



TOWN COUNCIL MEETING
6401 E. LINCOLN DRIVE
PARADISE VALLEY, ARIZONA 85253
SUMMARIZED MINUTES

May 10, 2012

CALL TO ORDER

Mayor LeMarr called to order the Town Council meeting of the Town of Paradise Valley, Arizona, held at Town Hall 6401 E. Lincoln Drive, on Thursday, May 10, 2012 at 3:05 PM.

COUNCIL MEMBERS PRESENT

Mayor Scott P. LeMarr
Vice Mayor Mary Hamway
Council Member Michael Collins
Council Member Paul E. Dembow attended by telephone conference call
Council Member Pam Kirby
Council Member Vernon B. Parker
Council Member Lisa Trueblood

STAFF MEMBERS PRESENT

Town Manager James C. Bacon, Jr.
Town Attorney Andrew M. Miller
Town Clerk Duncan Miller
Community Development Director Eva Cutro
Planner George Burton
Senior Planner Molly Hood
Police Chief John Bennett
Presiding Judge Ty Taber
Municipal Court Director Jeanette Wiesenhofer
Acting Public Works Director Brent Skoglund

Councilmember-elect Dan Schweiker

Discussion of Mountain Shadows

Robert Flaxman, President and CEO of Crown Development which owns Mountain Shadows, presented a redevelopment vision for Mountain Shadows Resort. He described other projects his company has developed around the country. He stated that Crown is moving forward with a plan to demolish existing structures on the property which have been shuttered since 2004.

Mr. Flaxman introduced Tim Sprague with Solage Hotel & Resorts. Mr. Sprague stated that Solage is interested in co-investing in the project and branding the redeveloped Mountain Shadows resort as a Solage community.

Attorney Doug Jordan of Jordan Bishoff and Hiser PLC represented Crown Development. Mr. Jordan stated that Mountain Shadows is the only property in Town without a Special Use Permit (SUP). When the Camelback Inn and the Paradise Valley Country Club were annexed into the Town, they were granted SUPs with general development parameters. However, in 1992 Mountain Shadows was annexed into the Town and granted a development agreement.

He stated that there is an opportunity to finally resolve the zoning and development issues of the past while at the same time being sensitive to the communities of Mountain Shadows East and West.

Mr. Jordan requested that the Town follow the same streamlined SUP process that was used in the Camelback Golf Club SUP. He also requested that the Town go back to the development model used for the Camelback Inn which defines heights, setbacks, and other major zoning standards but allows the market to determine the minor redevelopment details.

He shared a conceptual site plan that defined the general uses of the redeveloped property including the following zones:

- A: Resort hotel with golf facilities and resort residential
- B: Resort Hotel / Resort Residential
- C: Resort Residential Golf Facilities
- D: Existing Golf Course
- E: Resort Residential
- F1 and F2 Resort Retail

He announced that the plan calls for the golf course to be modified. For example, two of the par 4 holes will become par 3 holes.

He argued that the narrative and stipulations should define heights, setbacks and square footages, instead of past applications which required specific plans and renderings to be submitted for Planning Commission review. The drawings he presented were meant to provide examples and give ranges and flexibility for development standards.

He said the revised application, including the narrative, would be submitted early next week.

He said the applicant is comfortable with Council approval in September rather than the 60 day approval schedule.

Town Manager Jim Bacon stated that the Crown Development filed an application several years ago and it has remained active. They asked to revise the existing application before the Town begins the review process

He stated that the Town's review process will rely on the guidelines set forth in the letter he sent to JDM Partners and copied to Crown Development on October 19, 2011.

He said the Town will focus on six standards:

1. Floor area ratio – The Town's SUP Resort Guidelines require that the maximum floor area ratio may not exceed 25%. He said there may be a need to clarify how floor area ratio is defined and calculated.
2. Building height
3. Setbacks – He said the Town may be flexible on setbacks based on the type and intensity of development.
4. Uses proposed for east side of the project
5. Resort Key Minimum – He clarified that his October 2011 letter broadly suggested a range between 90 – 100 rooms.
6. Public Improvements – These improvements would include Lincoln Drive, McDonald Drive, and 56th Street

Mr. Bacon provided two timeline options. Option 1 sets out a 60 day schedule with the Town Council public hearing on July 12, 2012. Option 2 is a longer schedule with the Council Public Hearing on September 27, 2012. Both options assume that the applicant will submit the final application on or before May 14. Neither option would allow enough time for a referendum, if filed, to be held on the project as part of the November 2012 election.

Jay Stucky, representing the Mountain Shadows Homeowners Associations, presented a list of concerns. He said if these concerns are not resolved they would file a zoning protest requiring a 3/4ths vote of the Council to approve the SUP. The concerns included:

1. Concern regarding the bankruptcy notice
2. Concern regarding the proposed high density
3. Concern regarding the homeowners' Shalimar Rights – No portion of the golf course may be used for development
4. Concern regarding the shortened review schedule since many residents will be out of Town during the Summer

Mr. Flaxman offered to meet with the HOA and meet with any neighbors impacted by the golf course redevelopment.

Discussion of Public Art Guidelines

Arts Advisory Committee Chair Bets Manera presented a draft policy governing the acceptance of public art in Paradise Valley. She said it provides concrete guidelines for accepting art as a gift. Vice Mayor Hamway serves as the council liaison to the Arts Advisory Committee. She said the policy guidelines respect diverse artistic expressions while at the same time allowing the Town to reject art which is inconsistent with contemporary community standards.

Ms. Manera said the immediate concern is a proposal to install a sculpture on the Town Hall campus in memory of longtime resident and cartoonist Bil Keane. The Keane family will be responsible for commissioning the design and foundry model. If the family is successful, funds will be raised to complete the full-sized sculpture and pay for its installation and maintenance.

Mr. Bacon stated that the art guidelines will be scheduled for Council approval at the next meeting.

Update on Post Office

Mr. Bacon stated that the Municipal Court has been developing various proposals to improve its security infrastructure and procedures for two years. The plan is for the court to expand into the current post office and provide a court entrance where the entrance to the Post Office is now. The post office would then be re-located to where the reception area was located in Town Hall.

He noted that during the general plan review process there were discussions and support for a community gathering place. One suggestion was to expand the Post Office to include post office boxes, a coffee shop, and retail. The Town met with people familiar with the needs of this type of enhanced use. Their conclusion was that an additional 600 to 1,000 square feet would be necessary to make it an economically viable operation. He said this additional space would require expanding the foot print of Town Hall. He stated that this was not something the Council previously supported.

However, if the Council is interested in exploring this expanded use, staff could develop and issue an RFP to design an expanded footprint for Town Hall to allow adequate space for retail. If the Council agreed to authorize an RFP, it would be funded by the capital project contingency.

There was no objection to authorizing staff to prepare an RFP to design a larger area for the Post Office.

Discussion of Photo Radar

Mr. Bacon stated that the current contract for photo radar services with Redflex Traffic Systems expires on June 30, 2012. He recommended that the contract be extended for one year and that Council authorize staff to develop a proposal to extend the service on a long-term basis. A long term agreement would provide stability and allow staff to negotiate installation of additional photo radar facilities on major arterials. The Town could also issue an RFP for photo enforcement services if the Council so desires.

Police Chief John Bennett discussed why he felt photo radar is an important public safety tool. He argued that photo radar keeps the streets safer. It allows police officers to focus on patrolling residential areas. It is also an effective deterrent for motorists who otherwise speed and/or run red lights. He provided data from the last ten years showing that the number of traffic collisions

has dropped. This especially true at intersections where red light cameras have been installed. In 1996 cameras were installed at Lincoln Dr and Tatum Blvd. In 2006 cameras were installed at Lincoln Dr and Mockingbird Lane and Tatum Blvd and McDonald Dr.

He stated that the Town is in compliance with all photo radar signage requirements. In November of 2010, the Town decided to exceed the notice that is required by state statute by displaying A-frame signs warning motorists that they are entering a photo enforcement zone.

Municipal Court Director Jeanette Wiesenhofer presented photo enforcement court filing data. She said in 2010 the Court created unique case type to distinguish between photo enforcement filings versus officer issued citations. Previously there was no way to provide data just on photo enforcement citations.

She stated that the number of photo radar citations has decreased over the last four years but the number of paid citations has remained flat over the last three years. This may be due in part to more convenient payment options such as online credit card transactions. Revenue has also remained constant as a result of greater compliance and the addition of the new state surcharge (SB 1398 fee).

There was Council discussion about issuing a competitive RFP for photo enforcement services. Council questioned what infrastructural changes would need to be made if there was a switch in vendors.

Responding to a question from the Council, Edward Tiedje of Redflex Traffic Systems stated that photo radar technology is not interchangeable. There are some proprietary software differences between the different photo radar vendors. For example, Redflex offers secondary speed verification.

Resident and former Police Chief John Wintersteen noted that the Town owns the photo enforcement infrastructure that serves red light cameras. Any vendor can connect to that infrastructure, however, the cameras and equipment themselves are very different. He said it would be difficult to have a head to head competition between the two vendors because the equipment and methods are very different. (Mr. Wintersteen stated that he is not and has never been a paid consultant for any photo radar company.)

Presiding Judge Ty Taber stated that photo radar is an important part of law enforcement in Paradise Valley. As a result, it makes up a large portion of the Court's workload. He said traffic enforcement can take a tremendous amount of time and staffing to process citations. He said it is not correct to think that photo radar citations are not heard by judges. A defendant has the same right to be heard as they would if the ticket had been issued by an officer. He noted that traffic enforcement citations generate revenue whether they are issued by photo radar or a police officer. The purpose of traffic enforcement is not to generate revenue but to improve public safety. A fine is assessed because it is an effective means to prevent unlawful behavior.

Mr. Bacon stated that the contract extension will be scheduled for Council consideration on May 24, 2012. A work session will be scheduled in October to consider the long term contract or RFP.

Update on Camelback Mountain Parking

Town Engineer Bill Mead stated that the Town of Paradise Valley and the City of Phoenix have been working with property owners in both jurisdictions to find a solution to the parking issues generated by hikers at the Echo Canyon trailhead. Since November, two public meetings have been held in Paradise Valley and five in Phoenix to present a number of parking proposals. The Phoenix Parks Board has since narrowed the options to three. Of the three, option 14 enjoys the most support from area neighbors.

Mr. Mead introduced Kathi Reichert, Deputy Director Phoenix Parks and Recreation Department, and Tim Merritt, Phoenix Parks and Recreation Manager.

Ms. Reichert stated that the Camelback Mountain trails continue to see an increased volume of hikers. It is estimated that 500,000 people will hike the trail this year. This number puts impossible demands on the 68 parking spaces at the Echo Canyon trailhead and causes access issues for neighboring homeowners and public safety personnel.

Ms. Reichert briefed Council on three design options to expand the parking lot. Option 8 included 154 spaces, a ranger guardhouse, a restroom and shuttle parking. Estimated cost \$2.5 million. Option 9 included 148 spaces, a ranger guardhouse, a roundabout on McDonald Dr, a restroom, and shuttle parking. Estimated cost \$2.7 million. Option 14 was developed with cooperation from the homeowners association. It provides for 132 spaces, a ranger guardhouse, restroom, shuttle parking, ramada for hikers, and a roundabout on McDonald Drive. The estimated cost was \$2.1 million.

Mr. Merritt presented an update on research being conducted by ASU Professor Dave White and the School of Community Resources and Development. The goal of the research is to understand the psychological, social, and behavioral dimensions of visitors to Camelback Mountain and to use the information to develop an adaptive management plan.

Surveys were conducted in March. Hikers provided demographic data and provided preferences for facilities and programs, preferences regarding a fee for parking, and perceptions of social and environmental conditions. The next step is to develop an adaptive management plan based on the data.

Ms. Reichert concluded that Phoenix staff will present a parking plan recommendation to the Phoenix Parks Board in the late spring.

Motion and vote – Vice Mayor Hamway moved to go into executive session at 6:26 p.m. Councilmember Kirby seconded the motion which passed by a vote 6-0. (Councilmember Dembow was not present for the vote.)

EXECUTIVE SESSION

- a.** Discussion and consultation with town representatives concerning the purchase, sale or lease of real property in the vicinity of McDonald Dr and Echo Canyon Parkway as authorized by A.R.S. §38-431.03.A.7. Discussion and consultation with the Town Attorney regarding intergovernmental agreement with the City of Phoenix for Camelback Mountain shuttle service and parking as authorized by A.R.S. §38-431.03.A.4.
- b.** The Town Council may go into executive session at one or more times during the meeting as needed to confer with the Town Attorney for legal advice regarding any of the agenda items listed on the agenda as authorized by A.R.S. §38-431.03.A.3

RECONVENE FOR REGULAR BUSINESS MEETING

CALL TO ORDER

Mayor LeMarr reconvened the meeting of the Town Council at 6:45 P.M.

COUNCIL MEMBERS PRESENT

Mayor Scott P. LeMarr
Vice Mayor Mary Hamway
Council Member Michael Collins
Council Member Paul E. Dembow attended by telephone conference call
Council Member Pam Kirby
Council Member Vernon B. Parker
Council Member Lisa Trueblood

STAFF MEMBERS PRESENT

Town Manager James C. Bacon, Jr.
Town Attorney Andrew M. Miller
Town Clerk Duncan Miller
Police Chief John Bennett
Community Development Director Eva Cutro
Acting Public Works Director Brent Skoglund

PLEDGE OF ALLEGIANCE

Mayor LeMarr led the Pledge of Allegiance.

PRESENTATIONS

There were no presentations.

CALL TO THE PUBLIC

Resident Dorothy Smith addressed Council regarding the fire service fee. She asked that the Council consider additional fee tier options. She said there are a wide variety of home sizes in Town and that larger homes should pay a higher fee.

Mayor LeMarr announced that there would be open houses at the fire stations to share information about the fire department and the fire serviced fee.

Former Mayor Robert Plenge presented a petition to the Council with approximately 500 signatures requesting that the Council schedule a public vote to repeal direct election of the

mayor. He stated that the divisiveness and expense of the mayoral election this year may prevent good candidates from running in the future.

CONSENT AGENDA

- a. Minutes of Town Council Meeting April 26, 2012**
- b. Approval of Special Event Liquor License for the Unitarian Universalist Congregation of Phoenix**
Recommendation: Approve a special event liquor license for Unitarian Universalist Congregation of Phoenix, subject to the stipulations in the action report.

Mr. Bacon summarized the items on the consent agenda.

Motion and Vote: Vice Mayor Hamway moved to adopt the Consent Agenda as submitted. Councilmember Kirby seconded the motion which passed by a vote of 7 – 0

PUBLIC HEARING

There were no public hearings.

ACTION ITEMS

Adoption of Resolution Number 1254 Approving the Tentative Budget for Fiscal Year 2012-2013

Town Manager Bacon presented the tentative Fiscal Year 2012-13 budget. He stated that budgeted revenue includes 6 months of the fire serve fee and a full year of the temporary sales tax. All other revenue sources are expected to increase by 3.2%. He said only 7% of the capital budget will be funded from current revenue. The remainder depends on fund transfers.

He stated that estimated general fund expenditures equaled \$16.9 million. Estimated capital improvement expenditures equaled \$6.3 million. The total expenditures for all funds were \$30,250,238.

He stated that adoption of the tentative budget sets the upper ceiling for expenditures. The Council may reduce expenditures when it considers the final budget on May 24, 2012, but the Council may not increase expenditures.

Motion and Vote – Vice Mayor Hamway moved to adopt Resolution Number 1254; approving the tentative budget and scheduling a public hearing for adoption of the budget at the May 24,

2012 Council meeting; and authorizing implementation of budgeted programs on July 1, 2012 for Town services and operations. Councilmember Kirby seconded the motion which passed by a vote of 6-0. (Councilmember Parker was not present for the vote.)

Adoption of Ordinance Number 650; Amending Chapter 13 Fire Prevention and Control Service, Section 14-4-2(2) Alternatives

Town Attorney Andrew Miller stated that the date originally adopted by the Council to implement collection of the fire service fee was June 1, 2012. Attempts to identify third parties to collect the fee on behalf of the Town, most notably the Maricopa County Treasurer, have not been successful. The Town believes that more time is needed to seek input from the residents on the fee methodology and identify a new collection mechanism. Ordinance Number 650 extends the effective date of the requirement for residents to start paying for fire service to December 31, 2012.

Motion and Vote – Vice Mayor Hamway moved to adopt Ordinance Number 650. Councilmember Dembow seconded the motion which passed by a vote of 6 – 0. (Councilmember Parker was not present for the vote.)

Approval of 7M Ranch Preliminary Plat

Community Development Director Eva Cutro presented the 7M Ranch Preliminary Plat. The request was for a 4-lot subdivision with a new cul-de-sac. She said the existing home would be demolished. The subdivision would not include signage, wall private road, or private roadway gate. She said the proposed subdivision was in compliance with relevant Town Code provisions including R-43 lot size, height, width, access, and setback standards. The Planning Commission reviewed the request and voted 7-0 to forward the application to Council with a recommendation for approval.

Responding to a question from Council, developer Rod Cullum responded that the name 7M Ranch was chosen because the owner's last name starts with an "M" and there are 7 family members.

Responding to a question from Council, Ms. Cutro stated that the Berneil Water Company will serve the subdivision. The developer will install a new 6" water line and the water company has verified capacity to serve the new lots.

Motion – Vice Mayor Hamway moved to approve the 7M Ranch Preliminary Plat, subdividing approximately 4.78-acres into 4 residential R-43-zoned lots, subject to the following stipulations:

1. The Final Plat for 7M Ranch shall be in substantial compliance with the following preliminary plat and accompanying subdivision improvement plans:

- a. Preliminary Plat, Sheets 1 & 2, prepared by Montgomery Engineering & Management, LLC, dated March 26, 2012.
2. Within 30 days of approval of the Final Plat, the applicant shall submit to the Town mylars of the approved plans and an electronic version of these plans in a pdf format for the Town's permanent record.
3. Prior to the recordation of 7M Ranch, the applicant shall provide, subject to Town approval, all assurances necessary to guarantee completion of the public improvements adjoining the subject property in accordance with the Preliminary Plat, Sheets 1 & 2, prepared by Montgomery Engineering & Management, LLC These improvements include:
 - i. Installation of new 6-inch diameter water line in the new cul-de-sac.
 - ii. Installation of a new 8-inch sewer line extension 8" sewer line extension that will connect to an existing 8" sewer line located north of the subject property in the Kober Estates subdivision and sewer lift pumps for Lots 2, 3, and 4.
 - iii. Construction of a new roadway (to be named) extending eastward from Kober Road, with a 50-foot right-of-way, with a total paved section of 26 feet with 2' ribbon curb on both sides, terminating in a 90-foot diameter cul-de-sac.
 - iv. One additional fire hydrant adjoining the subject property on the new roadway as specified by the Town Fire Marshal.
4. Prior to the issuance of any building permit in the subdivision, the applicant shall complete the improvements listed in Stipulation 3.
5. The landscaping in the right-of-way must meet the Town's Landscape Guidelines.
6. Landscaping and sufficient water to establish the new vegetation must be provided in Tracts 1 and 2 prior to the issuance of any building permits.
7. The Final Plat shall include a note stating that the Lot 1 property owner is responsible for Tract 1 and the Lot 2 property owner is responsible for Tract 2.

Vote - Councilmember Parker seconded the motion which passed by a vote of 7-0.

REQUESTS FOR FUTURE AGENDA ITEMS

Motion and Vote – Vice Mayor Hamway moved to add consideration of repeal of direct election the mayor on agenda for May 24 work session agenda. Councilmember Collins seconded the motion which passed by a vote of 7 – 0.

MAYOR / COUNCIL / MANAGER REPORT

Councilmember Kirby announced that she is also on the Scottsdale Unified School District Board. Recently the School Board received a presentation by a School Resource Officer with the Scottsdale Police Department on a program similar to DARE called G.R.E.A.T. The program provides children with the tools they need to make good decisions and avoid gangs and violence. She said she would forward information on the program to the Town Manager and Police Chief for them to review and consider.

ADJOURNMENT

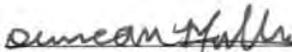
Motion and vote – Vice Mayor Hamway moved to adjourn. Councilmember Parker seconded the motion which passed by a vote of 7 - 0.

Mayor LeMarr adjourned the meeting at 7:14 p.m.



Scott P. LeMarr, Mayor

ATTEST:



Duncan Miller/Town Clerk