the retreat with Audree before the end of the week, and Audree indicated that the retreat will start at 1:00 p.m., but food will be available at 12:30 p.m., and then there will be snacks later. It will be in the Vultee Conference Room.

7. FUTURE MEETING DATES AND AGENDA ITEMS (10 minutes; 7:00–7:10pm)

- a. Thursday, February 13, 2014; 1:00pm (Retreat)**
- b. Tuesday, February 18, 2014; 5:30pm (Public Hearing)**
- c. Thursday, February 27, 2014; 3:30pm (Work Session)**
- d. Tuesday, March 4, 2014; 5:30pm (Public Hearing)**

Cari indicated that February 13th is the retreat; February 18th will have three public hearings; one for the C-Market Time Extension, one for a Conditional Use Permit renewal for Enterprise Rent-a-Car, and then Sky Ranch Lodge. February 27th tentatively has the Capital Improvement Program and the Sedona Rouge work session, depending on staff's substantive review of the project. March 4th is unknown at this time.

8. 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:

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

No Executive Session was held.

9. ADJOURNMENT

Chair Losoff called for adjournment at 6:47 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 February 4, 2014.

Donna A. S. Puckett, *Administrative Assistant*

Date

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- Concern expressed about the possibility of people complaining about queuing and turning problems, etc.

Staff referenced another table on page 20 that gets into the level of service at the intersection, and none of them change for any turning movements from the 2014 background conditions up to and including the worst case scenario with the development.

- Question about the number of vehicles per hour for a C rating declining and the number for the D rating going up.

David Peck referenced the table on page 11 and explained that the level of service C has a range and that table wasn't in the first report, so he assumes they rounded the 784 to 800, and then took an average of that range for the 574 and used that. On level of service D, both the 1100 and 1162 are roughly in the middle of the range, so staff is satisfied.

- Comment that based on the reports, we are not near the capacity on this road.

Staff agreed and Andy Dickey added that is not to say there couldn't be some extremely rare event a couple of times a year where we get a bad level of service, but we never want to design streets for that.

- Comment that the answer for #6 can be accepted and staff's due diligence with clear answers is appreciated.

Chair Losoff then indicated that the Commission would address the grading issues and asked staff to discuss any outstanding issues. David Peck referenced #16 regarding the drive and parking radii requirements in Chapters 7 and 9 of the Land Development Code, and SWI responded that Article 7 of the Land Development Code is for subdivision regulations and land divisions and Sky Ranch Lodge is a site plan, not a subdivision or a land division, and they aren't sure where they aren't meeting the requirements of Article 9, Development Standards; the parking surface is gravel and there are no curbs on the project.

David explained that the City Attorney's opinion is that Article 7 is designed to promote uniformity in street construction throughout the City, and it is not intended to create a separate set of street design standards that can only be applied to subdivisions. Therefore, what we see in the Land Development Code is open to more than just subdivisions, so this project would be included and we will keep pressing on that matter.

Andy Dickey indicated that part of the issue is that Engineering didn't necessarily have a problem to be resolved, and they are specifically asking what they have not met. Engineering put out those blanket requirements to say that when it gets to a level of design with that kind of detail, our expectation is that you are going to meet those requirements, and that is all staff was trying to say, but the fact that they are saying they don't want to comply with those sections is an issue.

The Chair then asked the Commission for any additional questions on this project.

Commission's Questions:

- Concern expressed about the meeting hall and the population of the room used for the exit requirements, because the size of the room seems like it would hold up to 400 people, which is a concern with the proposed parking.

Staff clarified the square footage and explained that the City Code requires parking at one space per 175 sq. ft. for a meeting facility and that is what is provided.

- Question regarding the Code requirement for exiting.

Max Licher explained that the code is based on occupancy and they were aware of that issue. The room needs to be that size to deal with conferences with people sitting around tables when meals are served. They spoke with the Fire District and they are allowed to set the maximum occupant load at about 220 with staff, even though the space could hold more, and there is no problem with the width of corridors, exit doors, etc. They don't intend to have meetings with 300 people, so the traffic counts, etc., assume that they are voluntarily capping the occupant load at 200 meeting attendees.

- Concern about the City's low parking requirement for 200 people, which generates 90 – 100 cars and where they are going to park those cars.

Staff explained that the parking requirements are based on square footage, not occupant load, and attendees that are staying at the hotel would not be taking up an extra parking space. Based on all of the uses on the site, they are required to have 193 parking spaces and they have provided 212, which is in excess of the minimum Code requirements, and it would be a business decision as to whether they allow a group to come on site, if they don't have enough parking, plus they are allowed to do a shared parking agreement.

- Comment that there could be a parking issue and with the community benefit to offer a free room for community meetings, but they meet the Code.
- Comment that there is really something wrong with the City Code
- Comment that based on staff's research on whether or not other hotels met or exceeded the community benefit offered for the meeting space, which was generous and offered not only free rental space, but discounted rental space, they have not only met but exceeded what at least six other hotel facilities are offering.
- Comment that it is a little apples and oranges. One of the hotels showed a huge rate, but if you have a meal served, they don't charge for the room, but it no doubt is a benefit.
- Suggestion to have a more concise list of tangible benefits.
- Comment that the pathway looks really good, but enhanced signage would be helpful, because people can't see that it connects.

Staff indicated that they are currently working on signage.

Max Licher clarified that this is the final submittal; they aren't rewriting a Letter of Intent or changing drawings until they come back for permits. At that point, staff is prepared to write Conditions of Approval, which the Commission will be voting on at the next meeting. Staff

agreed that the Commission would be asked to make a recommendation to the City Council on the Zone Change and take final action on the Development Review. Max then added that the project has to meet building requirements to actually get a building permit, so there will be more detail at that time that staff will review at that point.

b. Discussing/possible direction regarding current and upcoming projects (15 minutes, 6:15–6:30pm)

Cari Meyer referenced the project summary provided in the Commission's packet and provided updates on the following:

- Outdoor Lighting Small Grant Program awards given to the Cedars Resort and the Fire District, plus work is continuing with other interested property owners.
- The opening of the KFC/Taco Bell and Arco gas station.
- The C-Market's Time Extension request that will be coming to the Commission.
- Mariposa is moving forward and has all of their permits.
- The original applicant for the Over the Edge Eatery is no longer moving forward for the food trailer in the back, although the property owner could find someone else that could comply with the conditions. The Chair indicated that to try to avoid some of those situations, it would be good to get them all together.
- The resubmittal for the Sedona Rouge expansion was received and staff is beginning the substantive review. Commissioner Currivan asked that staff make sure that pictures of the existing architectural style are provided, although the Chair noted that there was no consensus and the Commission didn't say they must change it; it was just a question.

Commission's Questions:

- Question about the location of Kayenta Plaza, and staff explained that it is behind the Fire Station on Kayenta Court and it is an office/condo conversion.
- Question about CVS, and staff explained that their next step would be a resubmittal, but nothing has been heard by staff.
- Question about Park Place, and staff indicated there will be a meeting with the property owner in the next couple of weeks.
- Question about Mormon Hills Estates, and staff indicated that they have completed their Conceptual Review and the next step will be a resubmittal.
- Question about Sol Inn, and staff indicated they are open and have all of their permits, so it was removed from the update list.

Cari then pointed out that the Commission also received the Community & Economic Development Department's Monthly Report, and the Chair noted that they are good reports.

c. Discussion/possible direction regarding the Planning & Zoning Commission's work program. (15 minutes; 6:30–6:45pm)

Cari indicated that the draft work program prepared by Chair Losoff was included in the packet.

Commission's Discussion:

- Question as to if these ideas were generated in a discussion with staff, and Chair Losoff indicated that he put it together in discussion with a couple of people, and he is bringing it here as a draft; it is not written in cement.

Audree Juhlin explained that it is really like a jumping off point, rather than starting from scratch, so does it have everything you want or is there something you are not interested in, etc., to begin the discussion.

- Question regarding "facilitators vs. micro-managers", and Chair Losoff explained that it will be discussed in the retreat, but it seems that over the years there have been some

concerns that as a Commission, we may get too involved and try to get into too much detail, and a subject for the retreat is our scope and responsibilities.

- Question regarding facilitation for the retreat, and Chair Losoff indicated that staff and the attorneys will coordinate it.
- Question regarding “economic development”, and Chair Losoff explained that in the past year or two there has been more emphasis on highlighting economic development, and the new Community Plan talks about that in detail, so the question is what is the Commission’s role in that endeavor. He is hoping to establish a more proactive approach on some of these things, within the law and the rules, regulations and codes.
- Question as to whether or not the Council has expressed interest in a joint meeting to discuss community benefits, and Chair Losoff indicated yes and there has been a suggestion on a couple of levels to have a joint meeting.

Audree Juhlin added that the Council did provide direction that they would like to have a joint work session, and the Chair indicated that the Council Liaison expressed an interest in moving that forward and as a result the City Manager is forming a Community Advisory Committee to look at the community benefits issue. It includes himself, Vice Chair Hadley, a couple of Councilors, a number of business members, and people who have been through the process. Audree explained that the purpose is to have the parameters and philosophy that we want to begin talking about, before having the joint meeting with the Council, especially since the Community Plan has changed in how community benefits are addressed. The group has not met yet; it was just formed in the last week or two.

- Comment that the draft work program makes a lot of sense and has some good points.
- Suggestion to identify the problems we are trying to solve in things like this, so when we say we want to improve the process, it suggests someone has a problem with the process, so we should focus on the problem we are trying to solve.
- Comment that allowing staff to have a heads-up before a meeting is always a good idea.
- Comment that meeting with developers is a way to find out what they think the problems are, and that will help the Commission define the problem, so the Commission can focus on them.
- Comment that in the retreat, the attorneys will give us a pretty thorough presentation, not only on the legal elements, but also some of the pitfalls, etc., that we may cause, and we will discuss things we have heard from the community at large, etc.

Audree Juhlin explained that staff isn’t saying there is a problem with the process; it is always a good idea to constantly look at the process and see if it still makes sense. We have some new Commissioners, and there may be different ways to do it. Chair Losoff then added some background on the process used in the past.

- Comment that developers are always in a negotiating position, so it is always a negotiation; you just have to take what they say in context, and what someone says pertaining to their business doesn’t necessarily pertain to everyone’s business.
- Comment that some developers look at it as a right and some look at it as an inquisition; we’re not looking to be negative, but how we can put our best foot forward.
- Comment that it is unfair if a man owns a piece of property and wants to build a building on it, and there is no problem building it, but when he comes to the Commission and Council, we say maybe he should do this or that for the City, and there has to be a framework or guideline, because it is unfair to the property owner.
- Comment that during the CVS review, there was confusion about what the former Director was saying about the process in terms of what we should and shouldn’t discuss.

Audree Juhlin indicated that can be discussed in great depth at the retreat, and the Chair added that a lot can be learned from that project.

- Question regarding under what circumstances and to what extent the Commission can require things over and above minimum code requirements, such as the earlier concern about parking. The Chair agreed that is a good point for discussion.

Staff pointed out that the Commission had transitioned into the next agenda item.

- Request to discuss community benefits and the contents of Development Agreements, because the Development Agreement is a negotiated instrument that the applicant works with City Council on, however, community benefits work their way into the Development Agreement, and at an earlier work session, it was unclear as to whether a line was being crossed that P&Z isn't supposed to be involved in.

Audree Juhlin indicated that would be included, because it is a great thing to clarify, and Cari repeated that the discussion had transitioned away from the work program to the next agenda item.

d. Discussion/possible direction regarding the Planning & Zoning Commission's retreat planned for Thursday, February 13, 2014. (15 minutes, 6:45–7:00pm)

Cari indicated that as a general overview of what is planned, the City Attorneys will give presentations on the zoning process, updates on State Law, and the Roles & Responsibilities of the Commission, so let staff know if you have a specific topic you wish to have addressed. We will also have an Executive Session agendaized, in case there are any current projects we need to discuss.

The Chair added that we also want to discuss how we are going to go about looking at all of the codes, etc., so there is a lot that we can start to look at to coincide with the new Community Plan that hopefully will be approved.

Audree Juhlin explained that the four hours allotted for the retreat is an insufficient amount of time and a lot of the more in-depth discussions will be in other work sessions or meetings that have available time or in another special meeting.

The Chair indicated that his theme for the year is to be proactive, so if we need to put a retreat issue on each agenda, we will do it.

Ron Ramsey indicated that regarding the legal input for the retreat, he appreciates the comments. You are somewhat limited if you look at the statute that creates the Planning & Zoning Commission, the statute says the following:

- 1) Develop and maintain a general plan.
- 2) Develop specific plans.
- 3) Periodically review Capital Improvement Program.
- 4) Perform such other planning functions as a legislative body may provide.

Ron added that the interesting twist to that is that the definition of "Planning Agency" can include multiple groups, so that means that a Commission, staff and Council can be part of the Planning Agency, so you aren't remiss in that you didn't develop the Community Plan this year, but #4 is the open door for each City to define the role of the Commission, so we then go to the Sedona City Code, and it isn't really helpful in dealing with some of the issues your discussing tonight, so a recommendation may be that this is a good topic for a joint meeting with the City Council, to explain what these assignments are, because like economic development isn't there. In Sedona, one duty is to have hearings and make recommendations to Council regarding amendments to the code. Other duties include hearing, reviewing and acting on Development Review applications, Conditional Use Permits and any appeals of the Director for Temporary Use Permits; hearing and making recommendations regarding rezoning; recommendations to Council regarding Subdivision Plat applications; recommendations to the

Council regarding amendments to the Sedona Community Plan, and then exercise other powers that may be lawfully granted by the Council with respect to this code, but it doesn't say "economic development". In the past, there has been a pull back and forth between times when the Commission has gotten proactive and made comments about some process or another Commission, and there have been some conflicts between Commissions and Committees. We have the ability to change and create a functional Code for you, in terms of your role versus the City Council's.

Ron then indicated that he has also summarized his input to Cari and Audree, and it includes discussing things like community benefits. He has also included exactions, and he has a case that will be interesting, because the facts include an applicant with a property that is zoned correctly on part of the parcel, but needs a rezoning on the other piece, and they said they would give the rezoning if the building is moved back so parking is in front, but if he doesn't get the rezoning, he builds where he can already, but the City demanded in either case, that he had to dedicate right-of-ways on two sides of the property, because "we think there is going to be increased traffic in that area at some time. As a matter of fact, we know that the college is planning its expansion on its campus and we have another business we think is going to pour into that street, so therefore, you are obligated to dedicate that land." That is what the Commission, the City Council and the trial court bought off on, and that is what was reversed. It also has an interesting discussion on traffic counts and what the value of that is on making a decision on rezoning.

Ron explained that regarding community benefits, they have been a problem and nebulously described primarily with a genesis in the old Community Plan, and you will notice in the new Community Plan, they are essentially evaporated, so he went through the new Community Plan and summarized sections of verbiage. You will find that very instructive about the struggle in the new Community Plan to define Sedona's character, and there is a lot that upholds private property rights, so the new Plan may eliminate community benefits, but it is going to present other issues, and depending on your predisposition of an application, you are going to find one page in support and another page in opposition.

Ron then requested that the Commission read his attachments ahead of time and Cari indicated that the Commission will have a packet by the end of this week with the attachments. The Chair encouraged the Commissioners to share any new ideas for the retreat with Audree before the end of the week, and Audree indicated that the retreat will start at 1:00 p.m., but food will be available at 12:30 p.m., and then there will be snacks later. It will be in the Vultee Conference Room.

7. FUTURE MEETING DATES AND AGENDA ITEMS (10 minutes; 7:00–7:10pm)

- a. Thursday, February 13, 2014; 1:00pm (Retreat)**
- b. Tuesday, February 18, 2014; 5:30pm (Public Hearing)**
- c. Thursday, February 27, 2014; 3:30pm (Work Session)**
- d. Tuesday, March 4, 2014; 5:30pm (Public Hearing)**

Cari indicated that February 13th is the retreat; February 18th will have three public hearings; one for the C-Market Time Extension, one for a Conditional Use Permit renewal for Enterprise Rent-a-Car, and then Sky Ranch Lodge. February 27th tentatively has the Capital Improvement Program and the Sedona Rouge work session, depending on staff's substantive review of the project. March 4th is unknown at this time.

8. 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:

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

No Executive Session was held.

9. ADJOURNMENT

Chair Losoff called for adjournment at 6:47 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 February 4, 2014.

Donna A. S. Puckett, *Administrative Assistant*

Date