

**TOWN OF PRESCOTT VALLEY
REGULAR COUNCIL MEETING
MINUTES
March 8, 2012**

Library Auditorium
7401 E. Civic Circle
Prescott Valley, Arizona 86314

1. CALL TO ORDER

Mayor Skoog called the meeting to order at 5:30 p.m.

2. INVOCATION

Pastor Charlie Hail of the Prescott Valley Nazarene Church gave the Invocation after which Vice Mayor Lasker presented him with a Certificate of Appreciation for his service.

3. PLEDGE OF ALLEGIANCE

Pastor Hail led in the recitation of the Pledge of Allegiance.

4. ROLL CALL

Present: Council Member Tjiema, Mayor Skoog, Council Member Mallory, Vice Mayor Lasker, Council Member Nye, Council Member Anderson, and Council Member Whiting.

5. OATH OF OFFICE & SEATING OF APPOINTEE TO COUNCIL - MR. MICHAEL WHITING

Judge Keith Carson swore Mr. Michael Whiting in with the Oath of Office after which he was seated on the dais.

6. SCHEDULED ANNOUNCEMENTS & PRESENTATIONS

a. Chamber of Commerce

Chamber of Commerce CEO Marnie Uhl introduced Amanda Hart who presented some information about the nonprofit agency Southwest Behavioral Health Services.

7. PROCLAMATION

a. *Soroptimist International of Prescott Valley, Darlene Packard*

Town Clerk Diane Russell read the proclamation celebrating Soroptimist International of Prescott Valley 20+ years of service after which it was presented to Kathryn Sage, Allison Flannery and Darlene Packard.

8. CERTIFICATES

a. Certificate of Appreciation to Cindy Corcoran for 5 years of service

Town Clerk Diane Russell read the accolades submitted about Cindy Corcoran after which Mayor Skoog and Vice Mayor Lasker presented Cindy with a Certificate of Appreciation and pin for her five years of service. Cindy thanked Council for the keeping the ship afloat and keeping us all working.

9. COMMENTS/COMMUNICATIONS

Town Clerk/Risk Manager Diane Russell gave an overview of the trend analysis of the Property and Liability Insurance prompted by the Silver Award received from the Arizona Municipal Risk Retention Pool. Russell reported that the Town's accident incident rate has dropped significantly from a high of 54 down to 22 claims over the past six fiscal years. In direct relation to that, premium rates have dropped slightly and dividend amounts have increased from a low of \$56,284.00 up to \$101,340 last year. It should be noted that it was in FY 2009-10 that deductible amounts were increased on property liability. Next year we will strive for the 'gold' award.

10. CONSENT AGENDA

a. *Approval of Minutes - February 23, 2012*

b. *Awarding a power easement to APS for the 8466 E. Long Mesa property (OMI building)*

c. *Accepting a sewer easement and warranty deed for right-of-way for the Family Dollar Store located at Bradshaw Mountain Rd and SR 69*

d. *Approving the Community Services Agreement with Community Counts for the Community Garden*

e. *Approving the Quailwood Meadows Assignment & Assumption of Development Agreement*

f. *Authoring the Mayor to sign Resolution No. 1784 approving Amendment #1 to the Quailwood Meadows Development Agreement*

g. *Approving the Quailwood Meadows Assignment and Assumption of District Development, Financing Participation & Intergovernmental Agreement*

h. *Approving Accounts Payable for February 11 thru February 27, 2012*

Council Member Nye made the MOTION, seconded by Council Member Whiting, to approve all items listed on the Consent Agenda, by electronic vote. Council member Mallory recused herself. MOTION carried with 6 ayes and 0 nays.

11. NEW BUSINESS (FOR REVIEW, COMMENT, AND/OR POSSIBLE ACTION)

a. Public Hearing

Open Public Hearing

A request by Mountain Rose Properties, L.L.C., for a Zoning Map Change (ZMC11-003) from R1MH-10 (Residential; Single-Family Mobile/Manufactured Home) and R2-6 (Residential; Multiple Dwelling Units) to R2-3 PAD (Residential; Multiple Dwelling Units - Planned Area Development) on approximately three (3) acres located at the northwest intersection of Navajo and Lakeshore Drives

Joe Scott, Planning & Zoning, pointed out that Mr. and Mrs. Duffel are the property owners. He asked that the RFCA be included as a part of the record as it shows the history of the case. This is a request by Mountain Rose Properties, L.L.C., for a Zoning Map Change (ZMC11-003) from R1MH-10 (Residential; Single-Family Mobile/Manufactured Home) and R2-6 (Residential; Multiple Dwelling Units) to R2-3 PAD (Residential; Multiple Dwelling Units - Planned Area Development) on approximately three (3) acres located at the northwest intersection of Navajo and Lakeshore Drives. [Exhibit "A"] The requested zoning change to R2-3 PAD would allow for 1 unit per three thousand (3,000) square feet of land area which will accommodate the proposed forty-three (43) multi-family units as illustrated on the accompany Preliminary Development Plan (PDP12-001). [Exhibit "B"]

In September of 2004, Mountain Rose Properties, L.L.C. requested a Minor Amendment (GPA03-005) to the Prescott Valley *General Plan 2020* to change the land use designation from Medium Density Residential to Medium-High Density Residential on approximately one (1) acre located on the west side of Navajo Drive north of Lakeshore Drive. There was also a separate application submitted for a Zoning Map Change (ZMC04-014) from R1MH-10 and R2-6 to R2-3 PAD on the total three (3) acre site. At the November 8, 2004 meeting, the Planning and Zoning Commission approved GPA 04-005 which was subsequently approved by the Town Council December 2, 2004 by Resolution No. 1316 (Exhibit "C").

At the December 2004 meeting, the Planning and Zoning Commission also considered the rezoning request on the subject three (3) acres with the same preliminary development plan. Access to the property was indicated at a location based on the Navajo and Lakeshore Drive improvements being designed by the Town that included a signalized intersection, widening of Navajo Drive with turn lanes among other things. Then Chairperson Bourdon indicated that he would like further information from the Town's Engineering Department on whether this proposal needed a traffic impact analysis, or if the Engineering Department supported the proposed configuration for site access in light of proposed roadway improvements for this area. As a result of the concerns related to access and traffic congestion, the item was deferred until further information could be garnered. A Traffic Assessment for the project was subsequently prepared by Lee Engineering dated December 1, 2005 with recommendations (Exhibit "G"). At the same time, the Town was working on improvement plans for the section of Navajo Drive north of Lakeshore Drive with the intent to incorporate the best location for an access drive into the proposed project based on the study. Because of the economy, the project was subsequently put on hold by the owners. When the prior application became over two-years old, it was no longer considered active.

The owners have recently submitted a new rezoning application (ZMC11-003) to seek zoning entitlement for the property consistent with the General Plan 2020.

This project has considerable prior history. It is comprised of portions of Lots 2729, 2730, 2731, 2732 and a portion of Tract "A" of Prescott Valley Unit 8. The original zoning on the lots and Tract "A" at the time of the Town's incorporation was R1MH-10 (Residential; Manufactured and Mobile Home). Subsequently, Tract "A" was subsequently split into two (2) parcels, with the northerly portion (approximately six (5.7) acres) being sold by Prescott Valley Incorporated to Miner, et., al., and the southerly portion (approximately thirteen (13) acres) being sold to the Town of Prescott Valley. The northerly portion was later conveyed from Miner to Sparks in 1983 and was rezoned from the original R1MH-10 to R2-6 by Ordinance No. 108 on July 10, 1985.

Around that time, the Town wished to realign and extend Lakeshore Drive through this area and acquired approximately two (2) acres of the northerly acres in September of 1993 to provide for this extension. This created two (2) segregated parcels owned by Sparks (Exhibit "D", remaining "Areas D & E"). In conjunction with the deeding of the property, the Town entered into a development agreement with the property owner by Resolution No. 507 to provide cash payment and other considerations in the form of property improvements (i.e. road work, culverts, fill and grading and drainage work, as well as a possible FEMA map change). The agreement indicated that the remaining parcel to the north (identified as "D") could support thirty-one (31) multiple-family units, and the remaining parcel to the south (identified as "E") could support eleven (11) multiple-family units. This was based on the fact that the Town Code previously allowed parcel size calculations for density purposes to be made to the centerline of adjacent roadways. However, development of the property was never completed and the Code provision for allowing calculations to the centerline of roads was later changed. Parcels "D" and "E" were eventually sold to Mountain Rose Properties, L.L.C., in October of 2001 with the intent to follow through with the original development plan contained in Resolution No.507.

In 2004, the Town again needed property in the vicinity to widen Lakeshore Drive and install drainage features in the area. But, this would further diminish the usable area of the property. A Letter of Agreement was eventually approved by the Town Council that allowed for acquisition of the needed right-of-way in return for Town support of a rezoning of the property to R2-3 PAD to allow the number of units agreed to earlier (Exhibit "E"). Of course, since lot calculation to the centerline is no longer in effect, the original number of units would not fit on the property so Mountain Rose Properties has acquired portions of adjacent oversized mobile home lots to be combined to the parcel by a Reversionary Plat. Such a Preliminary Reversionary Plat was considered at the September 2004 Planning and Zoning Commission Meeting and approved, but later expired when the project did not go forward. In 2009, Mountain Rose Properties submitted a new application for a Reversionary Plat (RP09-002) to combine the portions of Lots 2729, 2730, 2731, 2732 and, a portion of Tract "A". The Planning and Zoning Commission reviewed this item during regular session on August 10, 2009 and voted to approve RP09-002 (Exhibit "F") and forward it to the Council with a recommendation for approval. And, Reversionary Plat (RP09-002) was approved by the Council at its September 10, 2009 meeting. The property was removed from the Floodplain per FEMA Case No. 06-09-B060P in 2006.

In attempting to revive this long-standing project, site access and driveway issues must still be resolved. Navajo Drive north of Lakeshore Drive is impacted by the El Paso Natural Gas (EPNG) main line that runs adjacent to the subject property and underneath Navajo Drive. This affects grades, alignment and sight distance due to the rather shallow depth of the gas line. Previous discussions with El Paso Natural Gas (EPNG) about lowering the actual depth of the pipeline to allow flattening and straitening of the roadway have not borne fruit. Therefore, the Town has worked with Civiltec Engineering to prepare improvement plans that account for these limitations. A Traffic Assessment for the project was prepared by Lee Engineering (December 1, 2005) based on the current Navajo Drive configurations and full build-out of the planned improvements set forth in the Civiltec plans. The Assessment recommended speed reductions and certain signage and lane configurations on Navajo Drive. [Exhibit "G"] The Assessment

concluded that the drive access and design was adequate to serve the project traffic volumes and traffic movements if all of the plan improvements were in place. An update to the Civiltec plan was made in 2010 to include the recommended driveway location. With re-design of the roadway profile and access location according to the plan, the Town can recommend approval of the project. However, the Town currently does not have funding for these improvements so any approval of the rezoning would require as a condition that if the improvements are not made by the Town then the developer would have to make them.

The Preliminary Development Plan approved by the Planning and Zoning Commission at the same time it recommended approval of this rezoning (Exhibit "C") provides the guidelines for development of the three (3) acre site to accommodate forty-three (43) apartment units compatible with Density District 3. The Town would provide water for the project at an agreed price and participate in infrastructure per the prior agreement. If this is approved, Final Development Plans (FDPs) showing details of site infrastructure and buildings will need to be provided to the Council for review after evaluation of Subdivision Code requirements by the Town Engineer.

It should be noted that the applicants conducted a Neighborhood Meeting with nearby property owners on December 7, 2011, after providing notice within a one thousand (1,000) foot radius. It was reported that ten (10) people signed in. Comments were made about the height of the buildings, the number of cars on the property, traffic lights and traffic. One suggestion was that the Town not approve the project, but simply buy the property for purposes of extending Mountain Valley Park. [Exhibit "H"]

At the Planning and Zoning Commission meeting on February 13, 2012, the Commission voted unanimously to recommend approval of rezoning ZMC11-003 and forwarded it to the Town Council for action. The Commission believes it is in conformance with the General Plan and is consistent with past agreements and actions of the Town Council.

Public Comments:

Mr. Duffel, property owner, introduced himself and offered to answer any questions that council may have. No questions were forthcoming.

Dana Gwinella lives across the street from the proposed project. She questioned why she had to pay to look at their roofs. She expressed concern about school right there, and stated that council is asking for trouble by putting these apartments up. She continued that we have a pedophile epidemic in this county. What heartfelt reason would you give to pass this rezone it? You have a nice neighborhood, nice park right there. This is going to add more and more traffic and headaches. She doesn't want to look at 43 apartments, 98 parking places. Rush hour traffic at Lakeshore and Navajo is already bad enough. She doesn't see how this will not impact this even more. She hopes this does not pass.

Marilyn Magnusson stated she walks the park and frequently drives Lakeshore Drive. She is concerned about the traffic this will create especially during go to work (rush hour) traffic. She commented that there are lots of other rentals here in town that are going to be sitting vacant.

Richard Harley lives at Ranger and Spouse and walks at the park every day. He has called in graffiti and is concerned the park will go to hell if this project goes forward. He is also concerned about drugs problems too.

Mr. Duffel responded to the concerns expressed by the speakers stating that whatever is put there is going to impact the views. If drug problems are observed the police should be called. The planned stoplight for that area will reduce speed which should alleviate some of the backup at the intersection.

Vice Mayor Lasker questioned what the apartments would look like, the rental price range and who he envisions living in there.

Mr. Duffel said the apartments will be open to the public in general, not focused on any one group - working people, elderly. Originally they had planned to put town houses on the property but were unable to get the water needed for townhouses. They can get water for apartments. Several designs are on the drawing board - they are nice looking. Mr. Duffel said he has been in the building industry almost all his life and has done this type of project before.

Vice Mayor Lasker questioned what type of property this project could be likened to?

Mr. Duffel responded that these apartments would be small compared to other properties.

Vice Mayor Lasker questioned whether she would see a lot of motorcycles in front of the property? Is he okay with that?

Mr. Duffel responded that they are not planning on having people with motorcycles and that type of clientele.

Vice Mayor Lasker said that is the big question – who is going to live there? Are these going to be people they want for neighbors or don't want for neighbors?

Mr. Duffel responded that if they don't want them for neighbors, we don't want them for tenants. They own apartments now and are very careful about who they rent to. If the renters create problems they get rid of them.

Vice Mayor Lasker said they are supposed to be politically correct and not discriminate, but the neighbors to this property are concerned about who their next 43 neighbors are going to be. Are they on food stamps? Are they working two jobs? Are they college educated?

Mr. Duffel said most people on food stamps will not be able to afford or qualify to get an apartment. It will probably be working people with an income. They won't take people without an income. If they do have someone who is not working, it will probably be elderly people. If they have problems with the neighbors here, they will get rid of them.

Vice Mayor Lasker continued with, how often are the cops going to show up for a drunken party?

Mr. Duffel said the apartments they have in the valley, 24 units, the police come very seldom.

Vice Mayor Lasker questioned that if he had a 30-year old daughter would he let her live in one of these units along?

Mr. Duffel said he would.

Council member Tjiema asked how many stories the buildings would be and will there be on-site management?

Mr. Duffel responded that the units will be 2 stories with no on site management planned for. They may consider it later.

Council member Nye commented that she lives very near there. Is there going to be landscaping, are the buildings going to be softened? How will you manage for continued upkeep?

Mr. Duffel responded that town landscaping requirements will be met and the project will be attractive. A maintenance company will provide all the landscaping and maintenance on an annual basis.

Council member Anderson thanked Mr. Duffel for building in Prescott Valley. In these times Mr. Duffel could be considering anywhere in the country and understanding that the questions council asks are the questions our neighbors ask.

Mr. Duffel said he lives in Prescott and have owned property up here for many years. They will be available to watch this and take care of it.

Council member Whiting said this sounds like a long-term project. This project began about 2004 and is evolving. He doesn't believe that the town would allow anything but the best project in our community and we have come to expect that. Hopefully, they can come to grips with condos versus apartments as it has been an issue. Anticipated water will be available so they consider condos more seriously. Hopefully we won't see a lot of traffic concerns once we see this project in fruition. We have an excellent parks and recreation department and they really take care of our parks. If there is any relevant issue to that, make sure you contact them.

Mr. Duffel said they will plan on building apartments as water is available to do so which is not the case for town homes at this time. They had been approved for 39 units, but purchased additional land so it wouldn't be so crowded and to accommodate 43 units.

Council member Whiting suggested a community meeting be held after the plans are pulled together, what it is going to look like and get more buy in and acceptance of what he is doing.

Council member Nye said she understands how hard this is for the neighbors as she went through a similar process when she moved here. It is progress. Why would we change zoning? She does not consider the current zoning on this property appropriate for where we are today in this community and wouldn't have voted for what the current zoning allows. Do they have concerns about the apartments on the other side of the park too? If we hadn't rezoned we would not have

master planned communities here and a lot of other things that we have here. She understands how difficult change is that affects you personally.

Marilyn Magnusson commented that she loves the way Prescott Valley is growing – it is a wonderful town. Her concern is these are rentals. She doesn't want to throw stones or politically incorrect, but go down Carla Vista, we have rentals and duplexes which is not something she likes to see. That is her concern about the apartments. Forty-three apartments is a lot of people and cars on three acres of land. She likes to walk in the park and is concerned that people will abuse the park wildlife. Council member Nye injected that the park will not allow that; things like that get reported and the park employees take care of it.

Vice Mayor Lasker commented that there are a lot of really wonderful people who rent and this economy has forced a lot of really nice people out of their homes and they need a place to live. The neighbors could be very lucky as some wonderful people could move into these buildings. Not all people who rent are the kind of people who will be throwing drunken parties late at night and beating up on animals and causing problems. That is a very small segment of our population. Not everybody is blessed to own a home. If we are fortunate enough to have someone who could build a place where people could have a place to live and be a part of our society then she is really grateful for that. We have already had this discussion. Problem people will not be tolerated by this property owner.

Mayor Skoog closed the public hearing as no additional comments were forthcoming.

b. Consideration of approving the reading of Ordinance No. 768 by title only on two separate occasions, and then place the same on final passage, AND to sign any agreement under Proposition 207 approving zoning map change ZMC11-003 (Mountain Rose Properties LLC)

Vice Mayor Lasker made the MOTION, seconded by Council Member Nye, to read Ordinance No. 768 by title only on two separate occasions, and then place the same on final passage, AND to sign any agreement under Proposition 207, by electronic vote. MOTION carried with 7 ayes and 0 nays.

Town Clerk Diane Russell read Ordinance No. 768 for the first reading.

c. Public Hearing
Open Public Hearing
Community Development Block Grant Public Hearing

Deputy Town Manager Ryan Judy gave an overview of the three types of uses for CDBG funds. Two road improvement projects on Loos Drive are proposed. The regional application funds received every four years [this year \$485,000] would be used to build a sidewalk from Acorn Montessori School to Navajo. That portion of the road will also be built out. SSP Grant funds [\$300,000] would be used to continue the improvements and widen the road to three lanes. Three affiliated resolutions accompany these applications. Resolution No. 1783, the anti-displacement

and relocation assistance plan is a required formality by CDBG, but the town does not anticipate having to use it.

Town Manager Larry Tarkowski pointed out that Ryan Judy should be applauded for his hard work on CDBG grants. We have been successful with these grants two years in a row and applying for our third.

Mayor Skoog closed the public hearing no public comments were forthcoming.

- d. Consideration of authorizing the Mayor to sign Resolutions No. 1781 and 1782 to authorize the applications of projects for CDBG RA & SSP funding and adopting Resolution No. 1783, the anti-displacement and relocation assistance plan as required by CDBG

Council Member Tjiema made the MOTION, seconded by Council Member Anderson, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolutions No. 1781 and 1782 to authorize the applications of projects for CDBG RA & SSP funding and adopting Resolution No. 1783, the anti-displacement and relocation assistance plan as required by CDBG, by electronic vote. MOTION carried with 7 ayes and 0 nays.

12. COMMENTS FROM THE PUBLIC

Marty Grossman, representing the PV Police Foundation, invited everyone to a Monday, March 12 meeting at the PD at 6:00 p.m. Detective Oen will be talking about ID Theft.

Council member Nye echoed Marty Grossman's interest in these programs. She is disappointed that the citizens are not taking advantage of this. Sometimes they get some really nice pleasant surprises there. This is a very good meeting coming up that the citizens should take advantage of.

Mayor Skoog suggested Council recess and move into the CFD meeting then return to the regular Council meeting for the Executive Session. Council agreed to the Mayor's suggestion and recessed at 6:42 p.m. to go into the CFD meeting.

Council reconvened into regular session at 6:47 p.m.

13. *MOTION TO CONVENE INTO EXECUTIVE SESSION (PER A.R.S. 38-431.(A)(3) & (4) in order to discuss or consult with the attorneys or other designated representatives of the public body regarding, or to otherwise discuss or consider, the following: Unick Litigation Case*

Council member Nye made the MOTION seconded by Council member Mallory to recess into Executive Session at 6:49 p.m., by electronic vote. MOTION carried with 7 ayes and 0 nays.

14. *[Recess into Executive Session]*

15. *[Reconvene into Executive Session]*

Council reconvened into Regular Session at 8:00 pm.

16. ACTION (IF ANY) RELATED TO THE EXECUTIVE SESSION ITEM

No action was taken.

17. ADJOURNMENT

Mayor Skoog adjourned the meeting at 8:01 p.m.

ATTEST:

APPROVED:

Diane Russell, Town Clerk

Harvey Skoog, Mayor

STATE OF ARIZONA)
COUNTY OF YAVAPAI) ss:
TOWN OF PRESCOTT VALLEY)

CERTIFICATE OF COUNCIL MINUTES

I, Diane Russell, Town Clerk of the Town of Prescott Valley, Arizona, hereby certify that the foregoing minutes are a true and correct copy of the Minutes of the Regular Meeting of the Town Council of the Town of Prescott Valley, held on Thursday, March 8, 2012.

I further certify that the meeting was duly called and held and that a quorum was present.

Dated this March 12, 2012

Diane Russell, Town Clerk