CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minute summary of the regular meeting of the City Council of Sierra Vista held on the 23rd day of January 2020. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 13th day of February 2020

SEAL

Maria G. Marsh
Deputy City Clerk

Jill Adams
City Clerk
Mayor Mueller called the January 23, 2020 City Council Regular Meeting to order at 5:00 p.m., City Hall Council Chambers, 1011 N. Coronado Drive, Sierra Vista, Arizona.

Roll Call:
Mayor Rick Mueller – present
Mayor Pro Tem Rachel Gray – present (arrived at 5:08 p.m.)
Council Member William Benning – present
Council Member Gwen Calhoun – present
Council Member Sarah Pacheco – present
Council Member Carolyn Umphrey – present
Council Member Kristine Wolfe – absent

Others Present:
Chuck Potucek, City Manager
Victoria Yarbrough, Assistant City Manager
Adam Thrasher, Police Chief
Brad Dever, Battalion Chief
Laura Wilson, Leisure and Library Services Director
Sharon Flissar, Public Works Director
Matt McLachlan, Community Development Director
Jeff Pregler, Senior Planner
Jill Adams, City Clerk
Nathan J. Williams, City Attorney
Tony Boone, Economic Development Manager
David Felix, Finance Chief Officer
Jennifer Osburn, Interim Budget Officer
Adam Curtis, Public Information Officer
Abe Rubio, IT Chief Officer
Commission on Disability Issues

Invocation - Pastor Chuck Carlson, Sierra Vista Community Church, conducted the invocation.

Pledge of Allegiance – Council Member Umphrey led the Pledge of Allegiance.

Item 1 Acceptance of the Agenda

Council Member Pacheco moved that the Agenda for the Regular City Council Meeting of January 23, 2020 be approved as written. Council Member Calhoun seconded the motion. The motion passed by a unanimous vote of Mayor Mueller, Council Members Benning, Calhoun, Pacheco, and Umphrey.

Awards and Presentations
Mayor Mueller, Council and Mr. Karl Hallsten, member of the Commission on Disability Issues and president of the Adult Loss of Hearing Association, awarded the Sierra VistAbility Award to the Sierra Vista Community United Church of Christ. Mr. Hallsten spoke about induction loops, the wheelchair ramp for the hard of hearing, the importance of loops and noted that churches have the most loops. Lastly, he stated that he is happy to have nominated the Sierra Vista Community United Church of Christ in recognition of providing access to the hard of hearing in Cochise County/Sierra Vita.

City Manager’s Report: Mr. Potucek announced that the next regularly scheduled City Council Work Session will be held at 3:00 p.m. in Council Chambers on February 11, 2020. On February 13, 2020 there will be a Special City Council Meeting regarding an Executive Session to discuss legal matters at 3:30 p.m. in the City Manager’s Conference Room followed by the regularly scheduled Council Meeting at 5:00 p.m. in the Council Chambers. He reported that the Animal Care Center Improvements Project is currently being advertised with those bids to close on February 27, 2020. A lease was signed for the Library Cafe with Bock Nook Cafe, which will open on February 1, 2020. The contract for the Water Mural Tower Project has been signed and it is scheduled to begin March 9, 2020 because warmer weather is needed. Lastly, the draft Development Fee Study has been posted on the City web site. He explained that over the last few months, staff has been engaged with a firm to study the development fees.

Mr. Potucek added that the City is currently operating under a development fee moratorium, which was a two-year moratorium, that is scheduled to pass on June 30, 2020. On July 1, 2020, the development fees will kick in automatically barring any other actions by Council. There is a lengthy process prescribed by State Law that the City must go through to implement any new fees and that study and the posting was part of that process. He further stated that staff will schedule a work session next month to provide history and background on development fees and where the City is at currently. He also stated that he envisions another work session with Council to go over the fees and the projects that are supported.

Item 2 Consent Agenda
Item 2.1 Approval of the City Council Regular Meeting Minutes of January 9, 2020
Item 2.2 Resolution 2020-003, Acceptance of Subdivider’s Agreement and Improvement Security for Canada Vista subdivision

Council Member Calhoun moved that the Consent Agenda consisting of the Regular City Council Meeting Minutes of January 9, 2020 and Resolution 2020-003, acceptance of the Subdivider’s Agreement and Improvement Security for Canada Vista subdivision, be approved. Council Member Umphrey seconded the motion. The motion passed by a unanimous vote of Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Calhoun, Pacheco, and Umphrey.

Public Hearing

Item 3 Resolution 2020-004, an owner transfer of a Series 6 Liquor License for Christopher Guinter and Christine Alonso on behalf of PC’s Lounge, 4700 E Highway 90, Sierra Vista, Arizona

Council Member Benning moved that Resolution 2020-004, an owner transfer of a Series 6 Liquor License for Christopher Guinter and Christine Alonso on behalf of PC’s Lounge, located at 4700 E Highway 90, Sierra Vista, Arizona, be approved. Council Member Umphrey seconded the motion.
Ms. Adams stated that this is an application for an ownership transfer of the Series 6, Bar Liquor License currently active at PC’s Lounge. It is not changing location and the agent, Christopher Guinter representing Tight Spot Enterprises, has made the application. The notice of the public hearing was posted on the premise for the required 20 plus days and no comments have been received from the public, pro or con. The Police Department has done a background check of the applicant and has no objection to this transfer moving forward. If Council approves this, it will be forwarded to the State for final action.

Council Member Calhoun asked if the State has ever rejected applications passed forward to them by the City. Ms. Adams stated that the State has not ever rejected one that has come through by the City of Sierra Vista. They have their own process and there is always the chance that one could be refused. They do fingerprints check and a much deeper background check than the City, but generally, they do take the wishes of the local community in consideration.

The motion passed by a unanimous vote of Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Calhoun, Pacheco, and Umphrey.

Item 4 Resolution 2020-005, Request to rename a portion of Sherbundy Street to Watkins Way

Mayor Pro Tem Gray moved that Resolution 2020-005, renaming a portion of Sherbundy Street to Watkins Way, be approved. Council Member Calhoun seconded the motion.

Mr. Pregler stated that this is a request to rename a portion of Sherbundy Street to Watkins Way. He displayed a map of the location of the requested renaming that depicted its location to be east of North Garden Avenue, and a small section between North Garden Avenue and the Regency Suites that dead ends prior to the Regency Suites. There are two adjacent businesses along the section of the roadway, Sierra Vista Realty, the applicant, and the Westwood Apartments.

The applicant, Sierra Vista Realty, has requested that this be renamed to Watkins Way in honor of the founder of Sierra Vista Realty, Bob Watkins. The street has no properties that address off the section of roadway and therefore, address changes will not be required. The applicant has stated that there is often driver confusion, thinking that Sherbundy Way connects to west Sherbundy Way, which would be west of the Regency Suites. Staff notified the Public Works Department, Fire Department, Police Department and Addressing Department and none of those departments had any issues/concerns with the street naming change. The process for street renaming requires notification to all adjoining property owners. Staff notified Westwood Apartments and have received no comments.

The Planning and Zoning Commission recommended by unanimous approval the street renaming at their December 17, 2019 meeting.

The motion passed by a unanimous vote of Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Calhoun, Pacheco, and Umphrey.

Item 5 Resolution 2020-006, Development Code Amendments to Section 151.22.006, Matrix of Use Permissions by Zoning District (Permitting of private general education schools) and Declaring a 30-Day Public Comment Period
Council Member Umphrey moved that Resolution 2020-006, Development Code amendments to Section 151.22.006, Matrix of Use Permissions by Zoning District, and declaring a 30-day public comment period, be approved. Mayor Pro Tem Gray seconded the motion.

Mr. Pregler stated that this is a request for a 30-day public comment period for proposed Code amendments to Section 151.22.006, Use Permissions, specifically related to use permissions for private schools of general education.

Arizona Revised Statute 15.189.01 states that municipalities shall allow charter schools to be established and operate in any location or in any facility for which the zoning regulations of the municipality cannot legally prohibit schools operated by school districts. This means that local jurisdictions, cities, municipalities need to treat charter schools in terms of zoning regulations as the same as public schools. There is a separate State Law that states that political subdivisions i.e., school districts are exempt from local zoning regulations. As a result of this, charter schools are exempt from local zoning regulations like public schools. The Statute goes on to state that a municipality may adopt zoning regulations that prohibit a charter school from operating on property that is less than an acre and is located within a single-family residence zoning district. Apart from this rule, the City does not have any zoning authority for charter or public schools.

Arizona Revised Statute 41-1493, Free Exercise of Religion, states that government shall not impose or implement a land use regulation in any manner that treats a religious assembly or institution on less than equal terms with a nonreligious assembly or institution, regardless of compelling government interest. The City Attorney has opined that a religious assembly would apply to religious private schools. Therefore, based on this Statute, private schools must be on the same level in terms of use permissions as charter schools and public schools.

The Development Code currently allows public schools and charter schools in all zoning districts as well as private schools of general education, multi-subject schools, K through six, eight or 12 schools, not commercial schools/business schools, i.e., First Baptist and Veritas Academy. However, the Development Code prohibits these types of schools within various zoning districts in the City. Therefore, staff is recommending the following amendment in order to meet the letter of the Law regarding State Statutes:
- Allow schools of general education to be allowed by right in all zoning districts; and
- Prohibit charter schools and schools of general education, if located on property that is zoned Single Family Residence and is less than one acre.

Mr. Pregler stated that the proposed amendments would put the Development Code in compliance with State Law. The Planning and Zoning Commission voted unanimously to approve the amendments at the December 17, 2019 meeting and staff has not received any public comments to-date regarding the amendments. The amendments have been on the City’s web page asking for public comment.

In response to Council Member Calhoun, Mayor Pro Tem Gray stated that the purpose of the amendment is to bring the City into compliance with State Law.

The motion passed by a unanimous vote of Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Calhoun, Pacheco, and Umphrey.

New Business

Item 6 Ratification of Resolution 2019-100, Modifications to Refuse Rates
Council Member Pacheco moved to reaffirm approval of Resolution 2019-100, modifications to the refuse rates as approved on December 12, 2019. Council Member Benning seconded the motion.

Ms. Yarbrough stated that this reaffirms Council's decision from December when the rate increase was approved but added a 30-day public comment period. Since that December meeting, the City has received 16 comments that were against the rate increase stating that services have been eliminated or reduced with the end of curbside recycling or that the rate increase was simply not warranted. There were four comments received that indicated that the person understood the reason for the rate increase and 15 other comments were received regarding various the following topics: privatizing refuse, once a week pickup, asking for curbside recycling back and general comments on the green waste program and other fees. There were 12 comments received before the December meeting since Council began discussing this issue that addressed issues regarding the fees, recycling and refuse rates.

The rate increase would go into effect March 1, 2020 and those who paid a year in advance would not be affected until July, if they did the year in advance again. Those who pay their bill a year in advance will continue to receive a 10 percent reduction.

Council Member Calhoun stated that during the work session it was clarified that the City is not giving up on the idea of recycling. She voiced her concerns over recycling services, the need to recycle in order to be a good steward of the earth, shared that she felt that this is a step backwards for the City in stopping its recycling program. She noted that the issue about recycling was discussed for several months, but there simply does not appear to be another way at this time. She encouraged City's staff, the Environmental Affairs Commission, and citizens to continue to look for ways on how the City might be able to re-establish municipal recycling. Lastly, she added that contrary to her initial feelings in that the City was giving up on recycling, she now knows that the City is not doing that. The City is simply doing what is needed and will continue to look for other ways to re-establish recycling.

The motion passed by a unanimous vote of Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Calhoun, Pacheco, and Umphrey.

Item 7 Ordinance 2020-001, Amendments to Chapter 52 Solid Waste Collection and Disposal, City Code of Ordinances, to allow private recycling collectors

Council Member Calhoun moved that Ordinance 2020-001, amendments to Chapter 52 Solid Waste Collection and Disposal, City Code of Ordinances, to allow private recycling collectors, be approved. Council Member Umphrey seconded the motion.

Ms. Osburn stated that on December 12, 2019, Council approved a 30-day public comment period for the proposed amendments to Chapter 52 of the City Code of Ordinances. The City has received seven comments, three in support of private recycling services, one of approval if it did not cost the City or residents anymore money, one against stating that it would increase residential street repair and administrative costs to the City, one suggestion to look into compactors, and one questioning charges. If approved, Ordinance 2020-001, adoption of the proposed amendments to Chapter 52, will allow private recycling collectors.

Council Member Pacheco asked about the layover time between allowing the recycling at the City facilities and private recycling. She also asked about keeping both options available. Ms.
Yarbrough stated that she has spoken with staff and reached out to the owner of one of the recycling companies that would like to operate in the City. The City’s target date for closing the recycling center would be March 1, 2020. One of the companies that had approached the City about private recycling is currently operating in the County and they would be ready to go. The other company would like to launch a pre-signup campaign as soon as Council has approved the ordinance. They would be targeting about 300 to 500 homes to start up services, which would take about 30 to 60 days to reach the signup goal and start operating, if they reach that goal by March 1, 2020. The County Recycling Center has currently drop-off recycling, but they do charge a fee.

Council Member Calhoun asked why the City had to pass an ordinance to allow private recycling companies to come into the City. Ms. Yarbrough stated that the current ordinance prohibits any entity other than the City from collecting refuse. There was no distinction between recycling materials and refuse; therefore, the ordinance change makes the distinction between recycling and refuse and allows for private collection of recyclable items only and establishes a definition for what recyclables are.

In response to Mayor Pro Tem Gray, Ms. Yarbrough stated that one of the companies is currently operating in the County and not in the city limits.

Council Member Benning asked if the City has reached out to the County, who is going to get an influx of participants that recycle. He also asked if the City could have an intergovernmental agreement with the County for the use of the City’s equipment and area. Mayor Mueller stated that the County is aware that the City is closing its recycling center.

Mayor Mueller asked Mr. Potucek if the County’s collection point has plenty of capacity. Mr. Potucek stated that he is correct.

Council Member Pacheco stated that there have been a lot of comments about privatizing refuse pickup for residences and there have been discussions as to why that has not been done, mostly because there would be a monopoly and there would be no control over refuse rates; but she believes that adding the privatization of recycling services is a testing of the water for that and it might prove well and bode well for the future.

Mayor Mueller stated that the City is not giving up on recycling. The City is in a financial situation and the market is in a position where it is forcing the City to do some things that Council does not want to do but the City will continue to look for ways and opportunities to recycle in the future to be more efficient in the refuse collection. This is the challenge for the future, to not give up and continue to search for a better way to do things, and when it becomes economically viable acting on that as appropriate.

The motion passed by a unanimous vote of Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Calhoun, Pacheco, and Umphrey.

Item 8 Resolution 2020-007, Approval of a Development Agreement with GL Mountain Vista LLC, Mountain Vista Mobile Home Park, 700 South Carmichael Avenue

Council Member Benning moved that Resolution 2020-007, a Development Agreement with GL Mountain Vista LLC, Mountain Vista Mobile Home Park located at 700 South Carmichael Avenue, be approved. Mayor Pro Tem Gray seconded the motion.
Mr. McLachlan stated that this request pertains to the Mountain Vista Mobile Home and RV Community located at 700 S Carmichael, south of Busby Drive and north of the Sierra Carmichael Apartments. The 16-acre site was included in the West Sierra Vista Infill Incentive District as designated by Council in 2005 to promote and help facilitate the redevelopment and revitalization of vacant and underutilized properties through incentives authorized by State Statute.

The property owner is seeking relief from certain development standards, which by policy requires City Council approval. The owner has requested a 50 percent reduction to the minimum front and rear yard setback requirements of the Manufactured Home Residence Zoning District going from 10 feet to five feet. All building and fire separation standards will be met, the park is approximately 40 years old and contains 158 spaces with the middle section currently devoted to short-term recreational vehicle rentals. The park is in transition with dozens of mobile homes being demolished and removed in recent years. There are about 40 mobile homes that remain, and the current owner has plans to refurbish the park by renovating existing units that make financial sense and continuing the removal of those that do not. No existing residents will be displaced by the redevelopment.

Good Living Ventures has ordered 10 new, two-bedroom, two-bath manufactured homes that measure 66 feet in length that are scheduled for delivery by the end of January 2020 should the development agreement be approved. The development agreement will provide the necessary flexibility to accommodate their placement. Each space will be landscaped with desert stone and low water use plants. As the units are sold or leased, they will continue to incrementally add more units to the park in batches of 10 to 20 at a time. The development agreement secures a seven-foot public sidewalk easement along the eastern edge of the property bordering Carmichael Avenue for future sidewalk construction as well as curb and gutter to control drainage. This endeavor aligns with the City’s affordable housing goals as well as revitalization of older areas of the community.

Mr. McLachlan introduced the owner, Ben Braband and Tom Proctor, operations manager. Ben Braband stated that Good Living Ventures, based out of Denver, Colorado, is a manufactured home community owner and operator that has been in business for about 15 years. They have created a business model with private investment where they take distressed affordable housing like the property at 700 S. Carmichael Avenue and based on the community’s need and with the support of local municipalities will install new manufactured housing and reactivate sites. The site was acquired in April 2019 along with seven other properties in Arizona, about 800 units, and is representative of the portfolio that they acquired at that time. The previous owner had owned the site for years and had let it fall into terrible disrepair. This is a significant investment for Good Living Ventures as they are interested and desirous to have the pre-development discussion about their business model.

The property is about 158 sites on 10 acres that was built in the early 80’s. Good Living Ventures has determined that there are about 12 remaining homes that are too far gone to rehab, and they will be demolished and removed. There are 14 homes that can be invested in and reactivated, and there are 10 new homes that are on order that will be brought into the community. However, through the process, it was discovered that the sites are a little short for the most habitable and desirous home, a two-bedroom/two-bathroom home that is approximately 900 square feet, at an affordable price. The current setbacks do not allow for this size home because the park was developed at a time when the homes were smaller, and today’s modern manufactured home requires a larger footprint.
Good Living Ventures is committed to safety and with respect to structure to structure setbacks, they do not want to request any additional density. They want to maintain structure to structure setbacks because they think that they can still provide a safe, wide private street with good ingress/egress and access for fire. The request for modification to the setback allows for a much more desirable home.

Mr. Braband stated that he has been given authority and a budget of $813,000 for investment for the year 2020. He added that they intend to reactivate the homes that are on the site, remove immediately the homes that need to go and assuming that they find interest and demand for the new homes being brought in, they will continue to do that with a cap of approximately $6 Million of total investment for the site.

Mayor Mueller thanked Good Living Ventures for taking an interest in the community. He added that affordable housing has been a challenge and noted that the City has done some good things but still needs additional homes and noted that the City has had challenges throughout the years in cleaning up old sites. He thanked Good Living Ventures for the seven-foot right-of-way for curb, gutter, and sidewalk for safe travel, especially at night along that stretch of south Carmichael.

Mayor Pro Tem Gray thanked Mr. Braband for his presentation and asked him if he plans on retaining the name, Mobile Home Park; although, the homes will be manufactured and not strictly mobile homes. She also asked if the homes will be manufactured when being replaced. Mr. Braband stated that she is correct.

Mayor Pro Tem Gray asked if Good Living Ventures plans to rent lots with the resident buying the dwelling. Mr. Braband stated that the site is a single parcel; therefore, they will not be able to sell off the individual lots as is without an additional condo map or conversion of the site. The business model is that of a leased lot where an individual can own their home. They also do rentals and they love to sell and have a homeowner community. They will offer homes for sale or lease as it will be market driven. He also stated that the community is governed by private rules and regulations, with the first hierarchy being what the City requires. Internally, they will not discriminate by the age of the home as it is a matter of its condition. He explained that Good Living Ventures will be investing a lot of money in new homes and therefore, they do not want people buying new homes and having an eyesore moving in next door. They will do their best along with code enforcement to ensure that they have a consistent, well thought out community.

Council Member Calhoun stated that she recognizes that this is a private enterprise, but she is curious if Good Living Ventures will be open to accepting partial payments from government sources for housing. Mr. Braband stated that they are currently private, and they will try to reach out to any assistance programs that might be available for their future customers/clients. However, they are not funded by such groups and they will not discriminate based on the customers/clients’ source of their income. Good Living Ventures will ensure that the customers/clients can live on the site so that they are not placed in a bad predicament, and if there is assistance available, they will accept that as a portion of the income. They try to use a common-sense underwriting, which is affectively no more than 35 percent of their total income to apply towards the total housing payment, which would include lot rent as well as the home payment.

Mayor Pro Tem Gray stated that Council Member Calhoun during the work session asked about tax credit housing. Mr. Braband stated that there are limited programs that they use, and they would love to expand those programs and participate, but some of the limitations that they have
found come from the lender. They do not provide financing for the consumer and the lenders have constraints relative to some of those programs.

Council Member Benning thanked Good Living Ventures and stated that giving some empowerment to the community is huge and by redeveloping this piece of land that is being done.

The motion passed by a unanimous vote of Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Calhoun, Pacheco, and Umphrey.

Call to the Public – There was no response.

Comments and Requests of the Council

Council Member Umphrey stated that she had a great time at the spectacular event put on by staff for the Grand Re-Opening of the Domingo Paiz Soccer Fields, where kids revealed the logo.

Council Member Pacheco congratulated the National Association for the Advancement of Colored People on a wonderful Martin Luther King Jr. Day walk and ceremony. She announced that the City will have a lot of visitors during the weekend thanks to the Buena High School Student Council hosting a conference in Sierra Vista. She reported that the Buena High School’s parking lot had a lot of busses from high schools all over the State and to her knowledge, every hotel is full, which means that restaurants will be full too. The Education Conference with Jackie Clay’s visitors are also staying in town. She encouraged people to welcome the students to Sierra Vista, an incredible opportunity for Sierra Vista.

Council Member Calhoun had nothing to report.

Council Member Benning apologized to Ms. Wilson for not being able to attend the Grand Re-Opening of the Domingo Paiz Soccer Fields due to a family matter. He also stated that the Martin Luther King Jr. March was great and explained his vote on the modifications to refuse rates and noted that City has been working on this for a long time. He thanked staff for their time at Council Meetings and behind the scenes and one on one settings with Council about what they believe, their ideas and showing the numbers. He also thanked the community for their input. Lastly, he stated that everything in the community is going up as well as in the country and the City cannot be expected to provide a service and not do the same. By doing nothing, the City is being put into a greater deficit. He challenged staff, Mayor Mueller and Council to look for ways to do refuse that is better for the community like low income housing. Things are starting to come together for Sierra Vista, it is a great time to be in the City, the fields are looking amazing, and the Schneider Project is looking good across the board.

Mayor Pro Tem Gray apologized for being tardy to the Council Meeting because it is not something that she likes to do, but it was unavoidable. She also apologized and thanked Adrian, Larry and Johanna that came to the Council Meeting to be appointed to the Industrial Development Authority, which were not on the agenda. She added that based on their applications, she believes that they will be wonderful assets to the Industrial Development Authority. She also commented on the ribbon cutting ceremony at the Domingo Paiz Soccer Fields and the unveiling of the logo.

Mayor Mueller stated that everything that he wanted to say has been covered, Martin Luther King Jr. event, Grand Re-Opening of the Domingo Paiz Soccer Fields, which he was unable to
attend due to being in Phoenix. He added that Schneider Electric is doing a great job for the City, which is appreciated. In closing, he thanked staff for providing him and Mr. Boone with a birthday celebration. He also thanked staff for all their good work on the hard issues that Council had to deal with on recycling and budget. Staff provides Council with hard answers to their tough questions, which is appreciated so that Council can make good decisions that are best for the community.

Adjournment - Mayor Mueller adjourned the January 23, 2020 meeting of the Sierra Vista City Council at 5:54 p.m.

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Mayor Frederick W. Mueller

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MINUTES PREPARED BY:

Maria G. Marsh, Deputy Clerk

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ATTEST:

Jill Adams, City Clerk