

TUSAYAN TOWN COUNCIL SPECIAL MEETING
PURSUANT TO A.R.S. § 38-431.02 & §38-431.03
WEDNESDAY, SEPTEMBER 25, 2013 @ 6:30 PM
TUSAYAN TOWN HALL
845 Mustang Drive, Tusayan, AZ 86023

TUSAYAN TOWN COUNCIL SPECIAL MEETING SUMMARIZED MINUTES

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Bryan called the meeting to order at 6:30 pm and recited the Pledge of Allegiance.

2. ROLL CALL

Upon roll call the following were present:

**MAYOR GREG BRYAN
VICE MAYOR AL MONTOYA
COUNCILMEMBER BILL FITZGERALD
COUNCILMEMBER CRAIG SANDERSON**

COUNCILMEMBER JOHN RUETER RECUSED HIMSELF DUE TO HIS EMPLOYMENT AT CAMPER VILLAGE AND WAS NOT PRESENT. STAFF ALSO PRESENT: TOWN ATTORNEY, BILL SIMS AND TOWN MANAGER, WILL WRIGHT

3. DISCUSSION OF THE STILO DEVELOPMENT PROJECT

Mayor Bryan began by stating the Council had called this meeting to receive Public Comment on the first amendment to the Pre-Annexation Development Agreement (PADA) that had been signed over two years ago with the Stilo Development Group. This amendment was being considered by the Town Council to provide conditions that would allow progress of this development that would help the town reach its goals of providing public housing, creating jobs and improving quality of life for the community. He asked that everyone be respectful of other opinions on this matter and to attempt not to be repetitive if someone has already offered your position, then you could simply indicate your agreement with that person's statement. He thanked everyone for taking an interest in their community and being at the meeting this evening.

Mayor Bryan asked Town Attorney Bill Sims to give a brief summary of the agreement and progress on the amendment to the PADA. Bill began by stating the Town Council entered into the PADA in November 2011. This agreement provided for mediation if parties were not performing according to the agreement. There was a 45 day moratorium put on mediation in the agreement that concluded on September 8, 2013. It has been the goal of the Council to have a realistic development understanding that the community could not reach its goals of providing public housing, creating jobs and revenue for the community as well as ensuring a source of funding to access these parcels, without Stilo succeeding in their development activities.

Bill acknowledged that attorneys for parties opposing this development, particularly for the Red Feather properties, had provided constructive criticism and had made important contributions during these negotiations. One example he noted dealt with the southern access to the Camper Village development site. This access issue was remedied with a northern access into this development. However, he indicated that Stilo had not redrawn this site plan as had been promised, which was partially his fault, therefore the access across Red Feather property continued to be a concern that would be addressed in the amendment to the PADA. Bill further indicated that the public comments made this evening would be carefully considered as negotiations on this first amendment to the PADA went forward.

3A. PUBLIC COMMENT ON THE STILO DEVELOPMENT PROJECT

The following seven speakers addressed the Council at this time, including:

- 1) JANE ROGERS with the Grand Canyon Nation Park offered apologies that Park Superintendent David Uberuaga could not make it this evening. She stated the Park has serious concerns about water and 'the lack of wise water-use planning' in this development. This concern extends to the town's divestment language giving Stilo too much control of this matter. Further, the Park continues to have 'environmental and development concerns' and 'the potential impacts and demands that rapid development could place on Park natural and cultural resources.' "Slow, controlled, managed growth overtime, is preferable to the proposed broad development agreement containing limited checks and balances." She stated that they do not feel like their previous concerns had been addressed. They requested that the comment period be extended.
- 2) ALICYN GITLIN with Sierra Club Grand Canyon Chapter began by stating there are 12,000 members across Arizona, who care deeply about our namesake, the Grand Canyon. She reminded the Council that this decision is huge with irreversible ramifications to the character of this region, particularly water. She mentioned several negative impacts to water wells, seeps and springs that could have resulted from new wells in this area. "Until we fully understand the impacts of wells on Grand Canyon's springs, we should not allow new wells to be drilled." "Further, northern Arizona is likely to reach an unsustainable demand for water before 2050 (USBOR 2006)". She also mentioned the Camper Village stipulation #19 that prohibited "Entertainment and Leisure Attractions" in the original agreement, should remain in this amendment. Mayor Bryan offered that the stipulations that were in the original PADA are still in effect and are not being changed, only added to with this amendment.
- 3) JANET ROSENER with the IMAX Theater stated she has lived in Tusayan for 13 years and would like to see the day when she could purchase land and build a home in Tusayan. "It would be my hope that in the future all employees will be able to live in affordable, well-built housing" She supports Stilo's efforts to create jobs and housing in Tusayan.

- 4) ROMY D. MURPHY with Pink Jeep Tours thanked the Council and Stilo for the interim housing in Camper Village, which had benefitted their employees and business.
- 5) ERIC GUEISSAT who has been a resident of this area for 40 years would like the Council to understand the potential impact of how their decisions affect areas outside the town's boundaries. He advised that the 100 year water supply requirement is not enough, that a 200 year supply would be more responsible. He urged the members of the Council to think about the concerns expressed and the possible impact they would have on the land.
- 6) CAROLYN OBERHOLTZER, attorney representing Red Feather Properties, was supported by the following persons, namely: 1) Clarinda Vail; 2) John Vail; 3) Chris Thurston; 4) Jennifer Thurston; 5) John Thurston; 6) Bess Foster; 7) Julie Aldaz; and 8) Josh Levy. These individuals were all in the audience and submitted speaker request cards indicating their 'concerns are the same as Carolyn Oberholtzer.'

Carolyn began by applauding all the work the Council has put in on this development. She still has, however, fundamental issues with it, which she has communicated to the Town Attorney, Bill Sims. Some of those touch on the conformance to the Area Plan and annexation issues. She would now like to take another approach and simply 'vent' over all that has occurred since the initial agreement in 2011.

There continues to be a significant concern that the scale of this project is too large with 3 million square feet of commercial and several thousand residential units planned for Stilo properties. She said the Council was wise in their original agreement to have performance measures in place to ensure Stilo did what they agreed to do before any vesting of zoning for this development. Because the bottom line is that Stilo has not performed and has trespassed on Red Feather's private property and generally been a bad neighbor. She says the access issue needs to be addressed and included in any document and site plan as committed by the Council to her client. She asked the Council to really look at the interim housing in Camper Village then realize how haphazard their approach has been and ask yourselves is this the type of development you want for Tusayan? Feels there needs to be some visual integrity in the housing landscape.

She was concerned that this amendment to the agreement appears to remove these performance measures, which she said are important to ensure Stilo performs. Otherwise, the vesting of zoning and this development will become an irreversible problem for this area and binding for future Council's. She states that Stilo only performs when they are forced to do so. Further, she commented on this development not conforming to the Area Plan or annexation stipulations, which issues she has discussed with Bill Sims.

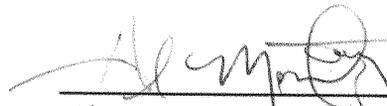
The Mayor then closed the public comment portion of the meeting by thanking those who had come out and expressed their concerns and/or support for this project. He indicated that they would be entering into Executive Session to counsel with the Town Attorney on this matter. He also indicated that this would probably come before the Council in their October 2, 2013 meeting. Vice Mayor Montoya made a motion to go into Executive Session at 7:06 pm. Councilmember Sanderson seconded the motion and it passed unanimously.

Vice Mayor Montoya made a motion to exit Executive Session at 9:53 pm. Councilmember Sanderson seconded the motion and it passed unanimously.

Mayor Bryan stated that the Council gave Town Attorney Bill Sims direction, prior to next Council meeting, to modify the first amendment to the PADA based on the comments and concerns expressed by those attending tonight's Council meeting and their discussion in Executive Session.

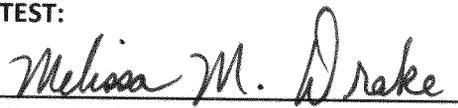
4. MOTION TO ADJOURN

Vice Mayor made a motion to adjourn at 9:56 pm. Councilmember Sanderson seconded the motion and it passed unanimously.



Al Montoya, Vice Mayor

ATTEST:



Melissa (Malone) Drake, Town Clerk

CERTIFICATION

State of Arizona)

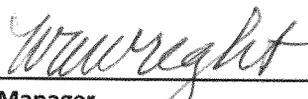
) ss.

Coconino County)

I, Will Wright, do hereby certify that I am the Town Manager of the Town of Tusayan, County of Coconino, State of Arizona, and that the above minutes are a true and correct summary of the meeting of the Council of the Town of Tusayan held on September 25, 2013.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 11th day of October, 2013



Town Manager