

- **MINUTES of the PRESCOTT PLANNING & ZONING COMMISSION MEETING held on September 10th, 2020 at 9:00 AM in Council Chambers and via ZOOM teleconferencing.**

I. CALL TO ORDER

Chair Don Michelman called the meeting to order at 9:00 a.m.

II. ATTENDANCE

COMMISSIONERS	STAFF MEMBERS
Don Michelman, Chair	Bryn Stotler, Community Dev. Director
Ted Gambogi, Vice Chair	George Worley, Planning Manager
Stan Goligoski	Tammy DeWitt, Community Planner
Thomas Hutchison	Kaylee Nunez, Recording Secretary
Gregory Lazzell	Jon Paladini, City Attorney
George Lee	Matt Podracky, Assistant City Attorney
Butch Tracey	Dr. Robin Sobotta, Airport Director
	Craig Dotseth, Public Works Director
	COUNCIL
	Councilman Steve Sischka, Liaison Councilmember Cathey Rusing Councilman Phil Goode Mayor Pro Tem Billie Orr

III. REGULAR AGENDA ITEMS

1. **Approval of the August 27th, 2020 Meeting Minutes.**

Item tabled due to corrections requested.

2. **CSP20-002:** Comprehensive Sign Plan for Founding Fathers Collective; 200 N Granite St.; Property Owner: Founding Fathers Properties LLC; APN 113-15-012B and 113-15-006.

Commissioner Lazzell recused himself from discussion and voting on this item as he is the General Contractor.

Community Planner Tammy Dewitt presented aerial photos of the site as well as a floor plan of the existing building and sign renderings. All signage will be painted on the building: the side facing granite street has 484.5 sq ft of signage proposed, the side facing the creek has 956 sq ft proposed and the side facing the parking lot has 26 sq ft proposed for a total of 1,476.5 sq ft. Chair Michelman pointed out that the creek side signage would not be visible approximately half the year due to foliage and asked the applicant to speak to this.

Applicant Grant Quezada explained that the building itself is 14,000 sq ft, with the back porch being 1,500 sq ft. The walking path is across the creek (to the west) and they are trying to catch the attention of pedestrians walking along it. Commissioner Gambogi asked how far the building front was from the trail, Mr. Quezada answered approximately 25 yards.

A motion was made by Commissioner Goligoski to approve CSP20-002. The motion was seconded by Commissioner Lee and passed (6-0). *Commissioner Lazzell recused himself from voting.*

3. AED South Annexation (**ANX18-005**), Master Plan (**MPA18-003**) and Rezoning (**PLN18-019**) for properties generally located east of SR 89, south and west of Granite Dells Estates and northeast of Watson Lake. Parcels include: 103-01-031N, 103-04-002D, 103-04-003A, 103-04-003Q, 103-04-004A, 103-04-004C, 103-04-010B, 103-04-011, 106-01-001, 106-001A, 106-10-001, 106-10-001A.

Planning Manager George Worley stated that City has had many questions about the Development Agreement (DA) and the Letter of Intent (LOI), which are not in the P& Z Commissions' purview but are pertinent to the overall discussion. City Attorney Jon Paladini then gave a presentation regarding the LOI and the evolution of the DA, which is currently being drafted and exchanged by the parties. Mr. Paladini explained that the LOI is a non-binding agreement and an expression of the basic terms and conditions to be incorporated into the Development Agreement (DA). The City and AED will follow state law, City Charter, and city code requirements for the north and south annexations and developments. He further stated the LOI sets up the framework for the DA but is not an equivalent to it. Commissioner Hutchison asked for clarification on the first two paragraphs of the LOI discussing the pre-annexation agreement; noting he feels we are discussing the annexation at this point (as opposed to the pre-annexation). Mr. Paladini clarified that we are not voting on the annexation itself today, we are making a recommendation (pre-annexation) to the Council who will vote on the actual annexation. Mr. Paladini also clarified that the Pre-Annexation Development Agreement is not part of the Master Plan and will be considered by Council prior to the annexation vote by Council.

Mr. Paladini presented the AED North & South maps included with the LOI and commented that they have been refined further. The land conveyance is as follows: +/- 475 acres of Natural Open Space (NOS) at no cost to the City from the South project and +/-270 acres of NOS at no cost to the City from the North project. Chair Michelman asked for clarification on the +/- descriptor. Mr. Paladini explained that the +/- accounts for minimal variances that may occur when the parcels are formally surveyed. The LOI also specifies that the City will purchase +/- 131 acres from the North project for airport use and that the purchase amount will be determined by a qualified appraiser. Mr. Paladini presented the Water Use Conditions laid out in the LOI. Mr. Paladini clarified that 375 acre feet of surface water will be conveyed to the City annually from AED's existing surface water rights, whereas the 753 acre feet of ground water will be 'credited' to AED from the city over a longer period of time.. Mr. Paladini also clarified that water users in Section 33 of the North project, which is outside city limits and NOT a part of the current applications, will pay an additional 30% surcharge for water service. Commissioner Hutchison asked for clarification regarding Prop 400 requirements on effluent [wastewater]. Mr. Paladini explained that the provisions of Prop 400 require that annexations over 250 acres in size must return all effluent for permanent recharge to the aquifer.

Mr. Paladini stated that the crossing extending Phippen Trail over Granite Creek (to connect to Dells Ranch Rd), will be paid for by development impact fees from the City. He also explained that the City will attempt to acquire the old (89A) bridge from Yavapai County for pedestrian purposes. One to two 'through the fence' access agreements for aviation uses-related business will also be provided on the North project. Mr. Paladini also reviewed the LOI terms for the proposed resort on parcels K & L in the South annexation area. The terms include an agreement regarding transaction privilege tax and bed tax amounts, the traffic crossing at the Peavine Trail, and the expected resort character, which will be designed to blend in with the environment.

Planning Manager George Worley reviewed Arizona Revised Statutes concerning the Commission's scope and duties regarding annexations and associated applications, as well as which items fall outside of the Commission's purview. Commissioner Hutchison asked for clarification on the intent of Prop 400; Mr. Worley answered that its function is to provide additional public review and comment on large annexations (250+ acres). Mr. Worley further recapped the Prescott City Charter and Prop 400 requirements for the Commission's benefit. AED South information from the prior meeting was presented, including aerial photos, the zoning equivalents table and the Master Plan (MP) map. Mr. Worley stated that the MP map is intended to guide development, and that more specific details will be addressed in the DA and through the

review of future subdivision plats. The AED South zoning map was also presented, which showed more details regarding the proposed development density of all the labeled areas.

Mr. Worley brought up a list of commonly asked questions and concerns received from the public since the last Commission meeting on August 27th. The list contained the following items:

- Location and type of the crossing of the Peavine Trail to the resort site.
- Trail buffering (from adjoining residential development).
- The Special Planned Community (SPC) zoning designation of the resort site.
- Noise mitigation in home construction in over flight areas.
- Number of homes proposed in the area around the airport.
- How multifamily density is calculated.
- The archaeological sites and how they will be addressed

Mr. Worley provided additional explanation for each item. Commissioner Lee asked about the first item, specifically whether the City would be covering the cost of the Peavine Trail crossing. City Attorney Jon Paladini answered that is unlikely that the City would have to cover the costs of the crossing. Mr. Paladini also clarified the level of detail that will be provided in the SPC (versus the Master Plan), which will be considerably greater. Mr. Worley briefly discussed noise mitigation techniques required in over flight areas, which are part of the Airport Specific Area Plan (ASAP) adopted by the City in 2001. The very north side of the North annexation and the very west side of the North annexation will be subject to ASAP guidelines. Mr. Worley addressed a public comment made at the August 27th meeting suggesting that the north Prescott area would see growth in the 50,000 homes range, clarifying that across ALL approved and proposed master plans currently being considered, number of homes proposed is estimated at a maximum of 12,000-13,000 homes, adjacent subdivisions included. He also reiterated that the City counts multi-family units individually, and not by building (i.e. apartments, condos, or duplexes/triplexes will be counted individually).

Mr. Worley presented information on federal, state and local laws with regard to cultural resources (archeological sites) protection to address significant public concern about the archaeological sites located within AED's annexation areas. He reiterated that all archaeological survey work must be completed by registered and licensed archaeological consultants and that the contents of the survey are restricted per federal and state laws. He noted the AED South annexation area had a comprehensive survey completed back in 2006, which found approximately two dozen sites within it, 35% of which are identified as pre-historic. These pre-historic sites are recommended for avoidance or, if not possible, for data recovery per the survey and report on file. Mr. Worley also explained that the north annexation area is covered in small portions by previous surveys but that a survey for the entire annexation area will be required prior to any plat approval. Commissioner Hutchison asked for clarification on who would be performing the surveys and be held liable for their contents. Mr. Worley explained that the State Historic Preservation Office (SHPO) has the ultimate authority regarding any archaeological survey results.

*** A ten minute recess was taken at 10:35 am***

4. AED North Annexation (**ANX18-004**), Master Plan (**MPA18-002**) and Rezoning (**PLN18-018**) for properties generally located east of Prescott Regional Airport and north of SR 89A. Parcels: 103-01-031M, 103-01-028D, 103-01-015, 103-01-021G, 103-01-014

Planning Manager George Worley presented an aerial map of AED North and explained that it would share the same primary point of access as AED South, using the Granite Dells Parkway Interchange. Mr. Worley presented a photographic tour of the proposed AED North zoning districts which gave current panoramic views of the properties. Current and proposed zoning maps as well as the General Plan Land Use Designations were presented, along with the AED North Master Plan.

Dr. Robin Sobotta, City of Prescott Airport Director, reintroduced an outline of the Airport Specific Area Plan (ASAP) & FAA guidances, the purposes of which are: to limit damage caused by aviation accident(s), to protect the viability of the airport, and to limit the impact of over flight and noise over residential areas. Dr. Sobotta presented an airport impact zone and noise contour map, which models noise impacts over a 24 hour period. She explained that the ASAP does not allow residential development in Zones 1-5, excepting student dorms allowed in Zone 3 by a prior City decision. In Zone 6, habitable buildings are allowed but must be constructed using noise attenuation techniques. Dr. Sobotta presented a map of the Airport Influence Area (AIA), which carries a recommendation to use noise attenuation techniques when constructing habitable buildings inside its boundaries. A flight track density map was presented which depicts areas that have the highest instances of air traffic; she also noted that Prescott Regional Airport is the 45th busiest airport in the United States. Dr. Sobotta made recommendations that the possible school in Section 29 shift east and require 45dB interior sound mitigation.

Dr. Sobotta recommended two amendments to the ASAP for AED North: to adjust Figure 6 to reflect proposed AED land use changes and residential densities in Section 29 and Section 30, and to rezone the airport approach area from Commercial zoning to Industrial/NOS zoning with building height limits. She also reviewed ASAP requirements for AED South as well as recommending one amendment to the ASAP to adjust land use from commercial/employment and commercial/recreation to the AED proposed land uses and density.

Jason Gisi (923 E. Gurley, Suite 203), applicant and CEO of Arizona Eco Development, was questioned by Commissioner Lee regarding the details of the Peavine Trail crossing. Mr. Gisi explained that the LOI specifies an at-grade crossing, yet he believes that a pedestrian overpass will likely be constructed. Commissioner Lee also asked whether Mr. Gisi plans to construct any homes himself in the AED South project. Mr. Gisi explained that AED is going to design and develop the resort first and that the residential development is more uncertain at this time as it will be completely market driven. He noted the resort will drive the development of the other areas in AED South. Mr. Gisi also clarified that AED South is limited to 850 residential units maximum.

Walt Anderson, a local resident and member of Save the Dells, gave a PowerPoint presentation. Mr. Anderson stated that Save the Dells believes a small shift in boundaries of the AED South open space will benefit the City. More specifically, the 'Rocky Thumb' to the North and the 11 acres of NOS parcels to the west bisected by Highway 89A. Save the Dells proposes trading these 11 acres of proposed NOS for similar acreage of functional open space by moving the south boundary of H up so that the ruins are protected. Mr. Anderson also specified that the area of the proposed 'park' should be protected as a nature preserve and not be made into a traditional park such as Granite Creek Park.

Recording Secretary Kaylee Nunez read a comment by Prescott resident and Airport Advisory Committee member Michael Gjede. Mr. Gjede expressed his concern regarding residential encroachment near the airport. More specifically, by allowing the wrong type of development (residential) too close to the airport, there is potential for large issues for both parties.

Paula Burr, a local resident and Vice Chair of Save the Dells expressed her concern that the 11 acres of NOS in the County proposed in AED South might be excluded from the DA. She also expressed concern about the SPC zoning proposed for parcels K & L, more specifically, what future uses could occur in that area should it not be developed into an eco-resort/hotel. Mr. Paladini clarified that the DA will address the 11 acres of NOS, as well as clarification that the K & L parcels will not be eligible for anything other than the eco-resort/hotel. This eligibility will be secured by contractual details that will be specified in the DA.

Ralph Hess, a Prescott resident and member of Save the Dells, expressed that he believes that the Commission cannot effectively vote on recommendation for zonings on parcels K & L without reviewing the details of the required SPC [sub] master plan. Mr. Hess expressed that the master plan for parcels

K & L should be presented to P & Z Commission for review. Mr. Hess also cited Arizona Revised Statutes requirements on pre-annexations, which does not preclude the review of DAs by P & Z Commission.

Leslie Hoy, a Prescott resident, expressed concern about water allocation. More specifically, how much water the City of Prescott will be getting from AED versus how much AED will be taking from the City. Ms. Hoy requested more data on the projected water use and recharge. She also asked how the City intends to enforce recharge requirements.

Paula Burr followed up on her prior comments regarding the potential amendment and expiration of the Development Agreement, with concern as to what would happen should the eco resort not be established. Planning Manager Worley clarified that a master plan must be approved specifically for the SPC and the controls for use will be specified through that process. He also stated that Parcels K and L would have to effectively go through a re-zoning process should they desire to change the use, because the SPC zoning has no designated allowable uses. Mr. Paladini also clarified that DAs do not expire, that they 'run with the land'.

Commissioner Hutchison questioned if this meeting was a continuation of the August 27, 2020 meeting. He was advised that it was a separate meeting, and the 8/27 meeting was adjourned on 9/27. Commissioner Hutchison stated that he was invoking his right to postpone the vote on this item. He asserted that the Commission by laws allowed him to do so. (The bylaws provide that an item shall not be voted upon at the initial meeting if there is an objection to a vote by one Commission member). As this was not the initial meeting, Commissioner Hutchison was advised that he could make a motion to table the items. Commissioner Hutchison made a motion to table voting on items until a future meeting. The motion was not seconded and therefore failed.

AED South Motions:

A motion was made by Commissioner Gambogi to approve ANX18-005. The motion was seconded by Commissioner Goligoski and passed (5-2) with Commissioners Hutchison and Lee dissenting.

A motion was made by Commissioner Gambogi to approve MPA18-003. The motion was seconded by Commissioner Lazzell and passed (5-2) with Commissioners Hutchison and Lee dissenting.

A motion was made by Commissioner Gambogi to approve PLN18-019. The motion was seconded by Commissioner Goligoski and passed (5-2) with Commissioners Hutchison and Lee dissenting.

AED North Motions:

A motion was made by Commissioner Gambogi to approve ANX18-004. The motion was seconded by Commissioner Goligoski and passed unanimously (7-0).

A motion was made by Commissioner Gambogi to approve MPA18-002. The motion was seconded by Commissioner Lazzell and passed (6-1) with Commissioner Hutchison dissenting.

A motion was made by Commissioner Gambogi to approve PLN18-018. The motion was seconded by Commissioner Tracey and passed (6-1) with Commissioner Hutchison dissenting.

ASAP Amendment recommendation, directing staff to initiate the suggested amendments:

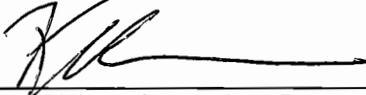
Motion made by Vice Chair Gambogi with consensus of the rest of Commission in concurrence.

IV. STAFF UPDATES

None

V. ADJOURNMENT

Chair Michelman adjourned the meeting at 12:29 pm.



Kaylee Nunez, Recording Secretary



Don Michelman, Chair