

MINUTES

1. CALL TO ORDER

Mayor Nabours called the Regular Meeting of the Flagstaff City Council held February 16, 2016, to order at 4:01 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

PRESENT:

MAYOR NABOURS
VICE MAYOR BAROTZ
COUNCILMEMBER BREWSTER
COUNCILMEMBER EVANS
COUNCILMEMBER ORAVITS (telephonically)
COUNCILMEMBER OVERTON

ABSENT:

COUNCILMEMBER PUTZOVA

Others present: City Manager Josh Copley and City Attorney Michelle D'Andrea.

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

The audience and City Council recited the Pledge of Allegiance and Mayor Nabours read the Mission Statement of the City of Flagstaff

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life of its citizens.

4. APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

- A. Consideration and Approval of Minutes:** City Council Special Meeting (Executive Session) of November 10, 2015; Special Meeting (Executive Session) of December 8, 2015; Special Work Session/Special Meeting (Executive Session) of December 10, 2015; Regular Meeting of December 15, 2015; Special Meeting (Executive Session) of January 19, 2016; and Special Meeting (Executive Session) of February 2, 2016.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Karla Brewster to approve the minutes of the City Council Special Meeting (Executive Session) of November 10, 2015; Special Meeting (Executive Session) of December 8, 2015; Special Work Session/Special Meeting (Executive Session) of December 10, 2015; and Regular Meeting of December 15, 2015; Special Meeting (Executive Session) of January 19, 2016; and Special Meeting (Executive Session) of February 2, 2016.

Vote: 6 - 0 - Unanimously

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Council about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Deputy City Manager Jerene Watson introduced John Mitchell, the Interim Public Works Director, who was serving while a new Director is selected due to Mr. Solberg's retirement.

6. PROCLAMATIONS AND RECOGNITIONS

None

7. APPOINTMENTS

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that the City Council may vote to go into executive session, which will not be open to the public, for the purpose of discussing or considering employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee, or employee of any public body...., pursuant to A.R.S. §38-431.03(A)(1).

None

8. LIQUOR LICENSE PUBLIC HEARINGS

None

9. CONSENT ITEMS

All matters under Consent Agenda are considered by the City Council to be routine and will be enacted by one motion approving the recommendations listed on the agenda. Unless otherwise indicated, expenditures approved by Council are budgeted items.

Moved by Councilmember Karla Brewster, **seconded by** Mayor Jerry Nabours to approve Consent Items 9-A and 9-B.

Vote: 6 - 0 - Unanimously

- A. Consideration and Approval of Contract:** Well Siting Study. (***Approval of the Agreement will allow Clear Creek Associates to conduct a study to identify the next five (5) well site locations for the City of Flagstaff***)
- 1) Approve the Agreement with Clear Creek Associates for the amount of \$206,000.
 - 2) Authorize the City Manager to execute the necessary documents.
- B. Consideration of Award of Consulting Contract:** Lockett Road Improvement Project
- 1) Award the Consultant Services Contract to Peak Engineering, Inc. of Flagstaff, Arizona in an amount not to exceed \$171,114.00. The contract period is 545 calendar days; and
 - 2) Authorize Change Order Authority to the City Manager in the amount of \$15,000 (10% of contract amount excluding contingencies) for unanticipated or additional items of work; and
 - 3) Authorize the City Manager to execute the necessary documents.

10. ROUTINE ITEMS

- A. Consideration and Adoption of Ordinance No. 2016-09:** An ordinance to enter into a third Amendment to Development Agreement (DA) with Nestle-Purina Petcare Company to extend the agreement and underlying lease for up to six months (***Possible extension of development agreement with Nestle-Purina***).

Business Retention and Expansion Manager John Saltonstall addressed the Council, explaining that this was a request for an additional extension to the agreement with Nestle-Purina. He noted that the Council had approved a six-month extension to the current GPLET tax incentive arrangement with them to allow for an opportunity to conduct a study to find a solution to odor issues related to the plant. The study has been completed, but they are needing a little more time to complete a new development agreement that will address the remedies.

Vice Mayor Barotz asked if there was a property tax incentive in place now, or if the taxes were normal. Assistant City Attorney Anja Wendel replied that there is currently a property tax incentive in place, per the original development agreement, which she believed to be around \$500,000 less the excise tax.

Community Investment Manager David McIntire added that this particular extension would not have any additional financial impact; they are already off the tax rolls. Mayor Nabours added that this extension would keep everything status quo for the next six months.

Nestle-Purina Petcare Plant Manager Ms. Kerr said that at the end of December they received the initial draft of the study performed by Brown & Caldwell to look at biofilters, ionizations, stack heights, etc. They have a few different options to install that will require a phased approach due to the costs involved.

Mayor Nabours asked Ms. Kerr what it was that everyone smelled. Ms. Kerr replied that it was the particulates. It was no different than baking, but they are baking dog food and the moisture is pulled off as it is being dried.

Vice Mayor Barotz asked if new employees are made aware of the odor issue before they are hired. Ms. Kerr said that if they had not had a tour before, she would invite them to do so. It did not smell internally; the odor complaints are from the external environment.

Councilmember Oravits asked what kind of expenses they were talking about related to the solutions. Ms. Kerr said that the initial phase in 2016 will be upward of \$350,000 to run a stack up the side of the building. After that point, anywhere from \$3 to \$4 million for installation of an Unique Air System. It does not get them to zero, but it will substantially drop the odor problems and take it to a minimal amount.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Karla Brewster to read Ordinance No. 2016-09 by title only for the first time.

Vice Mayor Barotz asked staff to explain what the change in GPLET law is. Under the Expanded Options it refers to a different arrangement than now.

Ms. Wendel said that staff is planning to do a comprehensive presentation in March on the tax incentives. She said that the laws changed in 2010, raising the lease rates. She said that under the older law they had lower rates and the City is governed by the older law because it was approved prior to the 2010 change in the law and an extension to achieve the original purposes is permitted.

Vote: 6 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE CITY OF FLAGSTAFF TO ENTER INTO A THIRD AMENDMENT TO DEVELOPMENT AGREEMENT AMENDING THE DEVELOPMENT AGREEMENT WITH NESTLE PURINA PETCARE COMPANY TO ALLOW TEMPORARY EXTENSION OF AGREEMENT AND UNDERLYING LEASE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

RECESS

The 4:00 p.m. portion of the Regular Council Meeting of February 16, 2016, recessed at 4:23 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Nabours reconvened the Regular Council Meeting of February 16, 2016, at 6:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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11. ROLL CALL

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

PRESENT:

MAYOR NABOURS
VICE MAYOR BAROTZ
COUNCILMEMBER BREWSTER
COUNCILMEMBER EVANS
COUNCILMEMBER ORAVITS
COUNCILMEMBER OVERTON
COUNCILMEMBER PUTZOVA

ABSENT:

NONE

Others present: City Manager Josh Copley and City Attorney Michelle D'Andrea.

12. PUBLIC PARTICIPATION

Dawn Tucker, Flagstaff, thanked the Council for appointing a new committee to discuss the high occupancy housing. She said that tonight she was asking Council to place a moratorium on development in the downtown district until the issue has been resolved.

Barry Brenneman, Flagstaff, said that the mission of the City was to protect and enhance the quality of life of its citizens, and asked that the Council make sure that when they act.

Charlie Silver, Flagstaff, thanked the Council for their work and asked that they do everything in their power to encourage early involvement in developments that are consistent with descriptions and words of the 2030 Flagstaff Regional Plan: Place Matters.

Mayor Nabours said that when they get to Item 14-B, the HUB, all they will be doing tonight is hearing from staff and the applicant and that will take some amount of time. They will then continue the public hearing and get public input a week from tonight and will go as long as necessary.

He said at this time he would like to rearrange the order and move 14-A, Zoning Code Amendments, up now and then take 13-A prior to the HUB public hearing.

Vice Mayor Barotz said that she thought there were a lot of people at the meeting that would like to understand the Transect Zone.

Mayor Nabours said that the reason for doing that is he was going to propose that they do the second read of the amendments first, because he would like to have further discussion and consideration of those.

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Eva Putzova to keep the current order of the agenda and not rearrange the order as directed by the Mayor.

Vote: 3 - 4

AYE: Vice Mayor Celia Barotz
 Councilmember Coral Evans
 Councilmember Eva Putzova

13. CARRY OVER ITEMS FROM THE 4:00 P.M. AGENDA

A. A Quick Tutorial on Transect Zones and Form-Based Code Standards

Zoning Code Administrator Roger Eastman gave a PowerPoint presentation on Transect Zones and Form-based Codes, Exhibit B attached hereto and made a part hereof, which addressed:

WHAT IS A TRANSECT?
 AN OVERVIEW OF THE TRANSECT
 TRANSECTS VARY FROM PLACE TO PLACE
 AN OVERVIEW OF THE TRANSECT

T-1
 T-2
 T-3
 T-4
 T-5
 T-6

APPLIED TO:

Lighting standards
 Parking standards
 Landscape standards
 Building form
 Street standards
 Civic/open space standards

THE FLAGSTAFF TRANSECT
 CONVENTIONAL VS. FORM-BASED CODES
 WHAT IS A FORM-BASED CODE?

Foster predictable built results
 Physical form
 Regulations

Address the relationship between building facades and public realm, form and mass of buildings in relation to one another, and scale and types of streets and blocks

A ONE-BLOCK PARCEL - Under Conventional Zoning

A ONE-BLOCK PARCEL - Under Form-based Code

Vice Mayor Barotz said that she was on the Council when they adopted this. She thought that the application slide is hard to understand for the average person and asked Mr. Eastman to explain the difference between regulatory and advisory.

Mr. Eastman said that a visioning document, such as the La Plaza Vieja Neighborhood Plan, does not have binding standards. A regulatory document has standards and regulations that are binding, like the Zoning Code is regulatory.

FORM-BASED CODE APPLICATION

Regulatory not advisory
 Drafted to implement a plan
 Achieve a community vision - based on good urbanism

Building form and mass standards are consciously based on context - place-based rules

Easily understood code customized for the community

May be applied using the Transect

THE FLAGSTAFF TRANSECT & FBC

FORM-BASED CODE STUDY AREA

MICRO-SCALE ANALYSIS - JULY 7TH

UNDERSTANDING THE EXISTING ZONING AND WHAT IT ALLOWS

WHAT THE EXISTING ZONING ALLOWS

WHAT THE ZONING CODE ALLOWS

DESIGN CHARRETTE

ILLUSTRATIVE PLAN

ILLUSTRATIVE PLAN - LOCALIZED STUDIES

GUIDING PRINCIPLES

TRANSECT ZONES - WOULD BE OPTIONAL

BASE ZONING ... OR ...

REGULATING PLAN

SAMPLE TRANSECT ZONE: T4N1

BUILDING TYPES

FRONTAGE TYPES

2007 TND STANDARDS?

FBCS IN SUMMARY

Smart Growth

New Urbanism in general

Form-Based Codes

FBC IN SUMMARY

Regulatory not advisory

Implement a transect-based Regulatory Plan

Establish good urbanism that is place-based and a result of a design charrette

Include ALL of the following elements:

Building placement - built-to line-setback

Building form - height/coverage

Building type

Encroachments and frontage types

Parking standards

Allowed uses

An important tool to implement the community's vision going back to GMG 2000 and

Vision 2020 documents

Vice Mayor Barotz asked if there were actually definitions of small, medium and large.

Mr. Eastman said there were not precise definitions. There has to be a little bit of flexibility in application and intent.

Councilmember Overton asked if there was a reason why people have not been selecting these types of developments. Mr. Eastman said that they have wrestled with that question. There are very few under the transect zones, but the most obvious is on the south side of Butler near Eldon. He said that he thinks that sometimes the existing zoning gives more entitlement and it is easier to work under. They have tried their best to provide incentives under Form-Based, most of which revolve around parking, landscaping, increased form, increased height, but it is difficult to apply in a mandatory manner.

A break was held from 7:19 p.m. to 7:33 p.m.

14. **PUBLIC HEARING ITEMS**

- A. **Public Hearing, Consideration and Adoption of Resolution No. 2016-02 and Ordinance No. 2016-07:** Public hearing to consider proposed amendments to Flagstaff Zoning Code the Preamble to the Zoning Code, Chapter 10-10 (Title, Purpose and Jurisdiction), Chapter 10-20 (Administration, Procedures and Enforcement), Chapter 10-30 (General to All), Chapter 10-40 (Specific to Zones), Chapter 10-50 (Supplemental to Zones) except for Division 10-50.100 (Sign Standards), Chapter 10-60 (Specific to Thoroughfares), Chapter 10-80 (Definitions) and Chapter 10-90 (Maps); consideration of Resolution No. 2016-02 declaring the proposed amendments as a public record; and adoption of Ordinance No. 2016-07, adopting amendments to Flagstaff Zoning Code Chapter 10-10 (Title, Purpose and Jurisdiction), Chapter 10-20 (Administration, Procedures and Enforcement), Chapter 10-30 (General to All), Chapter 10-40 (Specific to Zones), Chapter 10-50 (Supplemental to Zones) except for Division 10-50.100 (Sign Standards), Chapter 10-60 (Specific to Thoroughfares), Chapter 10-80 (Definitions) and Chapter 10-90 (Maps), by reference. ***(Zoning Code Amendments except Sign Code)***

Mayor Nabours said that the Council first reviewed the changes to rooming/boarding at the December 15, 2015, meeting and there was no public comment received. When they tried to hold first reading of the ordinance with the suggested changes, there was a lot of input from the public. He did not want to hold up the rest of the amendments for that one item. By making the motion he plans to make, to leave in the existing definition of rooming/boarding, single room occupancy, and dormitory, it may make a lot of the comments to be made by the public moot, but if, not, they will then get into those.

Mr. Eastman clarified that if they supported the suggested motion they would not only need to amend Chapter 10-40, but other areas throughout the Code, so the motion would need to be made broadly enough to cover those areas.

Vice Mayor Barotz asked about the page that dealt with transect zones, and the following page that included the definition of carriage house and courtyard apartment. She asked if that was a change. Mr. Eastman said that the only changes were those documented. Vice Mayor Barotz asked if that meant that courtyard apartments would not be allowed. Mr. Eastman said that on page 40 of the amendments package, there was a note; they have added single-family cottage and stacked triplex.

Vice Mayor Barotz thanked the Mayor for changing his vote. She recognized the efforts of the public and said that she had argued strenuously previously and she believes that the reason for his change of heart was because of them, the public.

Councilmember Evans said that she wanted to apologize to everyone wanting to speak. She said there were three of them that were clear that to take these definitions out of the Code was premature; however there was a majority of Council willing to do so. Now the Mayor is trying to add them back in and she thought that was rude. Several of the members of public came to speak on the issue, and once again they were trying to do something before they can participate.

Councilmember Oravits thanked everyone for their comments and e-mails. He said that what they do is done through two reads of an ordinance. He was not going to apologize for listening to the public. He was changing his vote because the people spoke. The process does work. This went through the Planning and Zoning Commission who approved the recommended changes; it went before the Council previously where the public did not have comments. Now councilmembers are changing their votes because people spoke up; the process does work.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Karla Brewster to adopt Resolution No. 2016-02 with the change to leave definitions in 10-80 of rooming and boarding, single room occupancy and dormitory as is and that the use table in 10-40 be amended accordingly.

Councilmember Overton said that he was in the majority last week and believed that this does not work properly for the correct type of input, but he was happy to leave it lie. He was still concerned that they were not addressing the issue of finding the best, appropriate time and place for input. This does not work for that reason. It was not because he was trying to take away a public hearing. If they do not know the leasing arrangement there may or may not be a public hearing. He felt it sent a very conflicting message.

Councilmember Overton asked staff if they felt this issue would be taken up by the high occupancy housing committee. Mr. Eastman said that he believed they would. He said that it has been brought forward that getting into leasing arrangements is difficult, but they will do the work and research other communities, and bring something back.

Councilmember Putzova said that she would like to hear staff's explanation for the recommendation they had made to take the definitions out. Mr. Eastman said that when the planning staff are looking at new projects they look at the plans in front of them. The majority of them are really apartment projects, with a number of units broken into rooms. It gets muddy when they are trying to determine the leasing arrangements. They came to the conclusion that they needed to go back to the real essence of what a dormitory was--a single room occupancy--like an old Motel 6 that gets converted to a facility where contractors come to town and stay a week or month. In their opinions, the rooming and boarding was, therefore, no longer necessary. As a result of the input they have heard, they will go back and look at those decisions in the context of high occupancy housing, which sometimes does involve a lease by the bed.

Councilmember Putzova said that while it may appear that the process is working because they were at second read and changes were being made, she thinks that the process is not working.

Vice Mayor Barotz encouraged them to not venture into a decision making place about the CUP for rooming and boarding until they have much more clarity. She understands the problem with the current procedure in the Code. She was trying to argue that making the change is premature. As staff does the research, she asked that they consider that their focus is on the public having a right to speak.

Vote: 7 - 0 - Unanimously

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to read Ordinance No. 2016-07 by title only for the final time, with the changes expressed.

Councilmember Evans asked if they had any comment cards.

Moved by Councilmember Coral Evans and **seconded by** Councilmember Eva Putzova to overrule the Chair's direction and take public comment on this issue.

Mayor Nabours said that he wanted the public comment, but was suggesting that it be taken at the time the issue is on the table, when they get to the high occupancy housing.

Vote: 6-1

NAY: Mayor Jerry Nabours

The following individuals addressed the Council on the proposed amendments:

- Sallie Kladnick
- Thomas Naifeh
- Adam Shimoni
- Rae Lynn Byars
- Roarie Johnson
- Sat Best
- Charlie Silver

Comments received included:

- Strongly feels that housing plans need public input
- Disagreed with taking CUP out of Planning and Zoning process
- Understands that NAU is planning a new dormitory with 600 beds
- Concerned with staff having the right to prevent rezones from becoming a public hearing
- They need public forum for an opportunity to come and be heard
- CUP requirement is important
- Glad to see the change of heart
- Hope it does not always take a public outpour to do the right thing
- Thank you for opening up the public forum
- Tonight they have successfully met 6 out of the 11 goals of Council. Hoped they would keep those in mind with future decisions
- Keep the community involved
- Public comment is a fundamental right
- Hope they are sincere and it works; if it does not remember them at the election
- Flagstaff is a wonderful city; they want it to be a place where parents can send their kids and know they will be okay

(MOTION TO READ ORDINANCE NO. 2016-07 BY TITLE ONLY FOR THE FINAL TIME, AS AMENDED)

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 10, THE CITY OF FLAGSTAFF ZONING CODE, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "2015/2016 AMENDMENTS TO CITY CODE TITLE 10, ZONING CODE, EXCEPT FOR DIVISION 10-50.100 (SIGN STANDARDS)"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to adopt Ordinance No. 2016-07.

- B. Public Hearing, Consideration, and Adoption of Ordinance No. 2016-08:** An ordinance of the Flagstaff City Council amending the Flagstaff Zoning Map Downtown Regulating Plan designation of approximately 0.29 acres of land generally located west of the southwest corner of Mikes Pike and Phoenix Avenue from the T4 Neighborhood 1 - Open (T4N.1-O) and T5 Main Street (T5) transect zones to the T4 Neighborhood 2 (T4N.2) transect zone and of approximately 1.35 acres located at 17 S Mikes Pike from the T4 Neighborhood 1 - Open (T4N.1-O) transect zone to the T5 Main Street (T5) transect zone, conditional. **(The Hub Zoning Map Amendment)**

Mayor Nabours opened the Public Hearing, noting that this evening they would hear from City staff and the developer and then the Public Hearing would be continued to the February 23, 2016, Combined Special Meeting/Work Session to allow for public comment.

Planning Development Manager Brian Kulina gave a PowerPoint presentation, Exhibit C attached hereto and made a part hereof, which addressed:

REQUEST

MAP

REQUIRED FINDINGS

DOWNTOWN REGULATING PLAN

URBAN ACTIVITY CENTER CHARACTERISTICS

GOALS & POLICIES

Land Use

Infill and Redevelopment

Transportation and Parking

SOUTHSIDE 2005 PLAN

UNDERUTILIZED SITES MAP

ZONING – CITY OF FLAGSTAFF ZONING CODE

Building Height

Density/Intensity

TABLE 1 – COMPARISON OF DEVELOPMENT STANDARDS (TRANSECT)

TABLE 2 – DEVELOPMENT STANDARDS (TRADITIONAL)

PARKING

TABLE 3 – REQUIRED OFF-STREET PARKING CALCULATIONS (TRANSECT)

TABLE 4 – REQUIRED OFF-STREET PARKING CALCULATIONS (TRADITIONAL)

DESIGN REVIEW

PUBLIC SYSTEMS IMPACT

Water and Wastewater

Stormwater

PUBLIC COMMENT

NEIGHBORHOOD MEETING

DISCUSSION

RECOMMENDATION

Subject to six conditions:

1. Development in substantial conformance with site plan as presented.
2. Building height immediately adjacent to Mikes Pike limited to f-stories/52 feet.
3. Development limited to 236 units and 664 beds.
4. Covered porch element, or other similar feature, added to Phoenix Avenue elevation.
5. Lot combination required prior to building permit submittal.
6. Developer providing 100 additional parking space

Vice Mayor Barotz asked what would happen to the CUP's that were approved if this application was not approved. Mr. Kulina said that they have a conditional approval. If this rezone was not approved, the CUP's would be considered not approved.

Vice Mayor Barotz said that Mr. Kulina mentioned that the parking standards had been calibrated. Given what she has heard, there are great concerns with parking. She asked if staff was saying that the standards were okay. Mr. Kulina replied that from a staff perspective, he trusts that they were calibrated. As a staff person he reviewed it in conformance with the Zoning Code, and for his position it meets those requirements.

Councilmember Evans asked what the current zoning was and what could be built today. Mr. Kulina said that there are different zones. With the T5 Main Street zone, it is intended for an extension of the downtown core. There they want development with larger buildings, mixed use, primarily commercial with high density. The T4N1 Open zone does allow some commercial uses of 3,500 sq. ft. or less unless they get a CUP to exceed that number. This is another transition from T5, getting toward more neighborhood. He said that the T3 is all residential with no commercial. He said that under the T4 Open, they are allowed up to 3.5 stories and some commercial uses. With the rezoning it would go to 4 stories and create a commercial character along Mikes Pike which is a commercial street.

Councilmember Oravits asked what the parking requirements would be if the properties were developed by right. Mr. Kulina said that parking within the T4 zone is somewhat like traditional. If it had a studio or 1 bedroom, it would be 2+ spaces. Until staff sees a formal application with a proposed development he could not say specifically.

Councilmember Oravits asked what could be built now without coming to Council. He asked if the number of beds could be the same. Mr. Kulina said that it could be the same; it could be more. It all depends on how the developer configures the internal circulation. He said that 90% of what is proposed could happen by right.

Mayor Nabours referenced the computer generated views of what the building would look like by right and proposed. He asked if it was correct that they were both consistent with the Regional Plan and no Regional Plan Amendment was needed. Mr. Kulina said that was correct. It is identified as urban land use area within two urban activity centers.

Councilmember Putzova said that they were talking about 664 beds. She asked what that translates to into people. Mr. Kulina said that they would defer to the management company on that question. They would try to limit it to one occupant per bed.

Mayor Nabours said that whether it is developed by right or as proposed, the occupant load could be the same. Mr. Kulina said that was correct. It would depend on their revised application to come in to develop by rights, but he would anticipate they would be looking at similar numbers.

Current Planning Manager Mark Sawyers noted that the last recommendation, related to the 100 parking spaces, the minutes were approved by the Planning and Zoning Commission and the last portion of the minutes eliminated the discussion about the payment of \$20/space. It was not included in the motion and because of the timing sequence of getting the staff summary prepared, they did not have the ability to have a thorough review of that motion.

Vice Mayor Barotz asked staff to explain a little about what assumptions were made for the TIA, in particular the trip generation rates, taken from a study done in 2015 of existing housing developments similar to the proposed development.

Traffic Engineer Jeff Bauman said that staff has done its own draft form for student housing trip generation study. That is what the developer used for their generation rates. Staff has looked at six similar apartment complexes. Vice Mayor Barotz said that she was trying to understand if there is a difference in doing the analysis using data from an apartment complex versus renting by the bedroom. Mr. Bauman said that they do compare those rates.

Councilmember Putzova asked if they factored in the commercial activity in the rates. Mr. Bauman said that what he mentioned was just the residential. They have a pharmacy, restaurant and office space as well, so there are trip generation rates for those as well.

Mr. Bauman said that it includes a traffic signal warrant at San Francisco and Franklin for a new signal, some striping and signal work at San Francisco and Butler, and the pedestrian signal by the High Country Conference Center would be upgraded.

Councilmember Oravits asked, assuming this was built as presented versus another project of comparable size with the same number of people, if the traffic requirements would be the same. Mr. Bauman said that they would be the same if it was the same number of people.

A break was held from 8:39 p.m. to 8:49 p.m.

Lindsay Schube, an attorney with Gammage & Burnham representing the HUB, said that their site is currently being underused as industrial use. It is such an important corner in the City of Flagstaff and all of the property owners wanted to sell; they did not have to relocate anyone.

She said that they started looking at the Flagstaff market in 2012, and in 2013 looked at different property. Their initial due diligence meeting with staff took place in 2014 to see what rights were in place and what proposed zoning they would bring forward. In February 2015 they finalized the assemblage and held a kick off meeting with staff.

John Myefski with Myefski Architects said that on April 7, 2015, they held their first neighborhood outreach. They held 5 key neighborhood meetings and 42 individual meetings. Through that process the project has evolved into something completely different.

He said that at the third meeting they looked at the initial building, which is located on a unique site fronting three streets. They wanted a place inside the building, like a courtyard, with a cap above to cap the lighting. He said that they were not at the maximum amount of space that they could get.

He said that their initial stage was to set the building back and create a retail base along Mikes Pike. The reaction along Milton was still concern about too much mass on Mikes Pike. They met with the Historic Preservation Commission and Phase I and Phase II were approved. This included one home being moved off the project. They spent time making revisions to elevations to give more of a residential setting with brick and stone and balcony elements. They broke the residential windows down to what would be seen in a residential home and included more siding.

He said that they then sat down and sketched out some ideas to break up Mikes Pike to have 8 to 10 different facades but tie into the architecture above. The direct intent was to divide it so that retail could be used for smaller tenants with character for the street and as it would grow over time. The Phoenix Avenue side got more of a residential feel and they tried to bring the mass down, pushing the Milton side back another 12 feet for ADOT right-of-way.

He said that the big change on Mikes Pike was they pushed it back five feet past the property line, dedicating that space needed to achieve the true pedestrian walkway.

She said that they will hear that this is a bad location; they disagree. There are trails and bikeways, and it is close to the campus and close to good restaurants and coffee shops.

Ms. Schube continued, stating that instead of going through the details, they would take the opportunity to talk about what they heard at the neighborhood meetings and at the Planning and Zoning Commission meetings. It is walkable and bikeable and is located across the street from the NAIPTA station. She said that they heard that students drive irresponsibly. Their residents would be close and could bike, take the transit, or walk.

She said that they also heard that they were not well managed. She introduced Scott Stager, Senior Vice President of Core Campus, who was present to tell about their approach taken with new developments.

Mr. Stager came forward and said that it is easy for student housing to have bad reputations, but it does not have to be that way. He said that the first thing they do that is different is they look at the building design. They take the management and implement it into the design. They want it to be as easy as possible to efficiently run the buildings and control the environments. They have fob access controls for the front doors and amenities and they can also set time zones for amenities. They have built large camera systems into all of their properties with 70-100 cameras. He said that it has one single point of entry with an emphasis on control of access. He said that they do have interior courtyard and amenities that would allow it to be secluded from the outside and the parking structure would be internal.

He said that their management will be hands on with a comprehensive, detailed management plan for each building which they go over with staffing, including the policies and procedures. They remain flexible enough to know they cannot detail everything out front; they have to be able to make changes as situations come up.

He said that they look to hire the best they can in the market, looking for a lot of experience with property managers with detailed training for their policies and procedures. They hire a great staff and team under that property manager. Additionally, they hire employees that live at the site and serve as a community liaison to residents as well as to management staff.

He said that as part of the lease they have a detailed emphasis on rules and regulations, from security, guests, pets, etc. and they go over this with every tenant. He said that the biggest aspect is that they hold their tenants responsible for their actions. Most students are college age, but that does not mean they get a pass. They treat them as young adults and hold them to that same standard. If there is a violation of the lease, it will either be a fine or eviction, depending on the infraction. They will also participate in the Crime Free Multihousing Program.

Mr. Stager said that during their past presentation some of the public brought up concerns in Tucson, stating that they were not managing the property effectively, and quoted an article about a mosque in that area. He said that they asked the Chairman of the mosque to support this development. He noted that they have been excellent neighbors and were not a part of the issue that existed in that article. He said that they have formed a great relationship with them and saw what was happening with the other properties so they implemented some additional program to ensure that they did not become part of the problem. They also allowed their cameras to face the other building and help curb those problems.

Mr. Stager said that they also had a letter of support from the Mayor of Columbia, South Carolina. They had a major renovation of a 22-story high rise and it was a main part of the city's revitalization. They were an integral part of turning around that area of town to become lively and bring a population back to an area.

He said that a question had been raised as to number of people to a bed. He said that in Arizona the Fair Housing Laws prohibit them from limiting one person per bedroom; however, their policy is one person per bedroom, unless someone wants to double up and then there is additional rent required. He said that the rooms are 10 x 10; they are not conducive to having two people in a bedroom.

Speaking to his personal experience operating in Arizona, he has personally overseen four properties in Arizona—two in Tempe and two in Tucson. They have not had any double-ups

in any of those developments. Ms. Schube added that the rooms come furnished and there is only one bed provided per room.

Mr. Myefski then continued, stating that they shifted from being more central to having lower masses around the outside, shifting to the Milton side because that is where the T5 zone is located.

He said that the hope is that this will be a place making tool for future developments. They are trying to do things that reinforce those things that are being asked for. It has been said that it is not the best site in Flagstaff, but they believed it was probably one of the best sites for student housing.

Ms. Schube further discussed parking, noting that they do not intend to make their parking the City's problem. They think the parking program is going to alleviate the problem and they are supportive of the Permit Parking Program and will continue working on that.

Councilmember Overton asked how the other units were performing in Tucson. Mr. Stager said that they were at 100% leased. Councilmember Overton asked how the parking was performing in Tucson and if it was meeting the needs correctly. Mr. Stager said that the leasing is a strong indication of that as well. If someone wanted to lease, but wanted a car, that would deter them and they would go farther away from campus to a location with more parking.

Mayor Nabours asked if parking came with each unit. Mr. Stager said that a parking space is a separate contract.

Vice Mayor Barotz asked if any of the communities they were comparing Flagstaff to were the same size. It depends on the setting and Flagstaff does have a great transit system, but they do have issues with frequency. She did not know that they were comparing apples to apples.

Mr. Stager said that if a prospective tenant came in and asked about parking they would tell them that they would either need a parking space, or there was limited parking on the street through a parking permit program. Councilmember Oravits said that the main downtown area will be permit-based; there would be no where to park.

Ms. Schube said that it is important to know that one day Core will have a presence. If they cannot lease the beds, if they are wrong and they are 100 parking spots short, then they will solve that problem from a business perspective and continue to work with the community.

Councilmember Oravits asked if that has ever happened elsewhere. Mr. Stager said that it has never happened.

Councilmember Evans said that the way she understood the new parking district program is that each block will determine if there is 51% of the property owners on the block wanting a residential parking permit program. She asked Core if they would be willing to sign on to make sure there is a residential parking permit program established. Ms. Schube replied that they would envision those street commercial parking spaces to be for retail use with time limits, but they would be willing to have a discussion.

Councilmember Putzova said that in reading all of the comments, she questioned how they could say it was great and people like it, when in their minds it is not appropriate for the neighborhood. Mr. Myefski said that his life revolves around those comments. Those that support the project do not come out, but the support he has received at the meetings and what has brought them to this point tells them they are headed in the right direction.

Councilmember Putzova said that context matters. The tenants will be NAU students and 70% are in-state. They come from somewhere, many from the Phoenix metro area, and they bring cars. Mr. Myefski said that they are talking about 664 beds and they already have 231 parking spaces. The projects they have worked on have not seen the demand for more parking.

Mayor Nabours asked Ms. Schube if the client had already purchased the land. She replied that they had. They were in contract with the last piece on Milton, but it has not closed.

Ms. Schube said that in looking at the reasons voiced for opposition, it comes down to density. There has been a sense that they get more density based on a rezone request, but they have the same density by right. Also, the CUP does not allow any more or less density. She said that the "by right" development plan contains the same number of beds and seven more parking spots. It comes down to how they lay out the units. The rezone does not alleviate parking. The 238 parking spots are by right; this project is better the way it is.

Councilmember Oravits said that if he was hearing right, the "by right" development would have equitable parking and occupancy. Mr. Myefski said that was correct. The commercial would disappear and there would be more residential, and it would go to 64 feet on Milton. He said that the proposed development is more expensive as it includes almost \$250,000 of glass. To give the City the glass and the residential feel they have to build it reinforced. It gives that look and Core has agreed to that.

Vice Mayor Barotz said that she believed that there have been so many concerns communicated is because of a clash of values. She has read all of the e-mails and the things being talked about are referenced in the Regional Plan. She believed that it was a big clash of values and change.

Councilmember Overton said that he and Vice Mayor Barotz sit on the board for NAIPTA and asked how the developers plan to encourage the use of the transit system by the students. Ms. Schube said that they have met several times with Mr. Meilbeck and Erika and have talked about the frequency issue. They are encouraging NAIPTA to be in Core's leasing office with info and bus pass sales. Also, when parents come in and guarantee leases, they would encourage them to secure a full bus pass right there.

Councilmember Overton referred back to the slide showing the original plan and the proposed plan. He asked if they ended up building by right if it would look more like the top plan. Mr. Myefski said that they would probably start all over, but it would have less of the masonry materials.

Dawn Cartier said, with regard to the vehicle trip distribution, they took two different approaches. They looked at the data of plans with more pedestrians on the street and one with more cars and addressed both of them. They have offered to do some improvements to the signalized crosswalk and include some bump outs.

Written comments in opposition to the proposal were received from:

- Erika Mark
- Steve Kugler
- David Lang
- Katy Harding
- Claudine Taillor
- Holly Stahl
- Christopher Dunbar

Mayor Nabours said that the Public Hearing would be continued to the February 23, 2016, Combined Special Meeting/Work Session.

15. REGULAR AGENDA

Mayor Nabours noted that in compliance with the Rules of Procedure, agenda items should not be started after 10:00 p.m. without a vote of the Council.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Jeff Oravits to complete the rest of the agenda.

Vote: 7 - 0 - Unanimously

- A. Consideration and Adoption of Resolution No. 2016-06:** A resolution of the Flagstaff City Council supporting Congressman Gosar's and Senator McCain's bipartisan bills to ensure justice for Downwinders exposed to government radiation testing.

Moved by Councilmember Coral Evans, **seconded by** Councilmember Jeff Oravits to read Resolution No. 2016-06 by title only.

Mayor Nabours said that he would not vote in support of the resolution, but he would be happy to speak to both of them when he was in Washington D.C.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE CITY COUNCIL OF FLAGSTAFF, COCONINO COUNTY, ARIZONA, SUPPORTING CONGRESSMAN GOSAR'S AND SENATOR MCCAIN'S BIPARTISAN BILLS TO ENSURE JUSTICE FOR DOWNWINDERS EXPOSED TO GOVERNMENT RADIATION TESTING

Moved by Councilmember Coral Evans, **seconded by** Councilmember Eva Putzova to adopt Resolution No. 2016-06.

Vote: 5 - 2

NAY: Mayor Jerry Nabours
Councilmember Scott Overton

- B. Discussion and Possible Action re:** Current Issues Before the Arizona Legislature (THIS IS A STANDING ITEM - AS OF PUBLICATION OF THIS AGENDA NO ISSUES HAVE BEEN RAISED)

Assistant to the City Manager Stephanie Smith began the discussion noting that there is a pension reform bill being discussed, and Mr. Travis was on the telephone should there be any questions for him. She said that there is a reform tied to the public safety pension system that includes a change to the State Constitution. The pension reform has been discussed, the package of several different bills have been discussed and passed out of committees. As a result of over a year of planning and collaborations, this is the best possible solution for reforming the system. The ballot initiative, 124, includes language which is being finalized through counsel. The question will change permanent benefit increases to an annual cost of living for current members. Next week the pro/con statements are due and her question is whether the Council wanted to submit a statement in support of this legislative fix for the public safety retirement system.

Mayor Nabours said that this has been a legislative agenda item for several years and there was a task force put together to come up with a resolution that was acceptable to the police, fire and cities. Ms. Goodrich was a member of that task force. They met and presented their proposal and the Senate adopted it in full. They eventually got it passed in the House. It is much needed in the City.

Ms. Goodrich said that she would hope that the Council would support the measures as proposed. The City has current liability of approximately \$80 million. This legislation will not do away with that, but it keeps it from accelerating and getting worse in years to come. Mayor Nabours added that it is still a good pension plan; it is just that the employer/employee contributions will be more balanced.

Councilmember Overton said that it was a noble cause, but he has some concern with writing a letter. He would steer clear from that, but they could educate the public from their personal positions.

After a brief discussion on the ability of the City to send a letter of support, Mayor Nabours said that he would write a letter as an individual, noting that it did not reflect the opinion of the entire Council.

Ms. Smith then brought up HB2333 for consideration, asking Mike Scheu, the City's Building Official, to give some history of the bill. Mr. Scheu said that he started this process about four years ago, trying to get some relief for the small businesses from the expense of hiring a registered architect or engineer to approve plans for improvements that were not related to structural changes.

He said that they got part of the bill rewritten into what is now 3B, townhomes to be added, and putting on a deck. After that he tried to contact the AIP President and Board of Registration, but could not get a returned phone call. This year he did not bother dealing with them. He talked with Mr. Travis at the Legislative Breakfast and he then testified before the House Commerce Committee. They had a conference call with the Technical Registration people and the AIA President. They went through what was being proposed and concerns were voiced. They have made some changes to the proposed wording and will be meeting with them again tomorrow. He said that he had previously gotten buy-in from the local architects with some parameters, but this year they said they could not support him anymore.

Mayor Nabours said that he was at the Commerce Committee meeting when Mr. Scheu testified and he did a great job. He said that he and Representative Barton both spoke as well about the problems created when there is a tenant space where they want to make minor changes and the approval process of requiring a registrants to approve the plans costs more than the actual improvements.

Vice Mayor Barotz asked who all had seen the proposed wording. Mr. Scheu said that he sent it to the AIA President to be distributed and he believed the engineering association was at the meeting. Mr. Travis said that it has been distributed to representatives for architects, engineers, registrants, lobbyists, etc.

Vice Mayor Barotz said that the language being shown was different than what she printed off of the Internet. Ms. Smith explained that the verbiage being shown are the changes that were developed to address concerns raised at their last meeting.

Councilmember Evans asked what the difference was between a registrant and a licensed contractor. Mr. Scheu said that a licensed contractors builds the improvements; the registrant

is the one that does the design, including engineering and electrical, etc., when needed. The coordinate the plans so that when the plans are submitted it is all sealed, taking the licensing and insurance responsibility, and submit it to the City for code compliance.

Councilmember Evans said that her recollection of how these proposed changes came about was different than what was presented. Her understanding was that this came before Council and someone mentioned that there were churches that might have to make changes to nonload bearing walls, so they needed a small change made. She said that when she got interested in the bill she made a phone call to one architect and she received 25 responses from that one call. She said that it was pretty clear that what was written on the Internet was too broad. She said they were talking about life and safety issues, ADA structural issues, and possible liability to the City. When she first supported this, they were talking about something that was not that technical. She would encourage the Council to sit down and have a conversation with the registrants in Flagstaff that want to get them to a much better bill.

Mr. Scheu said that the initial bill was broad and then they came up with these parameters. With regard to life and safety, they hired him to enforce the code. He does not care who draws the plans. They are going to get life safety review from him and his team.

Councilmember Evans said that in the future if they have a legislative agenda and are writing and shaping legislation at a statewide level, she would suggest that those interested be invited to sit at the table.

Councilmember Putzova said that they are jumping into supporting this bill when there are so many other bills that are affecting the City at a much greater level.

The following individuals addressed the Council voicing concern with the proposed legislation:

- Michael Garrison
- Paul Moore

Comments received included:

- A lot of concerns with the legislation
- They see the potential in so many projects they do where just adding a single wall can create life safety issues that are not obvious without training
- Liability for design and life safety issue lies with the design professional
- Not present to counter, but to question it
- Has heard reports that at the state meetings it was conveyed that the Flagstaff architects were in favor of the bill
- Could not speak for all of the Flagstaff architects, but most of the members of their informal group are not in favor of it
- Many Flagstaff architects are in opposition to the bill
- The initial conversation was in the spirit of cooperation. The more he thinks about it, he does not see a clear answer. Many people do not understand what they do as architects. His opinion is that it is not appropriate to address it at this level. Should be addressed locally

Written comments in opposition to the proposed legislation were also received from:

- Aaron Heise
- Michael Garrison

Mayor Nabours asked Mr. Garrison if the change made to no more than 3,000 sq. ft. or 125 lineal feet would be more acceptable.

Councilmember Oravits said that he has talked to so many customers that run into the issue of having a \$500 wall to put in requiring \$2,000 to get plans drawn.

Ms. Smith said that there were other legislative items, but she could cover them through e-mail communication.

Vice Mayor Barotz left the meeting at this time (10:54 p.m.)

Moved by Councilmember Eva Putzova, **seconded by** Councilmember Coral Evans to withdraw support for the HB2333 and stop all negotiations in regard to amendments and language.

Mayor Nabours said that would be pulling the rug from under their legislative agenda, and they had asked Mr. Scheu to do this work.

Councilmember Evans said that her understanding of what the two architects just said was they need to work on this at the local level and she wondered why it was not looked at there first. Mr. Scheu said that they tried to do that, but received a nasty letter from the Attorney General's office telling them that it was a state law and could not be changed at a local level.

Vote: 4 - 3

NAY: Mayor Jerry Nabours
Councilmember Jeff Oravits
Councilmember Scott Overton

16. DISCUSSION ITEMS

None

17. FUTURE AGENDA ITEM REQUESTS

After discussion and upon agreement by a majority of all members of the Council, an item will be moved to a regularly-scheduled Council meeting.

- A. Future Agenda Item Request (F.A.I.R.):** A citizen petition requesting that a resolution regarding Tequila Sunrise be placed on a future agenda for consideration.

Mayor Nabours asked Ms. Watson if there was not a meeting set up next week to address Tequila Sunrise. Ms. Watson said that there was, including the people that spearheaded this petition.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to take no action on this petition since the Council is already moving forward with reviewing the topic with a committee.

Vote: 6 - 0 - Unanimously

- B. Future Agenda Item Request (F.A.I.R.):** A citizen petition requesting that a comprehensive discussion be scheduled to address transect zones in the City.

Moved by Councilmember Eva Putzova, **seconded by** Councilmember Coral Evans to move this item forward.

Vote: 4 - 2

NAY: Mayor Jerry Nabours
Councilmember Jeff Oravits

18. INFORMATIONAL ITEMS AND REPORTS FROM COUNCIL AND STAFF, FUTURE AGENDA ITEM REQUESTS

Mayor Nabours mentioned that the Governor has now signed the Charter amendments from the November 2015 election, so citizen petitions will now require 25 signatures.

19. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held February 16, 2016, adjourned at 11:00 p.m.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATION

I, ELIZABETH A. BURKE, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on February 16, 2016. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 22nd day of March, 2016.

CITY CLERK