

MINUTES OF THE JOINT WORK SESSION OF THE CITY COUNCIL AND THE PLANNING AND ZONING COMMISSION OF THE CITY OF COTTONWOOD, ARIZONA HELD MARCH 8, 2016, HELD AT 6:00 P.M., AT THE COTTONWOOD RECREATION CENTER, 150 SOUTH 6TH STREET, COTTONWOOD, ARIZONA.

CALL TO ORDER AND ROLL CALL

Mayor Joens called the joint work session to order at 6:00 p.m. Roll call was taken as follows:

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor
Karen Pfeifer, Vice Mayor
Jesse Dowling, Council Member
Ruben Jauregui, Council Member
Randy Garrison, Council Member
(left meeting at 6:25 p.m.)

PLANNING AND ZONING COMMISSION PRESENT

Ed Kiyar, Chairperson
Robert Williams, Vice Chairperson
Thomas Narwid, Commission Member
Jean Wilder, Commission Member
Judd Wasden, Commission Member
Suzanne Poslaiko, Commission Member
(arrived at 6:10 p.m.)
Robert Williams, Vice Chairperson
(arrived at 6:10 p.m.)

COUNCIL MEMBERS ABSENT

Terence Pratt, Council Member
Tim Elinski, Council Member

PLANNING AND ZONING COMMISSION ABSENT

Raymond Cox, Commission Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Steve Horton, City Attorney
Matt McLean, Deputy Clerk
Berin Nejad, Community Development Manager
Tom Whitmer, Natural Resources Director

ITEMS FOR DISCUSSION, CONSIDERATION, AND POSSIBLE DIRECTION TO STAFF:

PRESENTATION, DISCUSSION AND REVIEW OF THE PROPOSED 89 & VINE MIXED USE DEVELOPMENT PROJECT, LOCATED AT THE NORTHEAST INTERSECTION OF 89A AND CORNVILLE ROAD

Ms. Nejad gave a brief background on the project located on 89A and Cornville Road. This started in 1987 with Yavapai County. The Board of Supervisors approved a PAD (Planned Area Development) with a MPD (Master Development Plan). In 2002, the area was annexed with the zoning that was approved. In 2007, there was a staff level approval, which was a PAD amendment, and at that time the project name was Bella Montaña. That amendment

replaced the golf course with open space, moved the commercial area from Cornville Road to 89A, added 68 units to 2050 dwelling units. In 2008, Cottonwood amended the PAD and MDP ordinance. Due to the economic turn down, we haven't heard from anyone regarding this project until 2015, when the developers were back with the project under the name of 89 and Vine.

Lynne Lagarde, a land use attorney who has worked on the project since 1995, stated this is the first Master Development Plan for Cottonwood. She gave a brief overview of the project which includes residential homes, vineyards, and a commercial center. She then reviewed the approval history of the project as follows: In 1987 the Yavapai County Board of Supervisors (BOS) approved Verde Santa Fe (VSF) PAD/MDP; 1995-6 Yavapai County BOS approves revised MDP and VSF Development Agreement; 2000 Yavapai County staff approves minor amendments to PAD/MDP on north; 2001 Cottonwood approves VSF pre-annexation Development Agreement and annexation ordinance with adoption of Cottonwood PUD Zoning/County PAD/MDP; 2002 Cottonwood citizens approve annexation/zoning in referendum; 2004 Cottonwood replaces PUD Ordinance with PAD Ordinance; 2007 Cottonwood staff approves minor PAD amendment replacing golf course with open space and removing commercial area on Cornville Road, re-establishing 2050 DU's per County Plan; 2008 Cottonwood amends PAD Ordinance; 2015 MDP to implement 2007 PAD approved plan. The plan approved by the city includes the washes preserved, and the commercial zone moved to 89A. The project will be developed over 10 years, and she reviewed the phases. The project includes six parks, and three miles of trails. They did a thorough analysis of existing water infrastructures, existing wells, and identified future well sites. She showed the water campus which will include treatment and storage facilities that will get underway when they start developing. She then reviewed the proposed plan and various housing styles. It is a wine country focus and is consistent with the General Plan with the removal of the golf course. They will use reclaimed water, including using some of it with the Verde Santa Fe golf course.

Danny Court, senior economist with Elliott D. Pollack and Company, reviewed the economic and fiscal impact of the project; and the construction, operations and tourism impacts along with the multiplier effects. He reviewed the mixed use site along with the construction costs. The construction impact brings \$668,000,000 economic output. On the residential aspect, the project will provide an additional 660 jobs in the city and 3,800 jobs in the mixed uses area. The fiscal impact was \$24,000,000 in construction tax, annually the operations tax impact is \$8,664,090, including increases in state shared revenues. He then reviewed the 15 year fiscal impact for the City of Cottonwood.

Vice Chairperson Williams stated the economic projections are a little optimistic overall.

Mr. Court stated these figures can be stretched and condensed. We would expect an economic cycle in the course of 15 years, so we could experience another downturn.

Ms. Lagarde stated Brookfield is developing a housing project in the Bullhead City area, and they are selling about 100 homes a year. They expect to be selling between 100-120

homes a year here.

Commissioner Wasden asked to what extend the reclaimed water will be offered to the home owners, and if there will be solar offered.

Ms. Lagarde stated it will be offered to home owners who want the purple pipes in their homes at an additional cost. The solar will be offered to the residents, but it is hard to predict what the commercial side will want.

The meeting paused at 6:48 p.m. due to lack of a quorum of the city council, and resumed at 6:56 p.m.

Vice Chairperson Williams asked if there was plans for any improvements on Cornville Road.

Ms. Lagarde stated she thinks there will be some improvements at build out.

Commissioner Narwid asked if they looked at the impacts on the police, fire and school.

Ms. Lagarde stated there have been discussions about a school site if needed to serve the development, and the developer might consider accommodating that.

Mr. Bartosh stated there will be a minimal impact at the beginning of the build out, and we anticipate we will be able to accommodate it in the future. We are looking at adding a fire station to the south.

Mayor Joens asked how this project will impact the water.

Mr. Whitmer stated the projection demand of this project is about the same as the current population within the city of Cottonwood. In the City of Cottonwood we have a residential demand per capita of about 70 gallons per capita per daily use. Using those figures we are looking at a total demand of 400-500 acre feet of demand total per year. If the population is based on the 2.8 people per household on 2050 lots, that would equal to roughly 4,700 people, which is slightly larger than the Town of Clarkdale. With the vineyards, the water use on grapes is about 1-1.5 acre feet per acre. If you are looking at 25 acres of vineyards, that would be 35 and 40 acre feet of water. In the city we capture about 70 percent of the water we deliver to residents that are hooked up the sewer system. Most municipalities collect between 40-50 percent. We are looking at collecting between 280-350 acre feet water. With the recharge system in place, the actual depletion of the aquifer would be between 120-140 acre feet of water. If they are purposing a new subdivision, that subdivision is required by law to go to the State of Arizona Department of Water Resources and get a determination of adequacy from the Department of Water Resources. They could say just give me an inadequate water supply, because I don't really care, and they could go ahead and develop that subdivision, regardless of what the water situation might be, and all they have to do is notify the buyers of each lot with regards to the adequacy or inadequacy based on what the Department of Water Resources determined. What the city did was try to be proactive, and prove that we had sufficient waters to meet the needs of our customers,

not only today, but we what we anticipated in the future. We pump approximately 25-2600 acre feet a year, which is about 1000 acre feet less than what we were pumping in 2005.

Mayor Joens stated when we purchased the water companies we reduced the water we pumped out of the aquafer by 1000 acre feet per year.

Mr. Bartosh stated the reclaimed water provided to Verde Santa Fe will be for the golf course, and that would preclude them from using a potable well to water the golf course.

Holly Grigaitis asked how much the housing units will cost.

Ms. Lagarde stated they will cost starting at \$220,000 to \$350,000 and above. Some of these will be larger homes.

Mayor Joens stated that is something the council has continued to talk about in our strategic initiatives; that we do need housing that would accommodate doctors and nurses and other folks who work in those kinds occupations, as we don't really have a lot of that type of housing right now.

Roger Daignault, from Verde Santa Fe, stated the residents of Verde Santa Fe should be included in the discussions for this project.

Holly Grigaitis stated the water rates have been raised by over 400 percent, but here she is hearing that we have plenty of water.

Mayor Joens stated concerning the 400 percent increase in water rates, it is not correct, and if they would like the information to prove that, we can get that for you.

Ms. Nejad stated we are at the staff review stage right now, and then we will go to the Planning and Zoning Commission with the MDP.

Mayor Joens asked Mr. Bartosh to provide the chart to dispel the 400 percent rumor and provide it to the newspaper.

Mr. Bartosh stated he will do that. He added this project has been on the books for many years and years, and now they are moving forward. There has been a lot of discussion on this project for many years.

Ms. Lagarde stated they are implementing the same plan that is in the General Plan and it (the General Plan) was voted on by the citizens of Cottonwood.

Chairman Kiyler asked the public to come to their meeting, since they have discussed this at previous Planning and Zoning Commission meetings in the past, but no one comes to the meetings. Our meetings are the third Monday of every month, and the agendas are posted on the website and in the window in front of the council chambers.

Vice Chairperson Williams stated we were just made aware of this (the joint work session) the other day, and requested staff to work with the newspaper to let people know a lot sooner instead of letting the public know on Sunday that we are meeting on Monday. A lot of times the people don't know about our Planning and Zoning meetings.

Mr. Bartosh stated this has been in the paper several times. This is the first time it has come to the public again after a long public process when this project originally began.

Vice Chairperson Williams stated he was talking about this meeting specifically. We will be having some upcoming meetings with the Planning and Zoning, and we need to get as much public notice out as possible.

ADJOURNMENT

Mayor Joens moved to adjourn. The motion was seconded by Council Member Dowling and carried unanimously.

The meeting adjourned at 8:30 p.m.

Diane Joens, Mayor

ATTEST:

Matthew McLean, Deputy Clerk

CERTIFICATION OF MINUTES

I hereby certify that the attached is a true and correct copy of the minutes of a Joint Work Session of the City Council of the City of Cottonwood held on March 8, 2016. I further certify that the meeting was duly called, and that a quorum was present.

Matthew McLean, Deputy Clerk

Date