

## **DRAFT**

### **TUSAYAN TOWN COUNCIL SPECIAL MEETING**

PURSUANT TO A.R.S. § 38-431.02 & §38-431.03

October 26, 2011 @ 6:00 P.M.

Best Western Squire Inn, Zuni Conference Room  
74 State Route 64, Tusayan Arizona

### **TOWN COUNCIL SPECIAL MEETING AGENDA**

#### **1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Mayor Bryan called the meeting to order at 6:02pm and the Pledge of Allegiance was recited.

#### **2. ROLL CALL**

Upon Roll Call, the following were present:

**MAYOR BRYAN**

**COUNCILMEMBER MONTOYA**

**VICE MAYOR MANIACI**

**COUNCILMEMBER RUETER – absent & recused**

**COUNCILMEMBER FITZGERALD**

Council Member Rueter recused himself because of his relationship with Camper Village, as they are his employers.

#### **3. CALL TO THE PUBLIC FOR ITEMS NOT ON THE AGENDA**

Robbie Evans, Tusayan Fire District, suggested that the Council look into the Arizona Corporation Services in reference to CenturyLink providing the town with broadband service. CenturyLink is supposed to be serving the town with internet and the Arizona Corporation Services can be contacted if CenturyLink does not.

Sharyl Allen, Grand Canyon School District, stated that there had been six cases of bullying in the schools within the last few weeks. She asked the Council to speak out against this. Children take their cues from adults and if adults don't appreciate differences of opinion, children pick up on it.

Mr. Glassa said that he had lived in the area for over 40 years and is a land owner in this part of the Kaibab. He felt that he lived in a beautiful and gracious land and he saw change coming. He did not know if it was for the best or the worst. He reminded the Council that several years ago when the Japanese came in and wanted to buy Yosemite National Park, there was a uproar. He felt that foreign money was coming in again and taking over the area and running over the Havasupai.

#### **4. CEREMONIAL AND INFORMATIONAL MATTERS**

At the ADOT meeting that was held earlier in the day, Mayor Bryan said that it was announced by ADOT and FANN Construction that based upon the challenges of the weather and blasting, they were putting a hold on phase 2. They will not rip up anymore asphalt and what is bare will have asphalt laid on it.

#### **5. CONSENT AGENDA**

**Consideration and possible approval of Administrative/Treasurer's Report**

Approval of the Payment of Bills

Council Member Montoya moved to approve the items listed on the consent agenda.

Vice Mayor Maniaci seconded the motion. All were in favor.

## **6. COMMITTEE REPORTS**

No committee reports were heard.

## **7. PUBLIC HEARING**

### **A. Proposed Zoning Adoption for the Annexation of Ten X and Surrounding Properties**

#### **1) Open Public Hearing on Equivalent Zoning**

#### **2) Staff Report**

Mark Reddie, Principal Planner, explained that per State statutes, the town would be obligated, upon annexation, to rezone and it would be zoned general, as it is was previously zoned in the County. There have been no written comments on this particular issue. He had a Power Point presentation that can be seen on the town website.

#### **3) Applicant Presentation**

Andy Jacobs, Policy Development Group and representative of Stilo Group, stated that the easement in question does have legal access to Camper Village but there are other options as well. He said that the trailers on Camper Village would also be available for purchase and then move out to Ten X Ranch when it is ready. He read a letter, signed by 122 residents, that was in support of the development which would create housing and jobs. Mr. Jacobs said that the plan was to keep Tusayan a mountain town but bring a sense of community with grocery stores, more gas stations and restaurants, and shops. The residents make it happen and will implement the plan. Camper Village was designed to create a downtown Tusayan with places to eat, hangout and listen to music. The Kotzin Ranch would bring a cultural sense to the area. Ten X Ranch would be the heart Tusayan's residential. Mr. Jacobs explained that all Federal Studies require a maximum build out plan and doesn't see that happening. In a good market, meeting 75% of build out could be expected. That would be an increase in population of 1500-2000 in 40 to 50 years. In the 1990's, the plan had been supported by the Forest Service, lead agency, the Grand Canyon Park, cooperative agency and the Coconino County voted in favor of it, 7-1. Council Member Maniaci noted that there had been a similar plan for Camper Village several years ago and asked if there were any differences. Mr. Jacobs stated that the current plan is nearly the same types of uses.

#### **4) Public Comment**

Sharyl Allen, Superintendent of the Grand Canyon School District, said that she has been meeting with the developer.

Sue Winchester said that after her husband had passed away several years ago, she had decided to live in the area and found that she couldn't. Housing was dependent on employment and availability. She currently lives in Valle and works in Tusayan. She would like to be in Tusayan and raise her grandchildren. She was in support.

Charles Townsend stated that most residents were not part of the privileged few that could be present at the meeting since they were working and that most worked for wages or a salary, spent time with their families and rested whenever they could, maybe one day a week. He and everyone were told that incorporation would bring housing and he trusted the newly elected Council to do their due diligence and their honest assessment to make it a reality. He was in support.

Yvonne Trujillo, representing Grand Canyon McDonalds and McDonalds of Northern Arizona, said that they opposed the annexation and development at this time and thought it would be detrimental to the area.

Julie Aldaz stated that the supporter that gave Page, AZ as an example left out that because it expanded so quickly, some businesses almost did not survive, particularly after the Super Wal-Mart was built. She asked what other options the Council had looked into for housing. She felt that the new issues brought up had been ignored. Where was the water coming from and public safety? She wanted the Council to do more research.

Alicyn Gitlin, representing the Sierra Club and its 12,000 members, asked if the capacity of what the land could handle had been considered. No water adequacy had been given and the CC&N does not prove water adequacy. Arizona allows for wells to be drilled and drained but that does not make it right.

Dave Uberuaga, Grand Canyon Superintendent, said that he had great concerns over the proposal. The national park system was created to conserve America's natural and historic places, its resources and its values. He felt that the development would create a tremendous demand on the park's limited resources. Water is of great concern; increased visitation would create additional operational demand on the park infrastructure; park vegetation could have invasions of exotic species; the cultural sites could be looted; degraded air quality; noise impacts to natural sounds; view sheds and vistas might be impacted from installation of infrastructure. He opposed the development.

Nicholas Larson, Kaibab National Forest, said that they were not taking a stand on the development request and that they had not received a formal development but would be asking some of the same questions. He confirmed that the zoning of Ten X would not change their responsibilities to it and that Federal jurisdiction supersedes the local one.

Pam Parsons, a fourth generation resident of Arizona, was born in Flagstaff and can remember it having dirt roads and no street lights. Seven years ago, she and her husband had moved to Tusayan to purchase a piece of dirt and retire. Her husband spends 350 days of the year in the forest; he would not be in support of anything that would harm the wildlife. The development would bring new businesses and more profits to existing businesses. Where are the concerns for the lives of those who drive to Valle? How many qualified people had Tusayan lost due to lack of housing? She was in support.

Johnnie Diaz, former restaurant manager of the Grand Canyon Hotel, said that he lived in Williams and worked in Tusayan. He had lived in Arizona for 30 years and wanted to live in Tusayan. He said that having no place to live can be stressful, particularly being dependent on employer for housing. He asked the Council to vote to move the process forward. Life is about progressing, not regressing.

Rob Gossard said that he had lived in Tusayan for 10 years and had 10 different addresses. He has given up possessions due to not being able to move them in or that the places he was living in would have caused damage to them. He has had to fight DSL for his internet that took him 5 months to get it moved to his new address. The cost of having utilities moved was costly. He has moved in only to have to move because those places have been condemned. He has had to clean up syringes, lived with strangers, drug addicts, and violent roommates and slept on the floor while waiting for the employers to furnish his place with handed down furniture that was being used at the moment. He was told to use a space heater to heat a 3 bedroom home in the dead of winter. He wanted to be able to own his own place. He was in support.

Destiny Sanders, former resident of Tusayan, stated that in the 2 ½ years of living in Tusayan, she had moved 3 times. She finally bought a travel trailer but found out that she could not live on Camper Village, so she moved to Flagstaff. She wants to raise her family in Tusayan and was in support.

Bob Blasi, former Council Member, said that a year ago the Council candidates, now the Council Members, met as a group that wanted to accomplish positive things, set some objectives and goals. Most had been accomplished and some they were still working on, like quality of housing. He said that he was certain that the Council was well informed and encouraged them to step forward. He stated he disagreed with the previous speakers wanting to delay the process. The Council and staff have been working on this project for months and opportunity opens up once and sometimes only every ten years. He was in support.

John Dillon said that he was a staunch supporter of the incorporation. He felt that this project is what is right for the current residents, the past residents and future residents. The plan is not perfect; there are many concerns but that it is the best plan that has been proposed to the community. He was in support.

Mike Verkamp said that he had been born up the road and had lived most of his life at the Canyon. His biggest concern is that it is an extreme over kill. He loved the country and understood that there were drastic housing needs but that housing for 2500 to 5000 was not needed. He did not want it to become a Time Share mecca and wanted to maintain the quality of environment. He was in opposition.

Clayann Cook said that she had come before the P&Z Commission a few days ago and asked that the Council go through this process. This development would not happen overnight. One or all three plans might happen but there will be continued evaluation and they will change along with different Councils that will change. She wants to have a choice on

whether to own or rent and housing that is not dependent on employment.

Fred Wadsworth was born and raised in the Grand Canyon. He moved away after high school and was in law enforcement. His concern was public safety and during his tenure in law enforcement, he had been in towns where they had wanted to expand but did not see who they were hurting in the process. He had worked with a school and they found that they could not manage other people's behavior. Bullying was brought in from other cities and other undesirable behaviors.

Dan Watahomogie, Havasupai Tribal Council, said that he grew up here and used to roam the area. He liked to come home and visit these areas but would not be able to. The tribal elders had been out to the Ten X area that day to identify cultural and archeological sites; traditional use areas. The Tribal Council would like to work with the Town Council and work out an MOU and that maybe the plans would have to move to another site.

**5) Close the Public Hearing on Equivalent Zoning**

The public hearing was closed.

**8. PUBLIC HEARING**

- A. Zoning Ordinance Text Amendment, Modifying Section 13.3-3.C of the Tusayan Zoning Ordinance. This section would be modified to read: "The area contained within a proposed PC Zone shall not be less than 10 acres."**

**1) Open Public Hearing on Text Amendment**

**2) Staff Report**

Mark Reddie said that the Town had adopted the Counties' Zoning Ordinance and their Ordinance states no less than 25 acres. Most properties could not develop a planned community with a 25 acres zoning. He said that there had been no written comments on this amendment. He had a Power Point presentation that can be seen on the town website.

**3) Applicant Presentation**

**4) Public Comment**

No public comments were made.

**5) Close the Public Hearing on Proposed Zoning**

The public hearing was closed.

**9. PUBLIC HEARING**

- A. Request to Rezone Camper Village, a 19.3 acre property, from RM/10A and CG-10,000 to Planned Community Zone.**

**1) Open Public Hearing on Rezoning Camper Village**

**2) Staff Report**

Mark Reddie said that this would be a partial multifamily and commercial property. It would create immediate housing, temporary in nature, until the developer could build permanent structures. As of noon today, there had been 24 plus letters or comments. Council Member Montoya asked if any consideration had been made on the affects to the School District and was told that the applicant has been meeting with the District. Council Member Fitzgerald asked if the road would be wide enough. A traffic study would be required to determine that. Building Codes require two points of access

for emergency and there are some options to explore. The temporary housing will be available to rent with the applicant providing trailers to some of the lots, or rental of lot space. Council Member Fitzgerald asked if the lower road went through washes. The applicant would be required to have high and dry access for both washes. He had a Power Point presentation that can be seen on the town website.

### **3) Applicant Presentation**

### **4) Public Comment**

Charles Townsend read a letter for Richard Richarz, full time concierge in Tusayan for 8 years. It read that he was in favor for incorporation but that he could not vote as he was in a category that many full time employees find themselves in due to lack of suitable housing options within town and so they are non-residents of Tusayan. Those who oppose the annexation no doubt find their housing suitable. The vision of incorporation included change, a hope for much needed housing opportunities and a variety of employment.

Carolyn Oberholtzer, Rose Law Firm, representative of the Thurston holdings, Red Feather Properties, and RP Stage, said that the devil is in the details. Tonight, an old site plan was shown and it had more detail than what is before your now. Ms. Oberholtzer showed the Council a picture in Phoenix of the same density that is being planned. The developed area in Phoenix had four lane collector road and a six lane collector road. There is no guaranteed housing planned for in this application that has 60 some uses listed. The temporary housing does not stipulate an end date. The restaurant and bar uses allow outdoor dining and alcohol drinking, but no noise ordinance other than quiet from 10pm to 10am and the proposed amphitheater does not either.

Council Member Fitzgerald asked if the existing code violations would be grandfathered in. They would not.

Robert Petzoldt, South Grand Canyon Sanitary District, said that they were not for or against the plans. The Sanitary District was having some problems with some of the sewer service definitions and requested that the wording be changed. They are investigating if part of Ten X falls into their jurisdiction, if it does, they will serve the entire area. They would love to sit with the applicant and work out a plan.

Alicyn Gitlin said that the development should be addressed to residents needs and that development could harm trailheads that are near the Grand Canyon as this parcel is near to the park's boundaries. She was concerned about what could be missed and that waiting could enhance what needed to be developed properly. They could plan ahead and help residents and visitor's amenities.

Sharyl Allen spoke on the types of entertainment that would be developed in this area. It is a travel through area for children and there needed to be appropriate entertainment for children. She did not want to have children attracted to an attractive nuisance.

Jack Hays, asked for his written comments to be added. The developer has proposed the installation of 15 double wide units and 30 park models as temporary housing. In reality, this effort is called a mobile home park.

In my opinion, the proper zoning is "MHP". The developer could re-apply for PC when they are able to provide an abatement plan for their mobile home park. Please be careful!

Jack Theiss asked that his comments for agenda items 9, 10 & 11 be written into the public comments. Impact on area does not have enough studies done on water resource and economy of Northern Arizona region.

Dhiru Prema asked that his comments for agenda items 9, 10 & 11 be written into the public comments. Not enough study done on water supply and economic impact to Northern Arizona communities.

Zach Polston asked that his comments for agenda items 9, 10 & 11 be written into the public comments. I do not believe that these issues have had ample time for consideration. Issues such as water, economic impact and others have not been properly addressed.

Cindy Iniguez asked that her comments for agenda items 9, 10 & 11 be written into the public comments. As a resident of Flagstaff, I am very concerned about the development proposed. Tusayan is not ready for something of this size as well as something as commercial. I feel that there has not been an economic impact study as to what it will do to your "sister cities" as well as your neighbors that SUPPORT your town. Please, please take your time in making a decision. You are not ready for this plan.

#### **5) Close the Public Hearing on Rezoning Camper Village**

The public hearing was closed.

### **10. PUBLIC HEARING**

#### **A. Request to Rezone Kotzin Ranch, a 160 acre property, from General to Planned Community Zone.**

##### **1) Open Public Hearing on Rezoning Kotzin Ranch**

##### **2) Staff Report**

Mark Reddie said that Forest Service Road #302 would be the second access for emergency vehicle service and that the fire code would have to be met. If any lots backed up to a collect road, all would have backyards positioned to them. He had a Power Point presentation that can be seen on the town website.

##### **3) Applicant Presentation**

##### **4) Public Comment**

Alicyn Gitlin asked about the issue of water safety as there was a high uranium concentration. Where was the water going to come from, the river? Trucking in water during drought would be expensive and difficult. She said it was inappropriate and unlawful to develop residential communities outside the Tusayan watershed.

The Council had a 10 minute break.

Sharyl Allen reminded the Council that as they continue deliberation that the Kotzin Ranch would be the school's closest neighbor and that the streets would impact the school.

Carolyn Oberholtzer said that the housing element on this parcel allows 1500 units in 40 acres and it was not required to be single family units.

She showed a 2<sup>nd</sup> picture that had 500 units on the same size lots and it had secondary arterial and collector streets. The density was giving misleading numbers. The summary of uses lists a conference center, an educational center, theatres, auditoriums, outside theatres, bars, cocktail lounges and all of these with no limits except near residential. The stress was on a small amount of housing and a large amount of commercial.

Becky Wirth said she was employed by a business in town and lives in Valle. She has less than 10 years until retirement and would like to live up here afterwards. She heard tonight that the Park Service wants to limit visitors. Ms. Worth said that it took vision and faith to grow a community and that the Council has researched and should move forward, to eliminate the monopoly for a few businesses.

Robbie Evans, Fire Chief, said that he was neither for nor against but the Council needed to consider who is going to be responsible for the dirt roads, the accidents and who would be liable. There would be financial impacts that will be felt.

Clarinda Vail said that there were 20 to 40 acres that was promised to the town at the Kotzin Ranch. She asked if there were any other options for the town to look into. Had the environmental, relational and economic impacts been looked into? There are other options of purchasing local in holdings, the township act, and an exchange with the Forest Service. If housing is the town's goal then the Council should have done their due diligence to look at all options.

#### **5) Close the Public Hearing on Rezoning Kotzin Ranch**

The public hearing was closed.

### **11. PUBLIC HEARING**

#### **A. Request to Rezone Ten X Ranch, a 194.6 acre property from General to Planned Community Zone.**

##### **1) Open Public Hearing on Rezoning Ten X Ranch**

##### **2) Staff Report**

##### **3) Applicant Presentation**

##### **4) Public Comment**

Carolyn Oberholtzer said that finally the applicant was getting to housing. She showed the Council a picture of 20 acres with 91 units (the developer had 180) and 17 acres with 384 multifamily units (55 shy of developer's plan) and it has a 6 lane arterial road. The plans indicate 4 single family units to an acre. Ms. Oberholtzer showed a picture that had a major road network and stated that there was not a viable traffic access plan.

Sharyl Allen thanked the Council for allowing the clash of opinion as it allows us to get to the truth. She thanked Mr. De Paolo and the Grand Canyon Park for their passion. Ms. Allen asked the Council to proceed with caution and to not expand beyond the town's ability to manage.

Jacob Fillion has lived in the Grand Canyon Park and has worked in the community for 13 years and has chosen this time to speak. He currently runs the Environmental Educational Program. He said that he agreed that residential housing was needed but not the 2500 that was proposed. He asked the Council to slow down because what is done cannot be undone. Think about what brought you here, the Grand Canyon.

Alicyn Gitlin asked about the water adequacy safety. What about the wildlife concerns that the road to Ten X will harm them or drive them from the area. She said that there had not been an adequate response to the Sierra Club's concerns. The flood plain and Coconino wash had not been addressed.

Pam Parsons said that developing Tusayan means that residents could live there longer. It was an investment for future growth, to create a better place to live and it would bring more visitors, doctors, daycare centers, stores. She asked the Council to vote in favor.

#### **5) Close the Public Hearing on Rezoning Ten X Ranch**

The public hearing was closed.

Manjula Vaz, representative of the applicant, said that they were willing to work with the Sanitary District and that the density plans are less than what was the current density in town.

Mr. De Paolo said that they had intentionally never said whether they would use ground water or not and they will state it when it is needed. They have worked in the Park Service for 10 years and will follow the letter of the law in plans and building. He asked why had there not been housing, churches, community services and asked what pays for it. The commercial pays for it.

Mayor Bryan asked what the staff had required of the applicant on the noise for outdoor bars. Mark Reddie said that there were a series of performance standards behind the permitted uses. They were permitted by right but only if they meet the performance standards. The plan was created to have the urban core downtown. The outdoor amphitheater had performance standards and there was not a provision for a location for it. Mr. Reddie The noise issue should be regulated as a whole by the town and not by zoning ordinances. **What is written** is standard language for permitted uses. A barber shop is listed but not a nail salon, though they are the same thing, and so it allows for the list to have certain uses and not list all with the knowledge that the Council can state what is similar. The RV Park on Ten X currently has no limits or time. The application states seasonal use with the expectation of May through October and would serve 2 purposes. It is for visitors who drive in with RV's and seasonal employees who live there temporarily. A provision should be added to regulate seasonal time frame and it was not the intent for a long, extended stay.

Council Member Montoya said there was a lot more information to take in and moved to continue on the action on the discussion items until the next meeting on November 2, 2011 at 6:00pm at the Squire Inn, Zuni Room.

Vice Mayor seconded the motion. All were in favor.

The Council will continue to receive written comments prior to the November 2<sup>nd</sup> meeting.

## **12. ACTION ITEMS**

**Discussion, consideration and possible approval of Planning and Zoning Commission recommendation regarding Proposed Equivalent Zoning in connection with the Annexation of Ten X and Surrounding Properties.**

**Discussion, consideration and possible approval of Planning and Zoning Commission recommendation regarding Zoning Ordinance Text Amendment, Modifying Section 13.3-3.C of the Tusayan Zoning Ordinance. This section would be modified to read: "The area contained within a proposed PC Zone shall not be less than 10 acres."**

**Discussion, consideration and possible approval of Planning and Zoning Commission recommendation regarding Request to Rezone Camper Village, a 19.3 acre property, from RM/10A and CG-10,000 to Planned Community Zone.**

**Discussion, consideration and possible approval of Planning and Zoning Commission recommendation regarding Request to Rezone Kotzin Ranch, a 160 acre property, from General to Planned Community Zone.**

**Discussion, consideration and possible approval of Planning and Zoning Commission recommendation regarding Request to Rezone Ten X Ranch, a 194.6 acre property from General to Planned Community Zone.**

## **13. SET AGENDA ITEMS FOR NEXT MEETING**

Several items were suggested.

## **14. TOWN MANAGER'S AND STAFF REPORTS**

No reports were given.

## **15. SET AGENDA AND ACTION ITEMS FOR NEXT MEETING**

## **16. COUNCIL MEMBERS' REPORTS**

## **17. MAYOR'S REPORT**

The Mayor said that he and the Town Manager had attended the legislative hearing on redistricting and encouraged the Tusayan residents who felt that our current representatives represented Tusayan better to email, write letters, and appear in person and it needed to be done now. Keeping Grand Canyon Village and Tusayan together was best for Tusayan.

## **18. MOTION TO ADJOURN INTO EXECUTIVE SESSION for the following purpose:**

The Council adjourned into executive session to give staff direction and to make changes to the development agreement that would fit the Town's needs.

Council Member Montoya moved to adjourn into executive session.  
Vice Mayor Maniaci seconded the motion. All were in favor.

Council moved into executive session at 10:27pm after a 10 minute break.

**The Tusayan City Council may wish to go into Executive Session pursuant to A.R.S. Section 38-431.03.A.3 and A.4 in order to receive legal advice concerning items on the agenda and to instruct staff and the Town Attorney concerning negotiations of the Pre-annexation and Development Agreement with Stilo Development Group USA.**

**The Council may wish to go into Executive Session pursuant to A.R.S. Section 38-431.03.A.3 in order to receive legal advice concerning items on the agenda.**

**Following e-session the Council may take action on the Pre-annexation and Development Agreement with Stilo Development Group USA or give staff direction concerning modifications thereto.**

Vice Mayor Maniaci moved to move out of executive session.  
Council Member Montoya seconded the motion. All were in favor.  
Council moved out of executive session at 11:17pm.

**19. MOTION TO ADJOURN**

Council Member moved to adjourn the meeting.  
Vice Mayor Maniaci seconded the motion. All were in favor.  
The meeting adjourned at 11:20pm.