



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

October 4, 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, October 4, 2012 at 5:00 PM.

COUNCIL MEMBERS PRESENT

Mayor Scott P. LeMarr
Vice Mayor Michael Collins
Council Member Pam Kirby
Councilmember Dan Schweiker
Council Member Lisa Trueblood

Council Member Paul E. Dembow was not present

STAFF MEMBERS PRESENT

Town Manager James C. Bacon, Jr.
Town Attorney Andrew Miller
Town Clerk Duncan Miller
Community Development Director Eva Cutro
Planner George Burton

Mayor LeMarr led the Pledge of Allegiance.

WORK/STUDY DISCUSSION ITEMS

Discussion of Mountain Shadows Special Use Permit Application

Mayor LeMarr announced that the posted agenda would be taken out of order with the work session first and the executive session second since there was so many residents in attendance.

He explained the remaining review and hearing schedule for the Mountain Shadows Special Use Permit (SUP) application. He said tonight would be a work session to receive a briefing on the stipulations that were approved by the Planning Commission and forwarded to the Town Council. He said he would allow some time for public comment. There would be another work session on October 11 with another opportunity for public comment. The first public hearing would be scheduled for October 25 and the second public hearing and vote would be November 1. From start to finish, this review process will have taken six months which is what was promised in the Town Manager's letter to the previous applicant, JDM Partners, in October 2011.

Town Manager Jim Bacon explained the status of the SUP, stipulations, and development agreement provisions. He summarized the key positions of all the stakeholders including; the town, the property owner, and the immediate neighbors. (Attachment 1)

Community Development Director Eva Cutro summarized the SUP, as recommended by the Planning Commission. She emphasized that the recommendation relies on concepts, not specific plans, as was directed by the Town Council in the Statement of Direction (SOD). She stated that the Planning Commission drafted and approved 105 SUP Stipulations. After editing and eliminating redundancies, a total of 102 stipulations remain for Council consideration.

Ms. Cutro explained in detail the stipulations which needed further discussion due to conflicts among the SOD, staff, Council, Commission, and/or applicant. (Attachment 1)

Town Manager Bacon stated that a new Development Agreement (DA) was being drafted. The items addressed in the DA included:

- A requirement that the property owner sign a Prop. 207 waiver
- The rescission of the 1992 Development Agreement and settlement of claims
- Demolition and site clean up
- Scope and schedule
- List of approved uses
- Resort standards
- Golf course / open space commitment
- Right-of-way / public improvement contribution
- Phasing
- In-lieu fees

Attorney Doug Jorden, representing the property owner, stated that he remains committed to finding a solution that would resolve all outstanding issues. He noted that the development envelope concept is not unique in Paradise Valley. There were three properties annexed into the Town of Paradise Valley in the early 1990s with similar SUP approval standards: Paradise

Valley Country Club; Camelback Inn; and Mountain Shadows. The development envelope concept was used as a way to encourage those three properties to annex into the Town.

He stated that the Planning Commission asked the applicant not to comment on the stipulations during their review process. He said that request was honored, but the applicant does have concerns about several of the stipulations and comments would be provided to Council. Likewise, he said he would continue working with the Town to resolve the remaining issues in the development agreement.

Resident Jay Stuckey spoke on behalf of the Mountain Shadows West Homeowners' Association. He submitted a list of requested "stipulations" for the Council to consider. (Attachment 2)

Resident Jim Barrett spoke on behalf of the Mountain Shadows East Homeowners' Association. He stated that Mountain Shadows East residents want to remain part of the resort campus and entitled to use resort amenities. He said they also feel strongly about requiring 10,000 square foot lot size minimums for the resort residential components.

Responding to a question from Council regarding Stipulation #94, Mr. Miller stated that the term "unified management" means homeowners' association. Ms. Cutro recommended that this item be discussed further by the Council.

Council asked for clarification of Stipulation #103. Ms. Cutro stated that the Planning Commission felt strongly about adding a requirement that the property must be developed by a single "master developer. She said Staff strongly opposes the stipulation. It is not anticipated that one developer will develop or manage the property.

Responding to a question regarding the approval schedule, Mr. Bacon stated that the public meeting schedule along with all relevant documents will be updated on the website. He outlined the following schedule:

- October 11 study session
- October 25 public hearing
- November 1 public hearing and vote; or
- November 15 public hearing and vote if necessary

Roger Nelson spoke regarding the golf course. He said his biggest concern was that the proposed shorter course, and elimination of the driving range, would make the course economically unviable. He said residents moved there to play golf; not enjoy open space. Removing the driving range would effectively eliminate its use as a teaching and practice facility.

Council Members made the following requests:

- Add golf course comparison data to the website

- Continue to use the same stipulation matrix in future meetings showing “redline changes”
- Provide Council Members adequate time to review and discuss all the stipulations, not just the ones identified by Staff as needing further discussion.

Motion and vote – Councilmember Kirby moved to go into executive session at 6:33 PM. Councilmember Trueblood seconded the motion which passed by a vote of 5 – 0.

EXECUTIVE SESSION

Discussion and consultation with legal counsel regarding pending or potential litigation regarding current development agreement with Potomac Hotel Limited Partnership and future development agreement with MTS Land LLC and MTS Golf LLC related to the Mountain Shadows Resort as authorized by A.R.S. §38-431.03.A.4; and legal advice related to bankruptcy and other legal matters connected with the Mountain Shadows Resort project as authorized by A.R.S. §38-431.03.A.3.

ADJOURNMENT

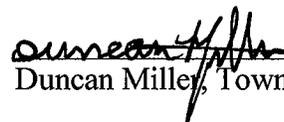
Motion and vote: Councilmember Schweiker moved to adjourn. Councilmember Kirby seconded the motion which passed by a vote of 5 – 0.

Mayor LeMarr adjourned the meeting at 8:35 p.m.



Scott P. LeMarr, Mayor

ATTEST:



Duncan Milley, Town Clerk