

Official Minutes of the City of Cottonwood
Planning & Zoning Commission Regular Meeting
Held, September 21, 2015, at 6:00 P.M. at the City Council Chambers
826 N. Main St. – Cottonwood, Arizona

CALL TO ORDER & ROLL CALL

Chairman Kiyler called the meeting to order at 6:00 p. m. Roll call was taken as follows:

Planning & Zoning Commission Members Present

Chairman Ed Kiyler	Robert Williams	Ray Cox
Philip Rosen	Judd Wasden	Suzanne Poslaiko
Jean Wilder		

Planning & Zoning Commission Members Absent

Staff Members Present

Berrin Nejad, Community Development Director
Charlie Scully, Community Development Planner
Scott Ellis, Community Development Planner
Christina Papa, Planning Technician, Recorder

APPROVAL OF MINUTES OF AUGUST 17, 2015-REGULAR MEETING

Motion: *To approve the minutes of 8/17/2015-regular meeting*

Made by: *Commissioner Williams*

Second: *Commissioner Cox*

Vote: *Unanimous*

CALL TO THE PUBLIC (NONE)

OLD BUSINESS

1. **ZO 15-002- CERTIFICATE OF ZONING COMPLIANCE:** Consideration of a Zoning Ordinance text amendment adding a new Section 311. "Certificate of Zoning Compliance" providing a method to document completion of conditions required for development applications. Below is Scully's report:

BACKGROUND

The Certificate of Zoning Compliance would provide a standard method to review conditions and provide a status update to the Planning and Zoning Commission in a timely manner. Yavapai County and a number of other jurisdictions use a Certificate of Compliance as a method to document stipulations or conditions of approval within a specified time frame.

REQUESTED ACTION

Consider the amendment to the Zoning Ordinance adding a new Section 311 for “Certificate of Zoning Compliance” and provide a recommendation to the City Council.

REVIEW OF ISSUES

Applicability

The Certificate of Compliance could be used by the Planning and Zoning Commission for Conditional Use Permits, Design Review, and any other cases where the Commission has final decision-making authority. This process would also be applicable to Planning applications decided on by the City Council, such as rezoning cases or appeals of CUPs. The Board of Adjustment could also use the Certificate process to ensure any stipulations related to variances were met within a specified time frame.

Procedures

If the conditions are not met within a specified time frame, there is a method to revoke the Certificate. There is also a process to request an extension of time with a reason. An Appeal process also has to be included. The proposed Certificate of Zoning Compliance would be authorized by an amendment to the Zoning Ordinance adding new Section 311. “Certificate of Zoning Compliance,” which requires approval by the City Council.

Other Approvals

A Certificate of Occupancy is a separate document that is issued by the Building Official based primarily on completion of construction requirements. Completion of development requirements, such as landscaping and parking, may be required before issuance of Certificate of Occupancy – but the C of O is not as specialized or adaptable to cover the range of potential Zoning stipulations that may be applied. The Certificate of Zoning Compliance would directly address conditions of approval and a time frame for completion. The Certificate of Occupancy (C of O) is a separate document that would continue to be applied based on building requirements.

Chairman Kiyler asked staff if this is ready to go to City Council. Staff responded that yes it was ready. Chairman Kiyler asked if any commissioners had any questions regarding this text amendment. The commission had no questions. Chairman Kiyler asked the commission if they had any comments. Commissioner Cox mentioned that it was well done. Commissioner Wilder mentioned that it was a great idea to have this text amendment.

Motion: *To recommend ZO 15-002 consideration of a Zoning Ordinance text amendment adding a new Section 311. “Certificate of Zoning*

Compliance” providing a method to document completion of conditions required for development applications to the City Council.

Made by: Commissioner Williams
Second: Commissioner Rosen
Vote: Unanimous

NEW BUSINESS

1. **ZO 15-003- AMENDMENT TO SECTION 422 “I-2” ZONE (HEAVY INDUSTRIAL):** Consideration of a Zoning Ordinance text amendment to Section 422 deleting multi-unit residential and manufactured home parks as a potential Conditional Uses in the I-2 (Heavy Industrial) Zone. Below is Scully’s report:

BACKGROUND

I-2 (Heavy Industrial) Zoning is primarily located in three sub-areas of Cottonwood. The largest area is in proximity to the Cottonwood Municipal Airport west of State Route 89A. The airport industrial area has the most undeveloped property. Development around the airport has been progressing in several areas as roads and infrastructure have been extended. The second area is located along South 6th Street north of SR 89A from Cherry Street to South 7th Street. The 6th Street area has a few undeveloped or underdeveloped properties but properties are mostly built out. A third area includes mostly undeveloped property at the south “gateway” entrance to Cottonwood along State Route 260 north of Coury Drive.

Section 422 “I-2” Zone (Heavy Industrial) lists multi-unit residential development (subject to R-3 Zone standards) and manufactured home parks (subject to MH Zone standards) as potential Conditional Uses, (subject to obtaining a Conditional Use Permit (CUP) from the Planning and Zoning Commission.)

Existing Zoning: I-2 Zone, Section 422. C. (Conditional Uses)

2. Residences as allowed in the “R-3” Zone, subject to the property development standards of the “R-3” Zone.
3. Manufactured Home Parks, subject to the property development standards of the “MH” Zone.

REQUESTED ACTION

Amend the Cottonwood Zoning Ordinance, Section 422 “I-2” Zone by removing R-3 multi-unit residential projects and manufactured home parks from consideration as “Conditional Uses” in the I-2 (Heavy Industrial) Zone.

STAFF ANALYSIS

R-3 Zone potentially allows up to 29 dwelling units per acre on larger properties, subject to meeting property development standards. This is considered high density residential in Cottonwood. A manufactured home park requires a self-contained, 5-acre minimum project size where units have direct access from an interior private access-way.

The Purpose section for the I-2 Zone states the following:

“This district is intended to provide for and encourage commercial, industrial and manufacturing development within the City, while insuring that such activities will in no manner affect in a detrimental way any of the surrounding districts.”

General Plan Analysis: The Cottonwood General Plan 2025, approved by the voters in November 2014, indicates the I-2 zoned areas as both Industrial (IND) and Performance Commercial/Industrial (PCI) Land Use Classifications. The PCI land use classification supports mixed use business park type development with some amount of residential, subject to obtaining PAD (Planned Area Development) Zoning. The General Plan Land Use Map shows the PCI classification for some properties immediately west of SR89A, in the Cherry Street area west of S. 6th Street, and in the South 260 Gateway area. Mixed-use, commercial/residential rezoning could be supported in those areas based on the General Plan land use classification.

INDUSTRIAL: Intended to accommodate industrial uses, including manufacturing, outdoor processing and storage, and research and development facilities. Encourages planned industrial park development where most activity takes place within buildings, as well as uses that may include outdoor activity where appropriate. (I-2, I-1 Zone)

PERFORMANCE COMMERCIAL / INDUSTRIAL: Indicates areas that can accommodate mixed use development with emphasis on commercial and/or industrial uses with innovative design, quality architecture and integrated comprehensive site planning through a master development planning process. Appropriate for business and office parks, light industrial centers, auto malls or similar development. Could include some residential or other non-commercial use. (PAD Zone)

Rezoning Option: Consideration of residential development in I-2 Zone areas is best served through the Rezoning process. The Rezoning process can better consider the appropriateness of residential development within and near certain Industrial areas in terms of the General Plan land use classifications and related goals and objectives.

RECOMMENDATION

Consider the proposed amendment to the Zoning Ordinance to delete multi-unit residential and manufactured home park residential uses from consideration as Conditional Uses in the I-2 (Heavy Industrial) zone and provide a recommendation for the City Council.

Chairman Kiyler asked the commission if they had any questions. The commission had no questions. Chairman Kiyler asked if the commission had any comments. Commissioner Cox mentioned that it was well written. Commissioner Rosen mentioned that this would be an

appropriate change to make to this section of the Zoning Ordinance. Commissioner Wasden mentioned that it was a job well done. Commissioner Wilder feels the same as everyone else. Commissioner Poslaiko mentioned that it was good. Chairman Kiyler mentioned that it was a very good job done on the revisions to this section of the Zoning Ordinance.

Motion: *To recommend ZO 15-003 consideration of a Zoning Ordinance text amendment to Section 422 deleting multi-unit residential and manufactured home parks as a potential Conditional Use in the I-2 (Heavy Industrial) Zone to the City Council.*

Made by: *Commissioner Williams*

Second: *Commissioner Rosen*

Vote: *Unanimous*

2. **ZO 15-004- AMENDMENT TO SECTION 308 “MEDICAL MARIJUANA FACILITIES”:** Consideration of a Zoning Ordinance text amendment to Section 308 regarding the maximum area of cultivation, distance between facilities and options for infusion kitchen processing. Below is Scully’s report:

BACKGROUND

The City Council considered this item at their September 8, 2015, work session as a Discussion item. The Ordinance amendment is expected to be brought back to the City Council soon. The Planning and Zoning Commission has been asked to review the proposed Ordinance amendment and provide recommendations for the City Council.

REQUESTED ACTION

Discuss and provide recommendations to the City Council regarding possible amendments to Zoning Ordinance, Section 308 “Medical Marijuana Facilities” pertaining to the maximum area of cultivation, distance between facilities and revised options for infusion kitchen processing.

STAFF ANALYSIS

The Arizona Medical Marijuana Act was approved by the voters of Arizona in 2010. In response, the Cottonwood Zoning Ordinance was amended in March 2011, by adding Section 308 “Medical Marijuana Facilities,” pertaining to Dispensaries, Cultivation and Infusion facilities, which involves processing into edible products.

The existing MMJ ordinance placed a limit of 10,000 square feet, gross floor area, for cultivation facilities with a separation of 1,000 feet between such facilities. Infusion kitchens are limited to 5,000 square feet, gross floor area, also with 1,000 feet between

facilities. The ordinance currently describes infusion processing in association with cultivation facilities.

There has been interest expressed from the existing cultivation facility operator in Cottonwood to expand the size of the cultivation grow facility. Additionally, other potential operators have expressed interest in establishing similar new cultivation facilities in Cottonwood.

Summary of Proposed Changes:

A summary of possible changes to the Zoning Ordinance includes the following:

1. Hours of operation for dispensary extended to 10:00 PM. (from current 7:00 AM to 7:00 PM)
2. Delete size limit for cultivation facility. (Current 10,000 sq.ft. limit)
3. Delete size limit for infusion facility. (Current 5,000 sq.ft. limit)
4. Allow infusion facility as Permitted Use in I-2 Zone. (Currently not addressed as stand-alone facility.)
5. Allow infusion as accessory use with dispensary. (Currently not addressed.)
6. Delete separation requirement for cultivation or infusion from other/same. (Current 1,000 feet.)

Cultivation remains a Conditional Use in I-2 zone as there are unique issues with infrastructure and context of manufacturing activity. Infusion/manufacturing facilities would be considered as Permitted Use in I-2 industrial zone as this use is similar to other indoor manufacturing and processing uses.

RECOMMENDATION

Consider the proposed amendment to the Zoning Ordinance to and provide a recommendation for the City Council.

Chairman Kiyler asked the commission if there were any questions. Commissioner Poslaiko mentioned that Section C number 2 where it states the hours of operation, wasn't that tabled by Council? Staff responded that City Council wanted that change to be removed and kept as is. Commissioner Poslaiko also mentioned that there was quite a variation between the setbacks, so Cottonwood is at the minimum setback. Staff responded yes. Commissioner Cox did not have any questions. Commissioner Rosen had no questions. Commissioner Wasden asked if infusion and dispensary can be combined and a dispensary and cultivation to be in the same zoning. Staff responded that as long as it follows zoning which would be manufacturing and is in an I-2 zone. Commissioner Wasden also asked if the applicants that came in on 89A and the one on Cherry Street are affiliated. Staff responded that they are different. Commissioner Wasden asked staff what prompted this, was it that someone approached the City and is looking to expand? Staff responded yes. Commissioner Williams asked if the State also has to approve cultivation as well. Staff responded yes. Commissioner

Williams mentioned that the State could approve a 2nd facility in Cottonwood, they don't have to be restricted by 25 miles for the State to approve, are they looking to expand to like 20,000 square feet? Staff mentioned that they think it is more like 16,000 square feet, but may want to expand in the future. Commissioner Williams in response to staff mentioned that expansion based on legalization is putting the cart in front of the horse, also that, subsection 3 e, there is no number 1 but a number 2, eliminate subsection 2 on page 56-15. Staff mentioned that it was a typo. Chairman Kiyler pointed out that there was two pages 56-15. Staff noted.

Chairman Kiyler mentioned that they usually do not let the public comment during this time but thought that it would be beneficial if the commissioners could ask the representatives of the current facility some questions for clarification purposes.

Commissioner Rosen asked if there had been any security issues at the location. Representatives responded that they did not have any issues. Commissioner Williams asked how big of a facility are they looking for? Representatives responded about 14,000 to 15,000 square feet, if approval of legalization for recreational use they would need 25,000 to 30,000 square feet.

Chairman Kiyler closed the floor and asked the commission for discussion. Commissioner Cox had no comments. Commissioner Rosen had no comments. Commissioner Wasden mentioned that he understands what's coming up and driving it, like Commissioner Williams mentioned, we are anticipating what's unseen in the future, inclined to keep things where they are, this is not a lengthy process to come back and change at a later time. Commissioner Poslaiko had no comments. Commissioner Williams thinks it is great and that staff has done a great job, certainly don't want to stand in the way of your progress, would be more comfortable with a size restriction, not 15,000 square feet but 25,000 square feet, the infusion kitchen and cultivation I am fine with. Chairman Kiyler mentioned to the Commission that they are there to make a recommendation to City Council, and City Council can still overturn the decision that they make. Commissioner Williams mentioned that regardless if City Council can overturn the decision, the commission can still make a recommendation to make changes to the Ordinance prior to it going to Council, prefer to keep size down. Commissioner Rosen mentioned that there is no odor coming out of the facility, there are no waste issues at the facility, and there have been no security issues at the facility, we want to promote business and why should we hold them up? And why is it up to us? Commissioner Wasden it is not up to us it is up to Council. Commissioner Cox we need to be flexible enough to see what the market is doing. Chairman Kiyler stated to the Commission that this is a legitimate business tell me who else in the business world we limit building size, why are these people any different. Commissioner Wasden said there is no question regarding legitimacy we are determining something, we are acting to a variable, that's a market variable does it really matter. Commissioner Rosen stated why the commission should even get involved. Chairman Kiyler currently they are not using the whole building, they don't have to expand now it is market driven.

Motion: *To recommend ZO 15-004 consideration of a Zoning Ordinance text amendment to Section 308 regarding the maximum area of cultivation, distance between facilities and options for infusion kitchen processing*

with the exception of sub section C-2-j (hours of operation) to City Council.

Made by: *Commissioner Williams*
Second: *Commissioner Wilder*
Vote: *6-1*

DISCUSSION ITEMS- NONE

INFORMATIONAL REPORTS AND UPDATES- None

ADJOURNMENT

Meeting adjourned at 7:16p.m.

APPROVED