

MINUTES

1. Call to Order

Mayor Evans called the Work Session of the Flagstaff City Council held October 8, 2019, to order at 6:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Pledge of Allegiance and Mission Statement

The Council and audience recited the Pledge of Allegiance and Vice Mayor Shimoni read the Mission Statement of the City of Flagstaff.

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

3. Roll Call

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

PRESENT:

ABSENT:

MAYOR EVANS
VICE MAYOR SHIMONI
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY
COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

Others present: City Manager Greg Clifton; City Attorney Sterling Solomon.

4. Public Participation

Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Paul Beier representing Friends of the Rio de Flag presented to the Council regarding the Go It Alone engineering study. He stated that choices the study will present are not just an engineering decision. He asked Council to consider creating a Citizens and City Staff Work Group. He suggested how the work group should be comprised.

Deborah Harris, President of the Southside Community Association, addressed Council about the Rio de Flag. She opposes any stoppage of the flooding plan. She stated that the neighbors in the Southside are tired of the City not looking out for their interests. They want the 100-year flood project done.

5. Review of Draft Agenda for the October 15, 2019 City Council Meeting

Citizens wishing to speak on agenda items not specifically called out by the City Council may submit a speaker card for their items of interest to the recording clerk.

Councilmember Whelan where the funding for items 9A and 10C come from. Fire Chief Mark Galliard answered that the finances are from the Forest Service's year-end funds that need to be encumbered before the end of the year.

Councilmember Whelan asked about item 8A and if the owners had finished their liquor license training. She also stated she would like to see the language of the proposition for item 10B and asked what the Water Infrastructure Authority is. Mr. Solomon stated that it is the State Finance Water Licensing Agency.

Councilmember Whelan requested that financial contributions are clearly stated on the staff summary. She would like to see a statement on where the financials are budgeted or where the funding is coming from. Mr. Clifton stated that staff will add the funding source to staff summaries.

Vice Mayor Shimoni asked about the Rio de Flag Flood Control Update and what the plan is to get the community informed. Mr. Clifton stated that there are additional measures regarding this item and City Engineer Rick Barrett stated that they have reached out to various groups, such as Friends of Rio de Flag and the Southside Community Association. Mayor Evans added that there was a meeting with the Greater Flagstaff Chamber of Commerce and that there is a listserv regarding the matter. Mayor Evans stated that Vice Mayor Shimoni may be looking for a social media push and that the Police Department has a variable message board that may be utilized. She added that the meeting will be long and wants the public to know that Council will discuss the issue after public comment. Mayor Evans asked for Council to send any questions they may have to the City Manager now so that staff can incorporate it into the presentation.

6. Flagstaff Local - My Actions Matter Campaign

Economic Vitality Director Heidi Hansen acknowledged the staff from the Economic Vitality Division and the members of the local business community and partners who attended the meeting. She stated that the project started with a request from the previous City Manager, Barbara Goodrich, and the City worked with various partners where they received input and shared the concept of the movement. Ms. Hansen presented a PowerPoint presentation on the program and shared a video for the campaign.

Creative Services Manager Ralph Schmidt spoke to Council about how the program works and presented a video on the process.

Business Retention & Expansion Manager John Saltonstall presented on who is eligible to participate in the program and how to create the boundaries. He asked Council for suggestions on which boundary to use.

Vice Mayor Shimoni asked if people who live outside city limits can make purchases outside city limits and have their purchases qualify. Mr. Saltonstall stated that they anticipated that the qualifying purchases will only be those in city limits. Mayor Evans stated that the city limits boundaries seems easiest.

Councilmember Whelan added that she would like to see the sovereign nations involved, and she was thinking that using Flagstaff zip codes would be best, but it does not take the sovereign nations into account. She would like to see county limits used.

Councilmember Aslan stated that he would like to push back and not lose the heart of the movement. He does not want to see it diluted and is very impressed with the marketing campaign. He stated that he is concerned about the interface being clunky. He thinks that County involvement muddies the impact.

Councilmember Salas shared that she is impressed by the campaign. She asked about using the FUSD boundary for the program. Ms. Hansen stated that staff did not want to decide the boundary for Council. They want to kick the campaign off mid-November and offered Council some time to think about the campaign.

Ms. Hansen resumed the presentation. She shared that all prizes will be donated and she thanked those involved in the campaign and those who were in attendance at the meeting.

Councilmember Odegaard thanked former City Manager Barbara Goodrich for starting the program and thanked Mayor Evans as well. He stated that he likes the local dollars theme. He stated that he favors the zip code boundary.

Councilmember Aslan stated that he has an issue with providing rewards from Chick-fil-A since it they are not a local business. Ms. Hansen stated that the City of Flagstaff is for all businesses, not just the local businesses. The program is designed to support all businesses in Flagstaff.

Councilmember Whelan agreed with Councilmember Aslan about choosing businesses that reflect Flagstaff and stated that Chick-fil-A does not support all people. She stated that she appreciates them being a part of the City, but there is a moral and ethical position to consider.

Mayor Evans stated that she understands that nationally there are individuals that do not support Chick-fil-A and other businesses who have taken stances on certain subjects, but that there are people in Flagstaff who do support them. They may be a national organization, but

they employ local people.

Ms. Hansen stated that they do not have to give prizes that involve Chick-fil-A, but asked if Council would be alright with people uploading Chick-fil-A receipts. Business Attraction Manager Gail Jackson pointed out that there are many franchises in Flagstaff and that they give back to the community and are a part of it. Some of the local people who live here are business owners who have a national name attached to it.

Councilmember Whelan added that she is not opposed to Chick-fil-A because of the national affiliation, but because the company's stance on LGBT rights. Ms. Hansen stated they can remove the prize but asked if the receipts would still apply. Councilmember Whelan stated she would be alright with that.

Vice Mayor Shimoni stated that the effort is amazing. He stated that he would like to see more infographics regarding dollars spent and what they mean to the City. Ms. Hansen stated there are many more infographics that encompass that. Vice Mayor Shimoni added that he would like to see the value added of shopping at a local owner and the education surrounding that.

Terry Madeska, the Director of the Flagstaff Downtown Business Alliance, addressed Council stating that she supports the comments on the need to direct people to local businesses. She stated that the City needs to support all businesses, and that in order to get the impact onto the local business there is more to the campaign that talks about the impact of supporting local businesses.

Vice Mayor Shimoni asked if there would be a way for people to track their points online. Ms. Hansen stated that staff will look into that possibility.

Councilmember Aslan stated that the broader overview should promote local businesses versus chains. He is curious about how data is being used and tracked in the campaign. He asked what the City is doing with the data points and inquired if the data should be looked at. He stated that he wants to ensure that the data is decoupled from the user. Senior Assistant City Attorney Anja Wendel stated that they have looked at the privacy issues and that the collected data would be separated from the personal data. The receipt data will not be used for anything other than points.

Councilmember Salas asked when the go live for the program is scheduled. Ms. Hansen stated that it will go live before the end of November with two weeks of advertising in advance. Councilmember Salas suggested rolling the campaign into Small Business Saturday and work with local businesses that have big screens.

Mayor Evans stated that the campaign is a local campaign that encourages people to shop local which includes the mom and pop shops as well as all other businesses city limits. She added she would like to see local be a broader concept. She added that the primary purpose of this program is to stop sales tax leakage. She stated that she is supportive of using the Flagstaff zip codes for the program boundary.

Councilmember McCarthy stated that he supports using the Flagstaff zip code boundary.

A majority of Council provided direction to use the Flagstaff zip code boundary for the program.

A break was held from 7:31 p.m. through 7:41 p.m.

7. Case No. PZ-19-00123 Updates to Zoning Code 2019 - Community Commercial (CC) Zone Building Height

Zoning Code Manager Dan Symer introduced Comprehensive Planning Manager Sara Dechter who presented on the history of the High Occupancy Housing (HOH) Plan. She spoke about why the City adopted the HOH plan, what happened leading up to the HOH plan, and the proposed Zoning Code concepts from the HOH plan. Mr. Symer resumed the presentation to discuss the proposed Zoning Code amendments.

Councilmember McCarthy asked how many stories a 45' building would be. Mr. Symer stated that it mostly translates to three stories, but it could be four. He also asked if a parcel is changed from Community Commercial to Highway Commercial if it would allow for a 60' building and if there are any other things allowed in Community Commercial that are not allowed under Highway Commercial. Mr. Symer stated that there are some implications but that they are fairly comparable.

Councilmember Odegaard asked if there was an example of someone with Highway Commercial zoning who built a 65' building. Mr. Symer stated that there are some applications that are being considered and under review right now, but there are none in plans review right now.

Councilmember Whelan asked Mr. Symer to explain the community comments and where the community meetings were held. Mr. Symer stated that the first community meeting was held August 19, 2019 at the Murdoch Center and the second was at the Fourth Street Library, which was more highly attended. The meetings were advertised to all property owners who are in Community Commercial via postcard. 500 postcards were sent, and 30 postcards came back. The Southside was generally in support of lowering the zoning height restriction to 45', but there were property owners who were not in favor. The property owners who were not in favor wanted to keep the height of 60', but the majority was in support of lowering to 45'.

Steve Finch with the Flagstaff Lodging and Restaurant Association addressed Council and stated that they are against lowering the height restrictions because it lowers the land value and reduces profit which cuts the ability for property owners to earn money. It also devalues the property since the property value is based off of its ability to earn revenue and affects the future potential of the land. Changing the height restriction also takes away a right the property owners had when they bought the land.

Councilmember Whelan asked Mr. Finch if he is against adding Highway Commercial. He stated that as long as the 60' restriction is kept, he is alright with that. Councilmember Whelan stated that Council wants to protect what the community wants protected.

Anthony Garcia addressed Council in support of lowering the building height in the Community Commercial areas to preserve the view shed for Flagstaff's character. He stated that he also believes that it will discourage student housing developments. He stated that he is concerned on how this will encroach on open space.

Joe Galli, representing the Greater Flagstaff Chamber of Commerce, addressed Council stating that there were a few remarks in the packet from the Economic Collaborative of Northern Arizona meeting. They included the need for a cost analysis, acknowledgment of the need of workforce housing, and stated that higher densities are required to increase rental market. The Chamber is very concerned about changing the height restrictions and are concerned about Prop 207 challenges. He added that the change would hurt the "little guy" and that small parcels then cannot build on their properties. He also mentioned the education of walkability and infill with the change of the height restriction.

Deborah Harris addressed Council and stated that there are mixed emotions on the height changes in the Southside neighborhood. The neighborhood feels that they are not being heard and that they do not have power. The people who want the height restriction changed to 60' probably do not live there. She asked Council to think very carefully about the issue.

Vice Mayor Shimoni asked Ms. Harris about who wants the 60' height restriction versus those who do not. Ms. Harris stated that there are those who want to sell their property to developers and make a lot of money, there are some people who feel that they will not be heard, and there are others who want to stay and pass their homes on to their families.

Councilmember McCarthy observed that there is no consensus in the area. Ms. Harris stated that Councilmember McCarthy is right. She stated that some people may have given up. Councilmember McCarthy stated that he wants to hear what the people want. Ms. Harris stated that historically the neighborhood was not listened to and that influences today's issue. Councilmember McCarthy stated that his frustrations are dealing with decisions that were made in 1972 that are very difficult to change.

Mayor Evans stated that she thinks decisions are cumulative as well and that leads to apathy and people giving up. She said that parking issues are still a problem in the area and residential parking permits for the neighborhood could have helped. She added that fraternity houses are now in the neighborhood and apartment complexes that receive Conditional Use Permits are also in the neighborhood. She said that the people in the neighborhood feel like they are not being listened to.

Councilmember Whelan stated that she agrees with Mayor Evans and Ms. Harris. She stated that there are inequities and because of decisions in the past, the residents are burnt out. She stated that whatever is done must get done with the residents' voices, and she is committed to doing this as long as she is on Council and will try to make up for the wrongs that have happened.

Councilmember McCarthy stated that the biggest issue is the "mega-buildings." He stated that he wants to move forward with this issue and is open-minded about making some places Highway Commercial. He also stated that the people who live in Sunnyside might have a much different view than the people who live in the Southside.

Vice Mayor Shimoni asked that view shed be considered in the potential rezoning along the major avenues. He would like to see this move forward.

Councilmember Odegaard asked what the difference is between Highway Commercial and Community Commercial. Mr. Symer stated that Community Commercial allows single family residential and Highway Commercial does not. Councilmember Odegaard stated that he attended the Sunnyside community meeting. He stated that he does not feel there was enough community discussion regarding this topic. He believes that the community would be better served by a door-to-door campaign.

Mayor Evans asked who the stakeholders were at the Sunnyside meeting. Councilmember Odegaard stated there were a lot of business owners. Mr. Symer added that there were business owners, property owners, and residents. Mayor Evans stated that there are multiple types of residents. Councilmember Odegaard clarified that the business owners seemed to be typically property owners. Mayor Evans stated that she feels that there should have been three separate meetings: one for business corridor, one for north Sunnyside, and one for south Sunnyside.

Councilmember Salas agreed with Councilmember Odegaard. She stated that she feels that the communities affected by the Zoning Code amendment have not been heard. She stated that she is concerned that there are residents who feel disfranchised. She stated that she believes that the public needs to be engaged and that a door-to-door campaign may be necessary.

Councilmember Aslan stated that he would like to see the community grow without sprawl. Councilmember Whelan agreed and stated that she believes that in the future there will be more mixed-used with families living with students. She agreed with the need for community participation. She also believes that it needs to be done in a timely manner and there needs to be action.

Vice Mayor Shimoni asked if the City has a text group program. Ms. Dechter responded that the City does not have a program. She offered that postcards and the Flagstaff Community Forum were very productive and successful in the campaign. She stated that the community forum goes out to 2,800 people and that the discussion was very robust. She added that the in-person meetings are also very important. She said that staff went door-to-door in the Southside interviewing residents and about 50% of businesses. Vice Mayor Shimoni stated that he believes that it would be smart of the City to use a text-based outreach. His direction is to move forward.

Mayor Evans asked Council to think about the issue. She asked for everyone to think about what percentage of the population will be affected and that Council is trying to address mega-tall buildings that house students. She added that these changes may affect people who are not a part of the original conversation. The Sunnyside neighborhood does not have a neighborhood plan and this would create a drastic plan that will affect a neighborhood without a plan to prevent mega-tall student housing. She added that the individuals who are attending the community meetings have a financial stake and wondered what percentage of people may ask for a waiver. She added that there are different levels of education regarding this change and that the developer will have a much different understanding than the homeowner or someone who inherits property in the area. Council needs to go back to the community and focus on student housing directly and talk to the community.

Mayor Evans stated that she is fine with moving forward but that she has concerns about Sunnyside being a part of the conversation.

Councilmember McCarthy stated that the original problem is high occupancy student housing in the Southside neighborhood, but that the people in Sunnyside would probably not be happy to have 60' buildings in their backyard. He stated that he feels that moving forward means that there needs to be more conversations. He also stated that the lesson learned from the 1970s is to move slowly and thoroughly to ensure that the future implications are clear. He stated that he is willing to move forward but there needs to be a more thorough conversation.

8. Case No. PZ-19-00124 Updates to Zoning Code 2019 - High Occupancy Housing Land Use

Zoning Code Manager Dan Symer and Comprehensive Planning Manager Sara Dechter gave a presentation to Council. Ms. Dechter provided background on the High Occupancy Plan and the challenges of the past zoning requirements. Mr. Symer presented the proposed updates. The slides in the presentation included:

- Why did the City adopt the HOH Plan?
- What happened leading up to the HOH Plan
- Proposed Zoning Code Concepts from the HOH Plan

- Proposed Zoning Code Concepts
- Why replace the rooming and boarding provisions?
- Proposed Zoning Code Concepts, Definitions
- Map of activity centers
- Proposed Zoning Code Concepts, Definitions
- Resource Protection Overlay Map
- Conditional Use Permit Criteria
- Conditional Use Permit HOH Specific Criteria Considerations
- Proposed Zoning Code Specific to Use Requirements for any HOHD
- Parking – What is the right balance?
- Proposed Vehicle Parking Requirement Considerations
- Proposed Vehicle Parking Reduction Considerations
- Proposed Replacement of the Rooming and Boarding Land Use

Councilmember Whelan asked if the need for long-term parking for students addressed in this plan. She stated that the parking plan works well for transit in town but does not offer the option of long-term parking for residents. She stated that she hoped that NAU would help with the long-term parking issue. Ms. Dechter stated that NAU has provided some of that parking at some of their further away parking lots, but they have not been utilized.

Vice Mayor Shimoni asked if the Hub was at 0.3 ratio and if it takes in account street parking. Mr. Symer stated that it does not and added that the Standard's ratio is at 0.65. The Hub is half as high as the Standard. Ms. Dechter stated that there is very little Hub parking on the street due to Park Flag and that the developer has offered to house cars on the NAU campus for those who did not get parking in the on-site garage and last year there were about 50 spots available for parking.

Vice Mayor Shimoni asked about negotiations regarding incentives in parking. Mr. Symer spoke about the various incentives. The first option is one-to-one parking with incentives to bring the number of parking spots down. The concept is being explored in perpetuity and has a maximum incentive of a 20% reduction in spots for bus passes and 10% reduction for bike racks. He also stated that the code is in support of development of four, five, or six bedrooms and that the City could better incentivize smaller developments with less bedrooms. Vice Mayor Shimoni asked staff to address that in the future and stated he is in support of moving forward.

Deborah Harris addressed Council stating that the greatest concern in the Southside is parking and that parking enforcement is a large issue.

Councilmember Odegaard stated that he is in favor of moving the discussion forward. He asked if there is anything staff needs clarity on. Mr. Symer stated that he only needed clarity on the parking.

Councilmember Aslan stated that he is supportive of Option 3.

Mayor Evans asked when parking behavior will change because the reality now is that people bring cars to their residences. She is not for any parking reduction incentives. She stated that tandem parking does not work at all for apartments and she stated that smaller projects should not get parking reductions. She said that she believes that there should be a residential parking permit for smaller, tighter neighborhoods.

Councilmember McCarthy stated that he is curious about the number of parking spaces versus the number of bedrooms and he would like to see staff look into that. He suggested having

only permit parking on the streets in the HOH areas and in areas like the Southside. He stated he is open-minded about parking reduction incentives, especially if there is transit available and the developer is willing to purchase transit passes for residents.

Community Development Director Dan Folke asked if this issue should be addressed with the Zoning code, with ParkFlag, or should an ordinance be created. Councilmember McCarthy asked if this issue should be added as an expedited F.A.I.R. item.

Councilmember Whelan stated that she would like to see parking permits for the streets and the high-density housing units should be at a lower ratio with smaller units having an increase in the ratio. She would like to see developers push transit and added that multi-modal transit is an important piece as well as parking enforcement.

Councilmember Odegaard stated that he is not supportive tandem parking and that should be changed.

Councilmember Aslan addressed the timeframe about parking culture. He stated that he believes that if you take parking away, people will leave cars at home. He stated that he is in favor of making car use less necessary. Mayor Evans stated that she does think that is the case and that increasing transit, sidewalks, grocery stores, bicycle safe lanes, etc. would decrease the dependence on cars.

Councilmember McCarthy asked if the parking spaces that the Hub residents rent are counted and what the utilized ratio is. Mr. Symer stated that it is about 0.4 and that the residents can park overnight in the area. However, he added, there potentially was some Plaza de Vieja parking overflow. Ms. Dechter added that there is no way to enforce the use of spaces when there is free public parking and that staff recommends Option 3. She added that some of the smaller complexes use parking areas as social spaces.

Moved by Councilmember Charlie Odegaard, **seconded by** Councilmember Jamie Whelan to continue the meeting in accordance with the Council Rules of Procedure.

Vote: 6 - 1

NAY: Councilmember Austin Aslan

9. **Discussion:** Possible regulations on new developments coming into town with a retail component for the benefit of higher density and not providing the retail.

A majority of Council stated that they are interested in moving forward with further discussion.

10. **Discussion:** A text amendment to city code allowing council salaries to be considered by Council earlier than what is currently stated.

A majority of Council stated that they are interested in moving this discussion forward.

11. **Discussion and Direction:** December lobbying trip to Washington D.C. and practice for determining Council attendees for future lobbying trips.

Mr. Clifton gave a quick summary of the memo in the Council packet. The primary purpose of the trip is to discuss the Rio de Flag project and will be held with the City's lobbyist. Mr. Clifton explained that the memo suggested that the Mayor should attend this trip and that a quorum

should be avoided. It also stated that a large group is not practical for these kinds of trips. He suggested keeping the elected officials down to three or less for these trips. He said that the first step is to affirm the upcoming members of Council who will travel, and the second step is to identify how Council will figure out who will go in the future and perhaps document it in the Council Rules of Procedure.

Councilmember Whelan stated that she brought this up because she felt that it is a Council decision to decide who goes. She added that Councilmember Odegaard has been in the forefront of the Rio de Flag project, and he should be going. She stated that she supports one member from the old Council, the Mayor, and one member from the new Council travel to the meetings. She suggested that the choice can always be changed if someone thinks they are better to go, and that Council needs to have the discussions on attendance in public.

Councilmember McCarthy stated that he agreed with Councilmember Whelan.

Mayor Evans stated that there is an informal rotation for the lobbying trip, and she would like to see a formal rotation established similar to that of the rotation for commission appointments. Councilmember Whelan stated that a rotation is a possibility but that it should ultimately be a decision of Council before each trip as to who goes.

Councilmember Salas stated that it is important for Councilmembers to review materials and be well versed in all the issues. Her direction is to create a rotation and use a strategic choice if it is determined that a change is needed.

Vice Mayor Shimoni stated that he would like to have the travel decisions transparent and adjusted at a meeting in advance if necessary. It is smart to have flexibility and that he would like to see the travel schedule posted ahead of time. He also said that he would like for the schedule to come before Council to affirm who will be traveling.

Councilmember Aslan stated he thought that there was rotation and a schedule and that the travel was one of the duties of a Councilmember. He asked that there be a right of first refusal if a Councilmember is unable to travel during their scheduled time.

Councilmember McCarthy stated that he thinks the travel needs to be decided with a flexible rotation and that it makes sense to have discussions on who travels. He feels that the discussion should be had at a Council meeting and that there should be a rotation but that it should not be rigid. If there is reason to change, then it can be changed by unanimous decision.

Mayor Evans stated that she wants something in place that future Councils can use as a guideline.

A majority of Council supported having a rotation of members be presented to the dais to confirm the travel with a unanimous vote to change the rotation.

12. Public Participation

None.

13. Informational Items To/From Mayor, Council, and City Manager; future agenda item requests

None.

14. Adjournment

The Flagstaff City Council Work Session of October 8, 2019, adjourned at 10:48 p.m.

MAYOR

ATTEST:

CITY CLERK