

**Minutes of a Regular Session of the Common Council of the Town of Clarkdale  
Held on Tuesday, November 18, 2014**

A Regular Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, November 18, 2014, at 6:00 P.M. in the Men's Lounge of the Clark Memorial Clubhouse, 19 N. Ninth Street, Clarkdale, Arizona.

**CALL TO ORDER – Meeting was called to order at 6:00 P.M. by Mayor Von Gausig.**

**Town Council:**

Mayor Doug Von Gausig

Councilmember Bill Regner

Vice Mayor Richard Dehnert

Councilmember Curtiss Bohall

Councilmember Rennie Radoccia

**Town Staff:**

Town Manager Gayle Mabery

Town Clerk/Finance Director Kathy Bainbridge

Community Development/Economic Director Jodie Filardo

Senior Planner Beth Escobar

Community Services/Human Resources Director Janet Perry

Utilities/Public Works Director Wayne Debrosky

Police Chief Randy Taylor

Deputy Clerk Mary Ellen Dunn

**PUBLIC COMMENT** – The Town Council invites the public to provide comments at this time. Therefore, pursuant to A.R.S. §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date. Persons interested in making a comment on a specific agenda item are asked to complete a brief form and submit it to the Town Clerk during the meeting. Each speaker is asked to limit their comments to five minutes.

**There was no public comment.**

**REPORTS**

**Current Events** – A brief summary of current events. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary.

**Mayor Von Gausig's Report** –

- October 16, 2014 – Attended Arizona Forward Water Forum;
  - Telephone call with Tim Carter, Yavapai College superintendent
- October 21, 2014 – Attended Leaders on the River follow-up – Western Resource Advocates spoke about water conservation methods and new river projects
- October 22, 2014 – Attended public meeting regarding Verde River @ Clarkdale operations
- October 28, 2014 – Attended String of Pearls working group

- November 3, 2014 – Attended Water Challenge kick-off meeting
- November 4, 2014 – Chaired Water Committee meeting for Arizona Forward
  - Attended Sustainable Funding Committee
- November 5, 2014 – Attended Newgate Homes grand opening at Mountain Gate
- November 8, 2014 – Spoke at Audubon c2e Conference/Western Rivers Advocacy network
- November 10, 2014 – Attended Verde Front Leaders meeting
- November 12, 2014 – Attended Verde River @ Clarkdale quarterly coordination meeting
- November 14, 2014 – Attended Executive Committee meeting - Arizona League of Cities and Towns
- November 15, 2014 – Attended Jerome Mayor Nicki Check's wedding
- November 17, 2014 – Participated in Water Challenge discussion
- November 18, 2014 – Met with Cindy Emmett and Bill Cohen regarding the robbery reenactment photography

#### Vice-Mayor Dehnert's Report –

- October 16, 2014 – Telephone call with Tim Carter, Yavapai College superintendent
- October 18, 2014 – Participated in Sustainability in our Backyard at town hall
- October 23, 2014 – Attended NACOG regional council meeting
- October 31, 2014 – Participated in Town's Halloween celebration and candy distribution
- November 3, 2014 – Met at MUHS with Scott Mabery, Gayle Mabery, Chief Randy Taylor, Superintendent Paul Tighe and Principal Jennifer Childress regarding helping youth moving into community adjust and how Clarkdale can assist
- November 11, 2014 – Attended meeting with group putting on bank robbery reenactment – will be announcer for that event
- November 12, 2014 – Attended MatForce Verde Valley Steering Committee meeting

#### Councilmember Bohall's Report –

- October 16, 2014 - Met with Superintendent Tim Carter regarding college advisory committee
- October 18, 2014 – Attended Sustainable Clarkdale event and Fire Department Open House
- November 5, 2014 – Attended Mountain Gate ribbon cutting
- November 12, 2014 – Attended Transportation Policy Advisory Committee meeting telephonically

#### Councilmember Regner's Report –

- October 15, 2014 – Attended Southwest Wine and Dine planning group;
  - Attended Local First Arizona Northern Arizona business mixer
- October 17, 2014 – Participated Verde River Institute kayak trip
- October 18, 2014 – Attended Sustainability in our Backyard and Clarkdale Fire Department OpenHouse;
  - Attended Southwest Wine and Dine in the Vines event
- October 21, 2014 – Attended Friends of Southwest Wine Center board meeting;
  - Attended Leaders of the Verde River meeting

- October 29, 2014 – Attended Friends of Southwest Wine Center wrap up meeting
- October 31, 2014 – Judged costume contest at Halloween event
- November 2 – 5, 2014 – Attended Arizona Town Hall at the Grand Canyon – discussion on Arizona economy
- November 7, 2014 – Selected to be member and Vice Chair of Yavapai College Advisory Committee
- November 11, 2014 – Attended meeting with Valley Academy of Career and Technical Education (VACTE) and Yavapai College Governing Board
- November 13, 2014 – Met with Paul Chevalier, Chair of the Yavapai College Advisory Committee

#### Councilmember Radoccia's Report –

- October 16, 2014 - Spoke with Tim Carter regarding Yavapai College Advisory Board
- October 17, 2014 – Attended NAMWUA meeting
- October 31, 2014 – Participated in Halloween activities
- October 18, 2014 - Attended Southwest Wine and Dine in the Vines

#### Town Manager Mabery's Report –

- November 20<sup>th</sup> – Intergovernmental meeting in Camp Verde
- Holiday closures: Town Hall closed Thursday and Friday (Thanksgiving holiday)
- November 25<sup>th</sup> - Gazebo Decorating Day at 10 a.m.
- December 6<sup>th</sup> - Santa Claus coming to Clarkdale in Men's Lounge – still looking for volunteers for that event 10:30 a.m. – 3:00 p.m.
- West Mingus Recreation Area – update meeting last week and included representatives from the City of Cottonwood and Yavapai College regarding the development of a trailhead site on the Yavapai College campus
- Use of Verde River @ Clarkdale river access points dropped off a bit due to cool season however the diversity of uses has picked up. From the kayaking and canoeing that occurred during the warmer season, we are now seeing fishing, hiking, birdwatching, picnicking, walking dogs, photography and artists.

#### **Organizational Reports – Reports regarding regional organizations.**

CAT/ VVTPO – Cottonwood Area Transit and the Verde Valley Transportation Planning Organization & other transportation affiliations. Councilmember Bohall:

- CAT – no report
- VVTPO – no report
- TPAC – meeting November 12<sup>th</sup> – discussion about elections, finances and the nationwide question of how we are we going to replace gas tax.

NACOG - Northern Arizona Council of Governments. Vice Mayor Dehnert:

- October 23, 2014 Regional Council Meeting – highlights included:
- Adoption of the resolution requesting Congress to provide full funding for the Payment in Lieu of Taxes Program for FY 15;
- Approval of Comprehensive Economic Development strategy;
- Program updates from Terri Drew (economic development administration services);
- Update on Northern Arizona Child Development Administering Board (Headstart);
- Update from Transportation Policy Advisory Committee;
- Approval of the Regional Transportation Improvement program amendments; and
- Area Agency on Aging program news –
- NACOG will no longer provide direct legal services through the Area Agency on Aging but will work closely with new providers (DNA Legal Services, Flagstaff; Southern Arizona Legal Aid, White Mountains; and Community Legal Services, Prescott)

NAMWUA - Northern Arizona Municipal Water Users Association. Councilmember Radoccia:

- Melanie Ford from WIFA gave presentation on the WIFA Dashboard tool for water and sewer fees

VRBP – Verde River Basin Partnership. Mayor Von Gausig:

- No report

VVLP – Verde Valley Land Preservation. Councilmember Radoccia:

Was not able to attend but reported there was discussion about redefining direction of group into 6 categories/focuses:

- Continue involvement in areas that include municipal councils, county and state parks and forest service;
- Act as liaison for open space improvements
- Avenue for creation for small conservation easements
- Advocate sensible changes in management of state trust lands
- Collaborate with other non-profits on trail cleanups
- Demonstrate the beauty and value of open spaces through hikes and equestrian rides

WAC/MVWAC - Yavapai County Water Advisory Committee/Middle Verde Water Advisory Committee. Mayor Von Gausig:

Due to the hiatus/dissolution of the group the dozen monitoring stations operated by USGS are without funds. Without those stations there will be gaps in our knowledge of this activity. Mayor will meet with Arizona head of USGS, Jim Lienhouts, and other Verde Valley representatives and groups on November 24<sup>th</sup> to discuss how these sites will be maintained. Will cost the Verde Valley Communities about \$40,000.

VVREO – Verde Valley Regional Economic Organization. Councilmember Regner:

- No report

YCL – A report from the Yavapai College Liaison. Councilmember Regner:

- Formation meeting of the Board Advisory Committee.
- Meeting of VACTE and Yavapai College Governing Board.
- Dr. Dale Fitzner and Herald Herrington were not re-elected in November. They were replaced by Deb McCasland and Steve Irwin.

**CONSENT AGENDA** - The consent agenda portion of the agenda is a means of expediting routine matters that must be acted on by the Council. All items are approved with one motion. Any items may be removed for discussion at the request of any Council Member.

- A. Approval of Minutes of the Common Council** - Approval of the minutes of the Special Executive Sessions held September 23, 2014 and October 14, 2014, Regular Meeting held October 14, 2014 and Special Meeting October 28, 2014.
- B. Claims** - List of specific expenditures made by the Town during the previous month. October, 2014 check log and PPE dated October 4, 8, 18 and 23, 2014.
- C. Board and Commission Minutes** – Acknowledgement of receipt of minutes and draft minutes of the previous month's Board and Commission Meetings.  
Board of Adjustments Notice of Cancellation of meeting October 22, 2014  
Design Review Board Notice of Cancellation of meeting October 1, 2014  
Planning Commission minutes of the meeting held October 21, 2014  
Library Advisory Board minutes of the meeting held October 9, 2014
- D. Reports** - Approval of written Reports from Town Departments and Other Agencies  
Building Permit Report – October, 2014  
Capital Improvements Report – October, 2014  
Magistrate Court Report – October, 2014  
Water and Wastewater Report – October, 2014  
Police Department Report – October, 2014  
Residential Garbage and Recycling Statistics – September and October, 2014

**Vice Mayor Dehnert moved to accept Consent Agenda items A – D as presented. Councilmember Bohall seconded the motion. The motion passed unanimously.**

**NEW BUSINESS****RECOGNITION OF OUTGOING COUNCILMEMBER RADOCCIA**

Mayor Von Gausig paid tribute to contributions made by Councilmember Radoccia in areas of renewable energy, land use, and architectural expertise. Town Manager, Councilmembers and Vice Mayor thanked Radoccia for his service and paid tribute. Radoccia was presented with a plaque.

**OATH OF OFFICE** - Administration of Oath of Office to Councilmembers-Elect Curt Bohall, Bill Regner and Scott Buckley.

Clarkdale Magistrate Ron Ramsey administered the oaths of office to re-elected Councilmembers Bohall and Regner and newly elected Councilmember Buckley.

**APPOINTMENT OF VICE-MAYOR** - Designation of one Councilmember to be Vice-Mayor.

**Councilmember Bohall nominated Vice Mayor Dehnert. Councilmember Regner seconded the motion. The motion was approved unanimously.**

**FISCAL YEAR 2013-2014 ANNUAL FINANCIAL STATEMENTS** – Presentation of the Annual Financial Statements and consideration of approval of the 2013-2014 Annual Financial Statements.

The annual audit and the auditor reports have been completed for Fiscal Year 2014. The Annual Financial Statements and Independent Auditors' Report summarizes all funds including General, Streets, Water, Wastewater, Sanitation, and Cemetery, and is presented on the basis of accounting prescribed by the Uniform Expenditure Reporting System (UERS), as required by the Arizona Revised Statutes, and in accordance with the voter-approved alternative expenditure limitation. Included in the report is the Management's Discussion and Analysis, starting on page iii, which was written by Finance Director Kathy Bainbridge and provides an overview of the financial activities for the fiscal year ended June 30, 2014, along with an introduction to the basic financial statements.

The Governmental Fund Balance/Net Asset Components are located on pages 29 through 31. These pages detail the restricted, assigned and unassigned portions of fund balances in the Governmental Funds and net assets in the Proprietary Funds.

The single audit required when a municipality has over \$500,000 of federal award expenditures during a fiscal year is also located on pages 41- 44 of the report.

The Schedule of Findings and Questioned Costs are located on pages 45 – 46 and show that for the Financial Statements and Federal Award Statements there were no material weaknesses identified or significant deficiencies found.

The Independent Auditors' Report on compliance applicable to the uses of Highway User Revenue Fund monies is located at the end of the report.

Finance Director Bainbridge introduced Scott Graff from Colby and Powell. Mr. Graff explained the duties and responsibilities of the auditors. He congratulated the town on another clean year of reporting. Discussed requirements of federal reporting for WIFA projects and stated the Town met those requirements. There were no misstatements or findings. Opened the discussion to questions from Council. There were no questions. Reported the Town has paid great attention to details and internal controls. Finance department takes suggestions well and puts new plans into place to fix any areas that may require improvements. The Finance Director has good organization of files and data. Town Manager Mabery thanked Bainbridge for her hard work.

**Councilmember Regner moved to approve the Annual Financial Statements and Independent Auditors' Report dated June 30, 2014 and Annual Expenditure Limitation Report and Independent Accounts' Report dated June 30, 2014. Vice Mayor Dehnert seconded the motion. The motion passed unanimously.**

**LIQUOR LICENSE CHANGE OF AGENT – ACQUISITION OF CONTROL FOR #1 FOOD STORE** – Discussion and consideration of a recommendation to the Arizona Department of Liquor License and Control for a Change of Agent – Acquisition of Control from John Sidney Coles to Linda Kay Coles for the #1 Food Store located at 755 Hwy 89A, Clarkdale, AZ.

**Applicant: Linda Kay Coles d/b/a/ #1 Food Store**

**Address: 755 Hwy 89A, Clarkdale, AZ**

**Type of License: Agent Change - Acquisition of Control to current Series 10 Liquor License**

Beer and Wine Store Application Kit - Series 10: This non-transferable, off-sale retail privileges liquor license allows a retail store to sell beer and wine (no other spirituous liquors), only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery. Series 10 (beer and wine store) licensees and applicants may apply for unlimited sampling privileges by completing the Sampling Privileges form. Internet sale of liquor is not permitted in the state of Arizona. Liquor must be delivered to an Arizona liquor-licensed wholesaler, then an Arizona liquor-licensed retailer prior to delivery to the consumer.

The application from Linda Kay Coles is requesting a Change of Agent – Acquisition of Control from John Sidney Coles due to his death on May 27, 2014 to Linda Kay Coles for the #1 Food Store located at 755 Hwy 89A, Clarkdale, AZ

A.R.S. 4-203.F

If a person other than those persons originally licensed acquires control over a license or licensee, the person shall file notice of the acquisition with the Director within 15 business days after such acquisition of control and a list of officers, directors or other persons on a form prescribed by the Director. ....On receipt of a notice of an acquisition of control or pre-investigation, the Director shall forward the notice within 15 days to the local governing body of the city or town. The Local Governing Body of the city, town or county may protest the acquisition of control within sixty days based on the capability, reliability and qualification of the person acquiring control. If the Director does not receive any protests,

the Director may protest the acquisition of control or approve the acquisition of control based on the capability, reliability and qualification of the person acquiring control.

To determine whether public convenience requires and the best interest of the community would be substantially served by issuing or transferring a license to a particular licensed or unlicensed location, the State Liquor Board and/or local governing authorities may apply criteria (as listed in the Arizona Administrative Code) as documented on the attached Town of Clarkdale Liquor License Application Review Form which has been completed by the Clerk's Department, Community Development Department, Police Department, Utility Department, Public Works Department and the Clarkdale Fire District.

Town Clerk Bainbridge presented information on this agenda item.

**Councilmember Bohall moved to approve a recommendation to the State Department of Liquor License and Control to approve a Change of Agent – Acquisition of Control from John Sidney Coles to Linda Kay Coles for the #1 Food Store located at 755 Hwy 89A, Clarkdale, AZ. Vice Mayor Dehnert seconded the motion. The motion was approved unanimously.**

Mayor Von Gausig changed the order of the agenda items without objection to accommodate public hearing.

**PUBLIC HEARING: AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF CLARKDALE, YAVAPAI COUNTY, ARIZONA AMENDING THE ZONING MAP OF THE TOWN OF CLARKDALE, ARIZONA TO REZONE CERTAIN REAL PROPERTY, AN APPROXIMATELY 2.87 ACRES PORTION OF ASSESSOR'S PARCEL NUMBER 400-07-026F LOCATED AT 701 S BROADWAY STREET IN CLARKDALE, FROM R2 (SINGLE FAMILY AND LIMITED MULTIPLE FAMILY RESIDENTIAL) TO C (COMMERCIAL) WITH LIMITED USES AND IMPOSING CONDITIONS – A public hearing to receive input regarding amendment of the Zoning Map of the Town of Clarkdale.**

The property owners of Assessor's Parcel Number 400-07-026F, an approximately 5.37-acre property located at 701 S. Broadway Street, have submitted a rezoning request for an approximately 2.88-acre portion of this property.

Jaimie and Joseph Rongo are requesting a change in zoning from R2 (Single Family and Limited Multiple Family Residential) to Commercial. This property is the location of the Arizona School of Integrative Studies (ASIS), commonly referred to as the massage school, operated by Mr. & Mrs. Rongo.

A lot line adjustment to reconfigure this property has already been processed by the Community Development Department. The lot line adjustment creates the approximately 2.8-acre portion which is the subject property of the rezone application. The remaining approximately 4.5-acre portion is proposed to retain the R2 zoning. The Rongos own the adjacent property where their private residence is located.

**Description of property**

The massage school building is approximately 3,541 square-feet in size. The classroom portion of this total is approximately 1,300 square feet. According to the ASIS website, classes run from September to February. The school also hosts a variety of other classes and workshops throughout the year.

The parking area contains 19 parking spaces. There is a well for water and septic system on the property. At the time of construction it was noted the leach lines for the project do not maintain the required five-foot setback from the utility easement which parallels Broadway. At the time, (December 2001) the Town noted this encroachment but did not require the leach lines to be moved.

The property is accessed from an approximately 28-foot wide driveway connected to Broadway. Peace Garden Path, a private road providing access to three single-family residences, connects off of this driveway access.

A roof-mounted solar electric system was installed in 2010.

**Current Zoning**

This property was rezoned in 1999 from R1L (Single Family Residential Limited) to R2 (Single Family and Limited Multiple Family Residential). Single family dwellings, parks, duplex, triplex and quadplex multi-family dwelling units, day care facilities and bed & breakfast establishments are permitted by right in this zoning district. There is a 4,000 square-foot minimum lot size required per multifamily unit. The property as it exists today at 5.37 acres could be developed into approximately 50 multifamily units or 29 single family residences under the current zoning.

Private schools are a conditional use in the R2 zoning district and the massage school has operated under a conditional use permit since 2000. If the property was rezoned to Commercial, the massage school could continue as a permitted use.

**Vicinity**

The subject property is located between an approximately 9.75-acre commercially zoned undeveloped property and three single-family residences to the north and a single-family residential large-lot development to the south. The homes to the south of the subject property are approximately 20 feet higher in elevation than the massage school. The nearest house to the south at 608 West Raven Hill Road is approximately 168 feet from the existing massage school building. The nearest house to the north, 500 Peace Garden Path, is approximately 188 feet from the massage school.

Town water and wastewater infrastructure extends along Broadway to approximately 600 feet north of the subject property.

**Traffic**

At the time of the original site plan review in 1999, a traffic study was not required. Traffic along Broadway, which connects Old Town Cottonwood to Clarkdale, can be heavy during certain periods. This road serves as the main access from Cottonwood to the Verde Canyon Railroad. Without knowing the specific use into which the property might develop if a zone change is approved, it is difficult to estimate traffic impact.

Staff is recommending a condition requiring a traffic study prior to any change of use.

### **Parking**

There was no specific discussion at the time of the original site plan review regarding parking. There are flat areas around the existing parking that can serve as overflow parking.

A general retail use would require 17 parking spaces based on the current building size. A restaurant/bar use would require 1 parking space for every four seats. Parking requirements for hotels and motels are one space per unit/room.

Staff is recommending a condition requiring review and approval of parking requirements prior to any change of use.

### **Commercial Zoning:**

A variety of uses are allowed in the Commercial Zoning District. There is no lot coverage maximum in the Commercial Zoning District, and setbacks of 30 feet in the front and 20 feet in the rear are required. There are no side setbacks required in this District, however, if the property abuts a residential district, the Town's policy has been to require a minimum 20-foot setback.

As constructed, the massage school would comply with the regulations of the Commercial Zoning District.

The Zoning Code contains required performance standards for commercial uses. Per these standards, and other ordinances, all lighting must be fully shielded, all outdoor storage must be completely screened, noise must be maintained within reasonable levels and nothing on the property can cause a nuisance to surrounding property owners.

### **Conformance to the Town of Clarkdale 2012 General Plan**

Per Arizona Revised Statute 9-462.01.F any rezoning must conform to the land use element of the general plan.

The Land Use Map in the 2012 General Plan designates this parcel as Neighborhood Commercial. Two-thirds of the Broadway Corridor shares this designation.

The Neighborhood Commercial District was adopted by Ordinance #294 in 2006. There are currently no properties designated as Neighborhood Commercial on the zoning map, although the approximately 11 acres of commercial within the Crossroads at Mingus Planned Area Development shall be developed under the standards of the Neighborhood Commercial District.

The intent of the Neighborhood Commercial Zoning District is to:

'Provide opportunities for commercial centers that offer everyday goods and services located within close proximity to residential neighborhoods and that promote foot and bicycle traffic to those areas.'

Neighborhood Commercial as defined in the General Plan includes uses such as retail outlets, offices and restaurants.

A zone change to Neighborhood Commercial would be in alignment with the 2012 General Plan.

A zone change to standard Commercial would not be a direct reflection of the General Plan, since more intensive uses are permitted in the Commercial Zoning District. The Commercial Zoning District includes a variety of uses which are not neighborhood oriented, such as a hotels, automobile sales and rentals, a public garage and wholesale establishments.

However, rezoning this property to Commercial does not require either a major or minor General Plan amendment due to the small size of the property.

Arizona Revised Statutes states the following:

‘In case of uncertainty in construing or applying the conformity of any part of a proposed rezoning ordinance to the adopted general plan of the municipality, the ordinance shall be constructed in a manner that will further the implementation of, and not be contrary to, the goals, policies and applicable elements of the general plan. A rezoning ordinance conforms with the land use element of the general plan if it proposes land uses, densities or intensities within the range of identified uses, densities and intensities of the land use element of the general plan.’

#### Zoning Analysis

As previously discussed, the Clarkdale General Plan recognizes the potential of the property along Broadway to develop as a commercial corridor focusing on neighborhood services connecting Old Town Cottonwood and Main Street Clarkdale.

One major distinction between Neighborhood Commercial and the Commercial Zoning District is the allowance of bars and taverns in the Commercial District as a permitted use and as a conditional use in the Neighborhood Commercial District.

Clarkdale currently has over 281 acres of undeveloped commercially-zoned property. The addition of approximately 2.88 acres of commercial property is an increase of one percent.

The subject property may be appropriate for some commercial uses but not others. For example, uses such as automobile, trailer, and boat rental may not be appropriate for this location, either because of a visual impact or an increase in traffic generation.

Per an earlier legal opinion, a zone change request may be granted with a limit to the uses allowed.

#### **Comparison of permitted uses between Commercial & Neighborhood Commercial Zoning Districts**

Use	Commercial	Neighborhood Commercial
Amusement arcade	X	X-with conditional use permit
Artist studios	X	X-with conditional use permit
Automobile, trailer, boat, farm implements sales and rentals	X	X-with conditional use permit
Barber shops & Beauty parlors	X	X
Bed & Breakfast Country Inn	X	X
Campsites and RV parks	X-with CUP	X-with conditional use permit

Commercial, trade, vocational schools	X	
Dressmaker, tailor et al	X	
Financial Institutions	X	X
Funeral parlor	X	X-without crematorium
Hotels and motels	X	X-two story maximum height
Laundry	X	X-with conditional use permit
Micro-brewery	X	X-with conditional use permit
Multi-family dwellings	X	X-with conditional use permit
Museums		X
Parking Lots/structures	X	X-with conditional use permit
Professional offices	X	X
Public Garages including repair and storage	X	X-with conditional use permit
Restaurants	X	X
Retail Stores	X	X
Sidewalk cafes	X	X-without alcohol service
Single family dwelling	X	X-two story maximum height
Taverns, bars	X	X-with conditional use permit
Wholesale establishments and Warehouses	X	

Commercial, trade and vocational schools are not listed as a permitted or conditional use in the Neighborhood Commercial Zone. If the subject property were re-zoned to Neighborhood Commercial, the massage school would no longer be a valid use. The rule of hierarchical zoning does not apply in this instance. Even though commercial and vocational schools are permitted in the R2 Zoning District, a 'lesser' zone, they cannot be assumed to be permitted in the Neighborhood Commercial Zoning District since this District was inserted into the code at a later date.

#### **Public Comments:**

Six members of the public, all nearby residents to the subject property, spoke at the July 15<sup>th</sup> Planning Commission Public Hearing and expressed concerns about the impact of a rezoning to their properties and quality of life. The Planning Commission directed staff to develop a list of limited commercial uses to address the concerns expressed. Four neighbors spoke at the September 16<sup>th</sup> meeting regarding continuing concerns about traffic and noise.

#### **Spot Zoning:**

A member of the public brought up the question of spot zoning at the July 15<sup>th</sup> meeting. Spot zoning is defined as placing a small area of land in a different zone than that of surrounding properties. Staff asked the Town attorney to determine whether the Rongo rezoning application constitutes spot zoning. The Town attorney advised the applicant join his property with the adjacent Commercial property to prevent the appearance of spot zoning. This can be accomplished through a lot line adjustment. Connecting the properties this way creates a continuous block of commercially zoned property.

Staff has added a stipulation requiring this lot line adjustment if the Council approves a rezone.

The Planning Commission conducted a public hearing on this item on July 15, 2014. A second public hearing with the Planning Commission was held on September 16, 2014 specifically to discuss the spot zoning issue and review the proposed limited Commercial uses. At this meeting the Commission recommended the matter be forward to Council for approval of the zone change to Commercial with the following limited uses:

Limited Commercial Uses to be permitted:

Per the Commission's direction, staff developed a list of limited commercial uses to mitigate the impact of rezoning to the adjacent property owners:

1. Multiple family dwelling structures. (This use is currently permitted in the existing R2 Zoning District.)
2. Professional and business offices, including clinics. (Permitted in the Neighborhood Commercial District.)
3. Financial institution. (Permitted in the Neighborhood Commercial District.)
4. Restaurants, taverns, bars and Sidewalk Cafes. (Permitted in the Neighborhood Commercial District.)
5. Retail sales. (Permitted in the Neighborhood Commercial District.)
6. Personal service uses, including barber shops and beauty parlors, artists' studios, funeral parlors and other personal service uses of a similar nature. (The Community Development Director has determined day spas would qualify under this category. These uses are permitted in the Neighborhood Commercial District.)
7. Hotels and motels (Permitted in the Neighborhood Commercial District.)
8. Commercial, trade or vocational schools.
9. Bed and Breakfast Country Inn (Allows for up to six guest units and may have a restaurant open to the public. This use is permitted in the Neighborhood Commercial District.)
10. Convalescent homes and retirement centers. (This use is permitted in the Neighborhood Commercial District with a conditional use permit.)

Permitted uses in the Commercial Zoning District not on this list include automobile parking lot; laundry and dry cleaning; repair shops; amusement place; auto, trailer, boat, or farm implement display, sales or rentals; public garage; publicly owned facilities; a medical marijuana dispensary and manufacturing of consumable products.

To further limit the impact of the change to commercial zoning, staff is suggesting a condition of approval that prohibits outdoor commercial activity past 10:00 p.m.

The applicant has reviewed the above list and endorses these limited uses.

As a reminder, the general plan designation for this area is Neighborhood Commercial. However, the Neighborhood Commercial District does not include public or private schools. Per the Town Attorney, the current use of the massage school would not be 'grandfathered' (considered exempt from the regulations of the new zoning) if this property were rezoned to Neighborhood Commercial because it is a conditional use.

In staff's opinion, the list of commercial uses above reflects those uses intended for the Neighborhood Commercial Zone, with the additional use of a public or private school and the allowance of a bar or tavern without the requirement of a conditional use permit.

**Planning Commission Action:**

After conducting two public hearings, the Planning Commission recommended forwarding this matter to Council for approval of the zone change request with limited commercial uses and the staff recommend conditions of approval. In the opinion of the Commission, the limited commercial uses and other restrictions included in the recommended conditions of approval, conforms to the intent of the General Plan as appropriate for Neighborhood Commercial development. In addition, the Commission recognized the benefit of extending the water and wastewater infrastructure as well as improving the access to the subject property off of Broadway.

**Recommendation:**

Staff is requesting the Council consider the proposed zone change, and after public comment, take one of the following actions:

- Request additional information from staff or the applicant to be brought back before the Council in a continued public hearing.
- Adopt an ordinance approving the change to Commercial with limited uses and the recommended conditions of approval.
- Amend the ordinance to change either the limited uses or conditions of approval.
- Deny the zone change application.

If the Council chooses to approve this zone change request, staff offers the following conditions of approval for consideration:

1. Permitted uses shall be limited to the following:
  - a. Multiple family dwelling structures. (This use is currently permitted in the existing R2 Zoning District.)
  - b. Professional and business offices, including clinics. (Permitted in the Neighborhood Commercial District.)
  - c. Financial institution. (Permitted in the Neighborhood Commercial District.)
  - d. Restaurants, taverns, bars and Sidewalk Cafes. (Permitted in the Neighborhood Commercial District.)
  - e. Retail sales. (Permitted in the Neighborhood Commercial District.)
  - f. Personal service uses, including barber shops and beauty parlors, artists' studios, funeral parlors and other personal service uses of a similar nature. (The Community Development Director has determined day spas would qualify under this category. These uses are permitted in the Neighborhood Commercial District.)
  - g. Hotels and motels (Permitted in the Neighborhood Commercial District.)
  - h. Commercial, trade or vocational schools.

- i. Bed and Breakfast Country Inn (Allows for up to six guest units and may have a restaurant open to the public. This use is permitted in the Neighborhood Commercial District.)
- j. Convalescent homes and retirement centers. (This use is permitted in the Neighborhood Commercial District with a conditional use permit.)
2. The lot line adjustment connecting Assessor's Parcel Number 400-07-026F to Assessor's Parcel Number 400-07-005 shall be completed within 15 days of approval of the rezone application by Town Council, and filed by the Applicant with the Yavapai County Recorder's Office.
3. Applicant and/or future property owner shall notify the Town in writing prior to conversion to a commercial use. An inspection shall be required by the Town Building Official and the Clarkdale Fire District prior to any new use being initiated.
4. The applicant shall be required to complete a redesign of the access of the property off of Broadway Road to standards provided by the Public Works Department of the Town of Clarkdale within 60 days of notification of change of use and prior to close of escrow of any property transfer.
5. A Traffic Impact Report, to be funded by the applicant and/or future property owner shall be required for any change of use more intensive than the current use. The applicant and/or future property owner shall be responsible for completing any required street upgrades identified by the Traffic Impact Report.
6. The property shall connect to the Town's water and wastewater system, including the installation of main lines within the Town's right-of-way from the terminus point on Broadway, within one year of a change of use on the property.
7. Parking shall be adequate for any future use. Additional parking spaces may be required.
8. There shall be no outdoor activity related to a commercial use on the property after 10:00 p.m.
9. Any new use must comply with all Town Code and Zoning Code regulations.
10. The applicant shall enter into a development agreement with the Town that specifies permitted uses and all restrictions and stipulations.

Senior Planner Beth Escobar presented information on this agenda item. She outlined the proposed uses for the area and the recommended conditions of approval. She provided historical background of allowed uses for various applicable zoning.

Mayor opened the discussion to public comment.

**Kerry Olson, Clarkdale resident**, stated that the zoning has changed over the years and is not sure she likes changing from R1-L to commercial.

**Wayne Schumacher, Clarkdale resident**: 1) commercial zoning would depreciate neighborhood values; 2) traffic from a commercial enterprise on a blind hilltop curve would endanger those who use Bent River Road; 3) all eight residents of West Raven Hill have voiced disapproval at previous meetings; 4) as of

July, 2014 Clarkdale already has 281 acres of unused commercial property. Stated he has no problem with the school but doesn't think if changed to neighborhood commercial and a bar were allowed the same result would occur.

**Howard M. Beck, Clarkdale resident**, Mayor Von Gausig read a letter addressed to Council by Mr. Beck, protesting the zoning change.

**Richard Imboden, Clarkdale resident**, concerned with noise and traffic potentials of re-zoning change.

**Joseph Rongo, Clarkdale resident and property owner**, thanked the Town for work and effort involved in attempting to accommodate him and his business. Even though his conditional use permit could stay semi-permanently, he may not always want to operate a massage school and would still be paying a huge tax amount.

**Stephanie Haggart, Clarkdale resident**, asked the Council if there was any legal way to allow for a permanent or semi-permanent conditional use permit on Mr. Rongo's property and was informed that the conditional use permit was permanent without zoning change.

Mayor Von Gausig closed the public hearing.

**This is a Public Hearing, no action required.**

**AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF CLARKDALE, YAVAPAI COUNTY, ARIZONA AMENDING THE ZONING MAP OF THE TOWN OF CLARKDALE, ARIZONA TO REZONE CERTAIN REAL PROPERTY, AN APPROXIMATELY 2.87 ACRE PORTION OF ASSESSOR'S PARCEL NUMBER 400-07-026F LOCATED AT 701 S BROADWAY STREET IN CLARKDALE, FROM R2 (SINGLE FAMILY AND LIMITED MULTIPLE FAMILY RESIDENTIAL) TO C (COMMERCIAL) WITH LIMITED USES AND IMPOSING CONDITIONS - Discussion and consideration of Ordinance #365, rezoning approximately 2.87 acres from Single Family and Limited Multiple Family Residential to Commercial with Limited Uses and Imposing Conditions.**

The property owners of Assessor's Parcel Number 400-07-026F, an approximately 5.37-acre property located at 701 S. Broadway Street, have submitted a rezoning request for an approximately 2.88-acre portion of this property.

Jaimie and Joseph Rongo are requesting a change in zoning from R2 (Single Family and Limited Multiple Family Residential) to Commercial. This property is the location of the Arizona School of Integrative Studies (ASIS), commonly referred to as the massage school, operated by Mr. & Mrs. Rongo.

A lot line adjustment to reconfigure this property has already been processed by the Community Development Department. The lot line adjustment creates the approximately 2.8-acre portion which is the subject property of the rezone application. The remaining approximately 4.5-acre portion is proposed to retain the R2 zoning. The Rongos own the adjacent property where their private residence is located.

**Description of property**

The massage school building is approximately 3,541 square-feet in size. The classroom portion of this total is approximately 1,300 square feet. According to the ASIS website, classes run from September to February. The school also hosts a variety of other classes and workshops throughout the year.

The parking area contains 19 parking spaces. There is a well for water and septic system on the property. At the time of construction it was noted the leach lines for the project do not maintain the required five-foot setback from the utility easement which parallels Broadway. At the time, (December 2001) the Town noted this encroachment but did not require the leach lines to be moved.

The property is accessed from an approximately 28-foot wide driveway connected to Broadway. Peace Garden Path, a private road providing access to three single-family residences, connects off of this driveway access.

A roof-mounted solar electric system was installed in 2010.

**Current Zoning**

This property was rezoned in 1999 from R1L (Single Family Residential Limited) to R2 (Single Family and Limited Multiple Family Residential). Single family dwellings, parks, duplex, triplex and quadplex multi-family dwelling units, day care facilities and bed & breakfast establishments are permitted by right in this zoning district. There is a 4,000 square-foot minimum lot size required per multifamily unit. The property as it exists today at 5.37 acres could be developed into approximately 50 multifamily units or 29 single family residences under the current zoning.

Private schools are a conditional use in the R2 zoning district and the massage school has operated under a conditional use permit since 2000. If the property was rezoned to Commercial, the massage school could continue as a permitted use.

**Vicinity**

The subject property is located between an approximately 9.75-acre commercially zoned undeveloped property and three single-family residences to the north and a single-family residential large-lot development to the south. The homes to the south of the subject property are approximately 20 feet higher in elevation than the massage school. The nearest house to the south at 608 West Raven Hill Road is approximately 168 feet from the existing massage school building. The nearest house to the north, 500 Peace Garden Path, is approximately 188 feet from the massage school.

Town water and wastewater infrastructure extends along Broadway to approximately 600 feet north of the subject property.

**Traffic**

At the time of the original site plan review in 1999, a traffic study was not required. Traffic along Broadway, which connects Old Town Cottonwood to Clarkdale, can be heavy during certain periods. This road serves as the main access from Cottonwood to the Verde Canyon Railroad. Without knowing the specific use into which the property might develop if a zone change is approved, it is difficult to estimate traffic impact.

Staff is recommending a condition requiring a traffic study prior to any change of use.

**Parking**

There was no specific discussion at the time of the original site plan review regarding parking. There are flat areas around the existing parking that can serve as overflow parking.

A general retail use would require 17 parking spaces based on the current building size. A restaurant/bar use would require 1 parking space for every four seats. Parking requirements for hotels and motels are one space per unit/room.

Staff is recommending a condition requiring review and approval of parking requirements prior to any change of use.

**Commercial Zoning:**

A variety of uses are allowed in the Commercial Zoning District. There is no lot coverage maximum in the Commercial Zoning District, and setbacks of 30 feet in the front and 20 feet in the rear are required. There are no side setbacks required in this District, however, if the property abuts a residential district, the Town's policy has been to require a minimum 20-foot setback.

As constructed, the massage school would comply with the regulations of the Commercial Zoning District.

The Zoning Code contains required performance standards for commercial uses. Per these standards, and other ordinances, all lighting must be fully shielded, all outdoor storage must be completely screened, noise must be maintained within reasonable levels and nothing on the property can cause a nuisance to surrounding property owners.

**Conformance to the Town of Clarkdale 2012 General Plan**

Per Arizona Revised Statute 9-462.01.F any rezoning must conform to the land use element of the general plan.

The Land Use Map in the 2012 General Plan designates this parcel as Neighborhood Commercial. Two-thirds of the Broadway Corridor shares this designation.

The Neighborhood Commercial District was adopted by Ordinance #294 in 2006. There are currently no properties designated as Neighborhood Commercial on the zoning map, although the approximately 11 acres of commercial within the Crossroads at Mingus Planned Area Development shall be developed under the standards of the Neighborhood Commercial District.

The intent of the Neighborhood Commercial Zoning District is to:

‘Provide opportunities for commercial centers that offer everyday goods and services located within close proximity to residential neighborhoods and that promote foot and bicycle traffic to those areas.’

Neighborhood Commercial as defined in the General Plan includes uses such as retail outlets, offices and restaurants.

A zone change to Neighborhood Commercial would be in alignment with the 2012 General Plan.

A zone change to standard Commercial would not be a direct reflection of the General Plan, since more intensive uses are permitted in the Commercial Zoning District. The Commercial Zoning District includes a variety of uses which are not neighborhood oriented, such as a hotels, automobile sales and rentals, a public garage and wholesale establishments.

However, rezoning this property to Commercial does not require either a major or minor General Plan amendment due to the small size of the property.

Arizona Revised Statutes states the following:

‘In case of uncertainty in construing or applying the conformity of any part of a proposed rezoning ordinance to the adopted general plan of the municipality, the ordinance shall be constructed in a manner that will further the implementation of, and not be contrary to, the goals, policies and applicable elements of the general plan. A rezoning ordinance conforms with the land use element of the general plan if it proposes land uses, densities or intensities within the range of identified uses, densities and intensities of the land use element of the general plan.’

**Zoning Analysis**

As previously discussed, the Clarkdale General Plan recognizes the potential of the property along Broadway to develop as a commercial corridor focusing on neighborhood services connecting Old Town Cottonwood and Main Street Clarkdale.

One major distinction between Neighborhood Commercial and the Commercial Zoning District is the allowance of bars and taverns in the Commercial District as a permitted use and as a conditional use in the Neighborhood Commercial District.

Clarkdale currently has over 281 acres of undeveloped commercially-zoned property. The addition of approximately 2.88 acres of commercial property is an increase of one percent.

The subject property may be appropriate for some commercial uses but not others. For example, uses such as automobile, trailer, and boat rental may not be appropriate for this location, either because of a visual impact or an increase in traffic generation.

Per an earlier legal opinion, a zone change request may be granted with a limit to the uses allowed.

**Comparison of permitted uses between Commercial & Neighborhood Commercial Zoning Districts**

Use	Commercial	Neighborhood Commercial
Amusement arcade	X	X-with conditional use permit
Artist studios	X	X-with conditional use permit
Automobile, trailer, boat, farm implements sales and rentals	X	X-with conditional use permit
Barber shops & Beauty parlors	X	X
Bed & Breakfast Country Inn	X	X
Campsites and RV parks	X-with CUP	X-with conditional use permit
Commercial, trade, vocational schools	X	

Dressmaker, tailor et al	X	
Financial Institutions	X	X
Funeral parlor	X	X-without crematorium
Hotels and motels	X	X-two story maximum height
Laundry	X	X-with conditional use permit
Micro-brewery	X	X-with conditional use permit
Multi-family dwellings	X	X-with conditional use permit
Museums		X
Parking Lots/structures	X	X-with conditional use permit
Professional offices	X	X
Public Garages including repair and storage	X	X-with conditional use permit
Restaurants	X	X
Retail Stores	X	X
Sidewalk cafes	X	X-without alcohol service
Single family dwelling	X	X-two story maximum height
Taverns, bars	X	X-with conditional use permit
Wholesale establishments and Warehouses	X	

Commercial, trade and vocational schools are not listed as a permitted or conditional use in the Neighborhood Commercial Zone. If the subject property were re-zoned to Neighborhood Commercial, the massage school would no longer be a valid use. The rule of hierarchical zoning does not apply in this instance. Even though commercial and vocational schools are permitted in the R2 Zoning District, a 'lesser' zone, they cannot be assumed to be permitted in the Neighborhood Commercial Zoning District since this District was inserted into the code at a later date.

**Public Comments:**

Six members of the public, all nearby residents to the subject property, spoke at the July 15<sup>th</sup> Planning Commission Public Hearing and expressed concerns about the impact of a rezoning to their properties and quality of life. The Planning Commission directed staff to develop a list of limited commercial uses to address the concerns expressed. Four neighbors spoke at the September 16<sup>th</sup> meeting regarding continuing concerns about traffic and noise.

**Spot Zoning:**

A member of the public brought up the question of spot zoning at the July 15<sup>th</sup> meeting. Spot zoning is defined as placing a small area of land in a different zone than that of surrounding properties.

Staff asked the Town attorney to determine whether the Rongo rezoning application constitutes spot zoning. The Town attorney advised the applicant join his property with the adjacent Commercial property to prevent the appearance of spot zoning. This can be accomplished through a lot line adjustment. Connecting the properties this way creates a continuous block of commercially zoned property.

Staff has added a stipulation requiring this lot line adjustment if the Council approves a rezone.

The Planning Commission conducted a public hearing on this item on July 15, 2014. A second public hearing with the Planning Commission was held on September 16, 2014 specifically to discuss the spot zoning issue and review the proposed limited Commercial uses. At this meeting the Commission recommended the matter be forward to Council for approval of the zone change to Commercial with the following limited uses:

Limited Commercial Uses to be permitted:

Per the Commission's direction, staff developed a list of limited commercial uses to mitigate the impact of rezoning to the adjacent property owners:

1. Multiple family dwelling structures. (This use is currently permitted in the existing R2 Zoning District.)
2. Professional and business offices, including clinics. (Permitted in the Neighborhood Commercial District.)
3. Financial institution. (Permitted in the Neighborhood Commercial District.)
4. Restaurants, taverns, bars and Sidewalk Cafes. (Permitted in the Neighborhood Commercial District.)
5. Retail sales. (Permitted in the Neighborhood Commercial District.)
11. Personal service uses, including barber shops and beauty parlors, artists' studios, funeral parlors and other personal service uses of a similar nature. (The Community Development Director has determined day spas would qualify under this category. These uses are permitted in the Neighborhood Commercial District.)
12. Hotels and motels (Permitted in the Neighborhood Commercial District.)
13. Commercial, trade or vocational schools.
14. Bed and Breakfast Country Inn (Allows for up to six guest units and may have a restaurant open to the public. This use is permitted in the Neighborhood Commercial District.)
15. Convalescent homes and retirement centers. (This use is permitted in the Neighborhood Commercial District with a conditional use permit.)

Permitted uses in the Commercial Zoning District not on this list include automobile parking lot; laundry and dry cleaning; repair shops; amusement place; auto, trailer, boat, or farm implement display, sales or rentals; public garage; publicly owned facilities; a medical marijuana dispensary and manufacturing of consumable products.

To further limit the impact of the change to commercial zoning, staff is suggesting a condition of approval that prohibits outdoor commercial activity past 10:00 p.m.

The applicant has reviewed the above list and endorses these limited uses.

As a reminder, the general plan designation for this area is Neighborhood Commercial. However, the Neighborhood Commercial District does not include public or private schools. Per the Town Attorney, the current use of the massage school would not be 'grandfathered' (considered exempt from the regulations of the new zoning) if this property were rezoned to Neighborhood Commercial because it is a conditional use.

In staff's opinion, the list of commercial uses above reflects those uses intended for the Neighborhood Commercial Zone, with the additional use of a public or private school and the allowance of a bar or tavern without the requirement of a conditional use permit.

**Planning Commission Action:**

After conducting two public hearings, the Planning Commission recommended forwarding this matter to Council for approval of the zone change request with limited commercial uses and the staff recommend conditions of approval. In the opinion of the Commission, the limited commercial uses and other restrictions included in the recommended conditions of approval, conforms to the intent of the General Plan as appropriate for Neighborhood Commercial development. In addition, the Commission recognized the benefit of extending the water and wastewater infrastructure as well as improving the access to the subject property off of Broadway.

**Recommendations:**

Staff is requesting the Council consider the proposed zone change, and after public comment, take one of the following actions:

- Request additional information from staff or the applicant to be brought back before the Council in a continued public hearing.
- Adopt an ordinance approving the change to Commercial with limited uses and the recommended conditions of approval.
- Amend the ordinance to change either the limited uses or conditions of approval.
- Deny the zone change application.

If the Council chooses to approve this zone change request, staff offers the following conditions of approval for consideration:

11. Permitted uses shall be limited to the following:

- a. Multiple family dwelling structures. (This use is currently permitted in the existing R2 Zoning District.)
- b. Professional and business offices, including clinics. (Permitted in the Neighborhood Commercial District.)
- c. Financial institution. (Permitted in the Neighborhood Commercial District.)
- d. Restaurants, taverns, bars and Sidewalk Cafes. (Permitted in the Neighborhood Commercial District.)
- e. Retail sales. (Permitted in the Neighborhood Commercial District.)
- f. Personal service uses, including barber shops and beauty parlors, artists' studios, funeral parlors and other personal service uses of a similar nature. (The Community Development Director has determined day spas would qualify under this category. These uses are permitted in the Neighborhood Commercial District.)
- g. Hotels and motels (Permitted in the Neighborhood Commercial District.)
- h. Commercial, trade or vocational schools.

- i. Bed and Breakfast Country Inn (Allows for up to six guest units and may have a restaurant open to the public. This use is permitted in the Neighborhood Commercial District.)
  - j. Convalescent homes and retirement centers. (This use is permitted in the Neighborhood Commercial District with a conditional use permit.)
12. The lot line adjustment connecting Assessor's Parcel Number 400-07-026F to Assessor's Parcel Number 400-07-005 shall be completed within 15 days of approval of the rezone application by Town Council, and filed by the Applicant with the Yavapai County Recorder's Office.
  13. Applicant and/or future property owner shall notify the Town in writing prior to conversion to a commercial use. An inspection shall be required by the Town Building Official and the Clarkdale Fire District prior to any new use being initiated.
  14. The applicant shall be required to complete a redesign of the access of the property off of Broadway Road to standards provided by the Public Works Department of the Town of Clarkdale within 60 days of notification of change of use and prior to close of escrow of any property transfer.
  15. A Traffic Impact Report, to be funded by the applicant and/or future property owner shall be required for any change of use more intensive than the current use. The applicant and/or future property owner shall be responsible for completing any required street upgrades identified by the Traffic Impact Report.
  16. The property shall connect to the Town's water and wastewater system, including the installation of main lines within the Town's right-of-way from the terminus point on Broadway, within one year of a change of use on the property.
  17. Parking shall be adequate for any future use. Additional parking spaces may be required.
  18. There shall be no outdoor activity related to a commercial use on the property after 10:00 p.m.
  19. Any new use must comply with all Town Code and Zoning Code regulations.
  20. The applicant shall enter into a development agreement with the Town that specifies permitted uses and all restrictions and stipulations.

Mayor Von Gausig asked what the Council would think if the limits recommended by staff to the commercial zoning were applied.

Vice Mayor Dehnert stated there was only one issue involved with this decision: about integrity of zoning ordinances in general. He stated there ought to be reasonable faith for property owners that existing zoning ordinances would be enforced. He expressed that the Council had a responsibility to neighbors of property to allow them to live the life they are enjoying and know that there won't be commercial development. No compelling reason to allow change.

Councilmember Regner stated that the residents by the stipulations/restrictions of use of the property. He added that the Planning Commission's work was well-studied and he was influenced by their recommendations.

Councilmember Bohall stated that he couldn't see any reason to change the zoning, that it should stay residential. If someone wants to build commercially there are many available places adjacent to that property.

Councilmember Buckley stated that when he purchased his own home he looked at its proximity to certain types of commercial properties and that he was on the fence on this issue. At his request, Escobar elaborated on the General Plan and public hearings that culminated in a vote.

**Councilmember Regner moved for the adoption of ordinance #365 with changes to Section 2, Permitted Uses, removing Item d and adding to Item e, the requirement of a conditional use permit, and to Item g, the requirement of a conditional use permit. There was no second.**

**Vice Mayor Dehnert moved against the adoption of the ordinance #365 of the Mayor and Council of the Town of Clarkdale, Yavapai County, Arizona, amending the zoning map of the Town of Clarkdale, Arizona to rezone certain real property, an approximately 2.87 acre portion of Assessor's Parcel number 400-07-026F located at 701 S Broadway Street in Clarkdale, from R2 (Single family and limited multiple family residential) to C (Commercial) with limited uses and imposing conditions. Councilmember Bohall seconded the motion.**

**Discussion followed regarding procedure. Vice Mayor Dehnert called the question.**

**The motion passed with Councilmembers Regner and Buckley opposing.**

**PUBLIC HEARING REGARDING A WASTEWATER RATE INCREASE** –A public hearing to gather information regarding increasing wastewater rates for the Wastewater Treatment Plant construction.

At Council's direction, the Town Staff requested funding from WIFA for a new wastewater treatment plant and to work with SEC to complete the design of the new WWTP. Felix Construction was selected as the prime contractor for this project and is working for the Town of Clarkdale under a JOC that Felix Construction had with the City of Peoria.

WIFA is an independent agency of the State of Arizona and is authorized to finance the construction, rehabilitation, and/or improvement of drinking water and wastewater. On July 26, 2011 the Town Council approved debt authorization for the new WWTP in the amount of \$5,500,000 during a Special Council Meeting.

The Clean Waters funding application for the WWTP Project was submitted to WIFA on August 18, 2011. WIFA approved the Clean Waters funding application for \$5,500,000.00 at their September 18, 2011 WIFA Board Meeting and the first draw on the WIFA loan was submitted to WIFA on January 5, 2012. The amount to be financed from WIFA would be \$5,500,000.00 which will represent a rate increase of approximately \$25.00 over a five (5) year period to cover the additional debt.

There were four (4) sewer rate increases of \$5.00 each slated to go into effect over a four year period and a fifth (5<sup>th</sup>) sewer rate increase of \$5.00 which may not be necessary depending on the actual amount of money financed through WIFA along with operation and maintenance costs for the new plant. Council approved three previous \$5.00 monthly sewer rate(s) increases which went into effect with the January 2012, 2013 and 2014 utility billings. Council also approved the use of \$660,000 to pay down the principle on July 1, 2014.

We currently have not closed out the WIFA loan, but expect to do so soon, using about \$5,200,000 of the WIFA funding available. Once we have the loan closed we will be able to run a final amortization schedule and will also have additional experience with operation and maintenance costs of the new WWTP so we can determine final rates.

The Notice of Intent to Impose or Increase Fees or Taxes, as required by A.R.S. 9-499.15, for the fourth (4<sup>th</sup>) slated sewer rate increase was posted on September 9, 2014 in order to comply with providing notice at least sixty days prior to the date the proposed new or increased fee or tax is scheduled to be approved or disapproved at a meeting of the Clarkdale Town Council.

The Notice of Intent to Set Wastewater Rates scheduling this required public hearing was approved on October 14, 2014.

- |                   |  |
|-------------------|--|
| September 9, 2014 | Post Notice of Intent to Impose or Increase Fees or Taxes<br>(60 days prior to action by Council)                              |
| October 14, 2014  | Council Adopts Notice of Intent to Set Wastewater Rates at a Regular Council meeting.  |
| October 14, 2014  | File report with data supporting the increase of rates with Town Clerk at least 30 days prior to the Public Hearing.           |
| October 19, 2014  | Public Hearing Notice published in newspaper.<br>(Not less than 20 days prior to the public hearing.)                          |
| November 18, 2014 | Hold Public Hearing & Consider Adoption of Rates by Resolution.<br>(Not less than 30 days after adoption of Notice of Intent.) |
| December 18, 2014 | Rates become effective. (30 days after the adoption of the Resolution or upon specific future date)                            |

Utilities Director Debrosky presented information on this agenda item.

Mayor Von Gausig opened the discussion to public comment. There was no public comment.

**This is scheduled as a Public Hearing only, no action necessary.**

**RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA AMENDING RESOLUTION #1485, SETTING FEES FOR THE TOWN OF CLARKDALE BY INCREASING WASTEWATER UTILITY RATES** - Discussion and consideration of Resolution #1487, a resolution increasing the wastewater rates for the Wastewater Treatment Plant Construction Project in the Town Fee Schedule.

The Notice of Intent to Impose or Increase Fees or Taxes, as required by A.R.S. 9-499.15, for the fourth (4<sup>th</sup>) slated sewer rate increase was posted on September 9, 2014 in order to comply with providing notice at least sixty days prior to the date the proposed new or increased fee or tax is scheduled to be approved or disapproved at a meeting of the Clarkdale Town Council.

On October 14, 2014, the Notice of Intent to Set Wastewater Rates and the report with the data supporting the increased rate was submitted to the Town Clerk as required by A.R.S. 9-511.01.

The Notice of Intent to Set Wastewater Rates that scheduled the required public hearing in order to officially consider the new rate as required by A.R.S. 9-511.01 was adopted on October 14, 2014. The Public Hearing Notice was published in the Verde Independent on October 19, 2014, as required, not less than 20 days prior to the public hearing.

Rates become effective December 18, 2014 (30 days after the adoption of the Resolution or upon specific future date).

**PROPOSED AMENDED WASTEWATER USER RATE**

	Effective Date	Rate Increase	Total Base Rate
Residential	December 18, 2014	\$5.00 Per Month	\$48.00 Per Month
Commercial	December 18, 2014	\$5.00 Per Month	\$48.00 Per Month Minimum base rate, plus a usage fee of \$2.25 per one thousand gallons of water in excess of 5,000 gallons per month.

**Vice Mayor Dehnert moved for the approval of Resolution #1487, a Resolution of the Mayor and Common Council of the Town of Clarkdale, Arizona amending Resolution #1485, Setting Fees for the Town of Clarkdale, by increasing wastewater utility rates. Councilmember Bohall seconded the motion. The motion was approved unanimously.**

**RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, AMENDING RESOLUTION #1487, SETTING FEES FOR THE TOWN OF CLARKDALE, BY AMENDING BUILDING PERMIT FEES – PLAN REVIEW FEES** - Discussion and consideration of Resolution #1488, a resolution amending Building Permit Fees – Plan Review Fees in the Town Fee Schedule.

The Notice of Intent to Impose or Increase Fees or Taxes, as required by A.R.S. 9-499.15, was posted on September 8, 2014 in order to comply with providing notice at least sixty days prior to the date the

proposed new or increased fee or tax is scheduled to be approved or disapproved at a meeting of the Clarkdale Town Council.

**Building Permit Fees**

1. Current:

Plan Review Fee for R-2 and R-3	65% Plan Review Fee
All Others	20% Plan Review Fee

Notes:

Delete R-2 and R-3 wording
Delete completely

Proposed:

Plan Review Fee for R-2 and R-3	65% Plan Review Fee
All Others	20% Plan Review Fee

Delete R-2 and R-3 wording
Delete completely

2. Current:

If a substantially identical building (R-2 or R-3 only) is built more than one time in the same project, by the same owner, the plan review fee shall be reduced to 20% on all but the first building, providing no new plan review is required.

Proposed:

If a substantially identical building (R-2 or R-3 only) is built more than one time in the same project, by the same owner, the plan review fee shall be reduced to 20% on all but the first building, providing no new plan review is required.

Community Development/Economic Director Filardo presented information on this agenda item.

**Councilmember Regner moved for the approval of Resolution #1488, a Resolution of the Mayor and Common Council of the Town of Clarkdale, Arizona amending Resolution #1487, Setting Fees for the Town of Clarkdale, by amending Building Permit Fees – Plan Review Fees. Vice Mayor Dehnert seconded the motion. The motion was approved unanimously.**

**WATER RESOURCE MANAGEMENT PROGRAM WORK SESSION – Worksession regarding the Water Resource Management Program Recommendations Report and Plan.**

As funded by the Walton Family Foundation, Town Staff in collaboration with experts from the Water Resources Research Center and Lacher Hydrological Consulting embarked on a project to gather the most knowledgeable and creative minds working in the industry to craft an approach to fulfill our vision and ensure water sustainability for Clarkdale. Excerpts from the working draft of the Water Resources Management Program Recommendations Report are included below.

The purpose of the discussion tonight is to provide an opportunity for Council to ask questions of the project team about each of the areas of recommendation and to provide some guidance as to the direction in which Council would like to proceed over the next year to eighteen months with the Water Resources Management Program.

*Excerpts from the Recommendations Report, Executive Summary follow:*

**“Town of Clarkdale Water Resources Management Program Mission:**

*Clarkdale provides a water resources management program that meets the needs of residents, businesses and our natural environment equitably in order to be a robust and resilient community.*

In 2011, the Town of Clarkdale launched the Sustainable Clarkdale initiative with the goal “to provide an entrepreneurial environment rich in innovative, multi-disciplinary solutions, and educational and economic opportunities, resulting in a vibrant and viable future.” To support the Sustainable Clarkdale initiative the Town received a grant from the Walton Family Foundation to create a Water Resources Management Program (WRMP). With this funding, the Town hired two organizations to help build the WRMP. Lacher Hydrological Consulting (LHC) made refinements to an existing regional groundwater model and University of Arizona Water Resources Research Center (WRRC) to developed recommendations for Clarkdale’s WRMP.

This report is the culmination of 18 months of work with the Town, during which the WRRC sought to understand the Town’s water resource management challenges and explore available knowledge on water management in Arizona and beyond in order to provide recommendations for a Clarkdale Water Resources Management Program. The recommendations included in this document are the result of consultations with Town staff and almost 60 experts in water management and the review of over 70 reports and journal articles on municipal water management and planning. In addition to recommendations, this document is also designed to assist the Town in developing a formal water management program, should they chose to do so, by offering a single source for background information on the hydrology, water resources and current water resource management in Clarkdale.

Water resource management issues were assembled by the WRRC based on conversations with Town of Clarkdale staff and in consultation with the project’s Advisory Board. Water resource management challenges include: non-revenue water (water produced by the water infrastructure but not billed through utility billing) caused by aging infrastructure and municipal interconnections, how to best use treated effluent, stormwater management, limited revenue due to small town size, the impact of small domestic wells, decreasing Verde River Flows, and a limited groundwater supply.

To address these issues, over 50 potential elements were presented for inclusion in Clarkdale’s WRMP. Many of the challenges are already being addressed by the Town through their current water management, which in many ways, already serves as a model for small town water resources management. Examples of best practices implemented by the Town include:

- Adoption of the Adequate Water Supply Rule and Clarkdale’s receipt of a Designation of Adequate Water Supply;
- Adoption of water conservation ordinances;
- Increasing-block-rate billing structure;
- Meter replacement program, installation of radio-read meters, outreach to water users with unexpected monthly water use, and ongoing efforts to determine and repair system leaks; and
- Construction of a new wastewater treatment plant that produces A+ (highest quality) effluent.

The recommendations proposed here are intended to augment, not replace, these current best practices. Recommendations were chosen based on expert advice, feasibility, and how well they promote the Town's mission for their WRMP. Recommendations include:

*Develop a Comprehensive Water Loss Control Program*

This recommendation was a common theme in the Expert Workshop, the project team's internal discussions throughout the project, and at the Small Town Water Forum. While the Town has already made strides to decrease non-revenue water, it is recommended the Town develop an action plan for continuing to mitigate and reduce non-revenue water. The limitations of developing a Water-Loss Control Program include available financial resources, the technical capacity of Town staff, the limited information available regarding municipal interconnects, and the availability of staff time to follow through with action items in a Water-Loss Control Program. To support current efforts, we recommend that the Town follow the EPA three-step process of Water Audit, Intervention, and Evaluation to develop a water loss program. The first step of this process, a water audit, could be completed in the next year.

*Engage Public about Water Sustainability and Values*

Effective and iterative engagement and education have been the cornerstones of the Town's approach to water management policies and pricing and are critical in the formation and implementation of Clarkdale's WRMP. The Town should expand upon the public engagement and outreach conducted as part of this project to develop community consensus on achievable objectives in the WRMP and champion community values regarding sustainability, water management and the Verde River. Challenges to public engagement on water sustainability and values involve the lack of available time, funding, and expertise to engage diverse perspectives as well as the related challenge of finding ways to encourage cooperation among different views and priorities. Even when resources are tight, limited engagement can be successful provided goals are well developed and efforts to bring diverse perspectives to the table are undertaken. The first steps in engagement, which could be completed in the next year, are to determine goals for engagement and outreach along with the resources available for outreach and formation of a WRMP Citizen Advisory Council. This would allow Clarkdale a mechanism for determining next steps for engagement and the other WRMP elements discussed below.

*Develop a Strategic Plan for the Reuse of Effluent/Reclaimed Water Recharge*

Clarkdale has many choices regarding how to utilize its 134 acre-feet per year of A+ reclaimed water. Given common cultural apprehensions regarding the reuse of effluent, a concerted public outreach effort should be an integral part of this project as a way of collecting public preferences and promoting transparency. Developing a strategic plan for the reuse of effluent was the most highly ranked recommendation developed at the Expert Workshop. While multiple alternate uses are legally allowable and available for consideration by Clarkdale, a groundwater recharge program is likely a strong, viable option for utilizing Clarkdale's reclaimed water. Ultimately the Town will need to evaluate potential recharge sites through careful analysis of hydrologic characteristics. During the next year, however, the Town should develop a short-term plan for the disposal of effluent, in light of the changing circumstances regarding the renewal of the lease for continued surface spraying of effluent on the Clarkdale Metals Corporation property. The Town should also conduct public information sessions to keep the citizens of Clarkdale apprised of the Town's choices with regards to the use of reclaimed water. Meetings about reclaimed water use should be approached cautiously, as bringing choices to the public about the use of this water resource too early may cause confusion and misunderstanding.

*Understand and Plan for Stormwater and Rainwater Resources*

Rainfall and the resulting stormwater runoff generated during storm events provide an additional source of water for communities to utilize as part of their water resources portfolio, whether through direct use or recharge into the aquifer. The topic of improved rainwater and stormwater management was a common theme in both the Expert Workshop and the Small Town Water Forum, although there remains a high level of uncertainty about how best to proceed with improving the combined management of these water resources at the municipal scale for small towns. Development of an integrated rainwater harvesting and stormwater harvesting system requires additional data to ensure sound environmental and economic decisions are made for the Town of Clarkdale. To begin pursuit of this recommendation in the next year, the Town may pursue grant resources supporting the development of a rainwater and stormwater harvesting plan to address unanswered research questions and town goals. Further, the Town should pursue hiring experts to develop a rainfall/runoff model resolving the data gaps and connecting the groundwater hydrology work already done regarding stormwater recharge opportunities.

*Link Land Use Planning to Water Management*

Clarkdale has the capacity to manage its potable water supply and its wastewater treatment, providing greatly improved flexibility in water resource planning and making the Town well positioned to link water management with land-use objectives in ways that will generate lasting, positive impacts in achieving its water conservation objectives. There are many opportunities to link land use and planning to water management including: management of stormwater, outdoor water use restrictions, overlay districts, and regional cooperation on ordinances and codes to impact water resources. Actions the Town could take in the near-term to link land use planning and water management include tracking localized flooding issues, evaluating opportunities for retaining or redirecting storm flows to protect residents and minimize damage to property and infrastructure, and reviewing building codes for additional opportunities to encourage water harvesting on new construction sites.

*Create a Community Water Budget and Partial Demand Offset*

A community-wide water budget uses data on water supply and demand as part of a conversation about where and how much water should be used in a community. Once the budget or "cap" for different types of water use, e.g., outdoor residential, turf, commercial, is established the Town could then require any new use above the budget in that category to partially offset the new demand through additional water conservation measures, onsite stormwater recharge or other mechanisms. Another type of water budget is at the household level and allows community members to examine their current water use as compared to their historic use and the amount of water they should be using, often based on the number of people in the household and outdoor landscaping. One example of a mechanism for establishing and maintaining a household water budget is the Conserve2Enhance (C2E) program, designed to track household water use and encourage users to donate the money from water savings to local environmental enhancement projects. To begin implementing this recommendation, the Town could use the WRMP Citizen Advisory Council to develop a draft community water budget, which is then explored and changed through a series of community water budget workshops. To implement a C2E program, the first step is to download the C2E Program Development Toolkit and hold a scoping meeting.

In conclusion, over the past 18 months, the WRRC has been impressed by the Town of Clarkdale's commitment to management of water resources in a sustainable way. The Town has already made great strides toward sound water management, and we believe it has a tremendous capacity to continue to improve and serve as a model community. While the order that the recommendations presented in this

report is roughly in terms of priority, the WRRC also recognizes the recommendations are interrelated and in some cases interdependent. We therefore suggest these recommendations be considered as a whole, with only the first recommendation on a water-loss control program to take precedence over the others.

Clarkdale alone, with a population of just over 4,000 people, cannot shoulder the burden of improving the imbalances between water supply and demand in order to protect the region's natural environment and economy. Regional cooperation is not included in this document as a recommendation per se because the WRRC was asked to create recommendations for the Town's WRMP. In the Expert Forum, interviews, and the Small Town Forum, however, the need for collaboration across jurisdictions on water was one of the most common themes. Ultimately, Verde Valley residents face a tremendous challenge ahead if they are to succeed in promoting water sustainability and a healthy Verde River. The WRRC believes that while the challenges are great, so are the opportunities. We look forward to the Town of Clarkdale in collaboration with its neighbors take the next steps to improve water management at community and regional levels."

Staff is requesting Council provide direction to staff for any changes in or prioritization of the recommendations resulting in a Water Resources Management Plan.

Community Development/Economic Director Filardo presented information on this agenda item and introduced Kelly Mott-LeCroix, research analyst at the Water Resources Research Center at the University of Arizona, who presented an overview of the process of the Town's water management project and study.

Utilities/Public Works Director Debrosky added comments about the recommendations from the report and gave perspective of his department in preparation for strategic planning exercises. Debrosky stated he agrees with placing a high priority on the item "develop a comprehensive water loss control program". Monthly water report reflects that there has been a reduction in the amount of lost or unaccounted for water from June, 2014 at 40% and is now down to about 7%. Need at least a full year of data to establish a definite trend.

Mott-LeCroix stated that it is a common problem in small systems to lose approximately 25%.

Debrosky also stated that the development of a strategic plan for the reuse of effluent/reclaimed water recharge would be an important priority as well as engaging the public about water sustainability.

Town Manager Mabery stated that once we go through Mott-LeCroix's and Lacher's recommendations and reports, annual and on-going strategic planning will need to occur. Debrosky stated that he and Filardo would work with all the experts to provide further information and recommendations to the Council.

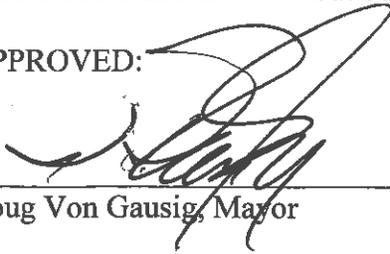
**Council directed staff to report back after gathering further information from experts.**

FUTURE AGENDA ITEMS - Listing of items to be placed on a future council agenda.

- **Councilmember Regner: Arizona Town Hall report results.**

**ADJOURNMENT** – Without objection, Mayor Von Gausig adjourned the meeting at 9:57 P.M.

APPROVED:



\_\_\_\_\_  
Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:



\_\_\_\_\_  
Kathy Bainbridge, Town Clerk

CERTIFICATION

I 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 Clarkdale, Arizona held on the 18<sup>th</sup> day of November, 2014. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 10 day of December, 2014.

SEAL



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Kathy Bainbridge, Town Clerk