

**MINUTES OF THE REGULAR MEETING
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY**

**TUESDAY, AUGUST 23, 2022
6:00 P.M.**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

Present: Mayor Jack Miller; Vice-Mayor Annie Perkins; Councilmember Tom Armstrong; Councilmember Eric Granillo; Councilmember Cloyce Kelly; Councilmember John McCafferty; Councilmember Lon Turner

Staff Present: Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Assistant to the Town Manager Terri Denemy; Administrative Services Director Joe Duffy; Development Services Director Laurie Lineberry; Economic Development Project Manager Maggie Tidaback; Human Resources Director Laura Kyriakakis; Assistant Town Engineer Steven Sullivan; Community Services Manager Cyndi Thomas; Senior Planner Will Dingee; Community Services Director Scott Bruner; Officer Austin McAvoy (Sgt at Arms); IT Manager Spencer Guest; Town Clerk Erin N. Deskins

1) CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Miller called the meeting to order at 6:00 p.m. and led the pledge of allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Presentation of certificate to Essence Bar + Kitchen for a Chino Valley Business Humanitarian Award presented by Spencer Guest, IT Manager. (Terri Denemy, Assistant to the Town Manager)

Terri Denemy, Assistant to the Town Manager, presented the following:

- The Town would be recognizing outstanding contributions of local businesses and people on a regular basis.

The Humanitarian Business Excellence Award was being presented to owners Chef Jason Krupp and Julia Ammons of Essence Kitchen Bar and Grill.

Spencer Guest, IT Manager presented the award:

- It was the first Humanitarian Business Excellence Award.
- The staff and dining environment were nice, and they had some of the best food in the quad city area.
- They exemplified the award they were receiving through several actions including:
 - Held complimentary lunches to honor local veterans and paired the luncheon

with assistance to local kids on careers and education. Kids interested in the culinary arts helped with the veteran's lunch. They donated funds to assist local students with their college education.

- They hosted a back-to-school meal along with Papa's Kids School Foundation, and free backpacks and school supplies had been provided.
- He extended his personal gratitude to them for their efforts during a personal crisis, when they closed down their restaurant to allow Mr. Guest's family member attend to family needs during the crisis.
- Their actions spoke volumes about their character. Their commitment to their staff and to the Town showed in how they used their business to benefit everyone.
- The certificate was read aloud and highlighted their exemplary commitment and actions to the community.

- b) Presentation of special recognition to volunteers Richard Coleman and Jack Graham, who for years have been quietly maintaining the Peavine Trail, presented by Scott Bruner, Special Projects Manager. (Terri Denemy, Assistant to the Town Manager)

Scott Bruner, Special Project Manager, presented the following:

- Recognized Richard Coleman and Jack Graham for their continued volunteer service maintaining 5.3 miles of the Peavine Trail.
- Both men spent hundreds of hours maintaining the trail, from pulling weeds and shoveling, to picking up trash.
- Their services freed up Town Park's crew and saved the Town money.

Cyndi Thomas presented the following:

- Both men were presented with a certificate for their continued outstanding volunteer services in maintaining the Peavine Trail, which was read aloud for the record.

- c) Presentation and update by the Chino Valley Area Chamber of Commerce. (Terri Denemy, Assistant to the Town Manager)

Lorette Brashear, President and CEO of the Chino Valley Chamber of Commerce presented the following:

- Major accomplishments for the past year included:
 - Finding a permanent building for the Chamber of Commerce.
 - Becoming a 501(C)(3) and they were also now the Chino Valley Area Chamber of Commerce Education Foundation.
 - Membership had increased to steady 200 numbers and their social media presence had increased by 46%.
 - The visitor center numbers for June and July included 28 walk-ins and 18 relocation packets. For the current month, they had serviced 11 walk-ins and 2 relocation packets. They were also a state certified visitor center.
 - They were doing more audio and video podcasts with local promotions for both members and non-members, and they were establishing rate partnerships with broadcast media, including the weekly radio show, their regular radio spots with Yavapai Broadcasting, and more live remotes and working with Magic 99.9 and

Sunshine Radio.

- They increased the number of mixers and grand openings. They had done one for the Peavine and would be doing one for Horses with Heart's Classy Pony Resale Boutique. Another grand opening for Sew and Sew would happen in October.
- They had begun doing quarterly morning breakfasts because members had wanted early morning networking. Lunches would remain mostly presentations.
- Upcoming:
 - As a 501(C)(3) they could apply for grants. They were currently applying for a grant for Safeway. They would apply for other grants through Arizona Department of Tourism.
 - They were doing continued education workshops.
 - They had established a partnership with the Hispanic business community through SCORE, which allowed them to do more Hispanic programs. Programs would be presented in English and Spanish.
 - Jingle Dash, their largest art show would be December 2-3 at the local high school.
 - The Harvest Festival, in conjunction with the Town and Yavapai College, would be October 15th.
 - The third annual Veterans Thanksgiving, in cooperation with Essence Kitchen, was upcoming.
 - The new Moonshine Festival in September 2023 was a take on Wine, Bites, and Brew and would be held at Earthworks.
 - Lunch and Learns would start January 2023. It was part of the Safeway Grant, which would allow free lunches for anyone that came to the Lunch and Learn programs. They would start off with Marketing and Social Media classes.
 - Women in Business were alternating between mixers and lunches, and the program was doing well.
 - Job Fair would be February 17, 2023.
 - School District Candidate forum for three candidates would be upcoming in September.
 - Small Business Saturday would be held a month early, so they could do filming at local businesses, which would launch in October.
 - Hispanic business class on how to grow your business, would be October 8th.

3) CALL TO THE PUBLIC- Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

Town Attorney Andrew McGuire presented the following:

- The Arizona Attorney General had reiterated the rules for public comment. The Attorney General had said that a Council as whole could not make a rule to not respond at all to call to the public because it was up to the individual member. Responses to call to the public could only be at the end after it was closed and not as a

dialogue with a citizen. Responses could only include direction to staff or responses to criticism.

- **Larry Holt** – He was providing an update on the Chino Valley Memorial Foundation, including a formal invitation to the Council to attend the 9/11 Ceremony. The work done the previous year to divert water from the hill stopped the flooding. In the first quarter they had gone through \$1000 worth of flags due to the wind. They would be laying down new bricks, with a special one laid for Wade Parker. They had a partnership with Juvenile Justice and Probation, who was helping with the upkeep of the grounds.

- **Jim Milligan** – He was there to represent the Brightstar Community, that had dealt with a decade of issues with Meridian Parkway East. He had purchased his home in 2018, at which time the road was paved. They had removed deteriorating pavement on Unity Road in 2020, which had increased the traffic flow to nearly 20 vehicles per hour and increased the vehicles speed and dust. It also impacted the health and safety of the residents. Several residents took action by requesting the Town help with the situation. Watering the road to decrease dust was the Town priority, but it did not help with the traffic concerns. The Town had applied a cement slurry in the summer of 2020 for dust abatement, which worked moderately but was short lived. Now they were dealing with dust and particulates from the deteriorating slurry. Residents had submitted road maintenance forms but had received no response from the Council or Town. People that should be using Perkinsville Road, were using the dirt road. He recommended that access to Meridian Parkway East from Unity be closed and to bring traffic to Perkinsville Road until East Road 2 North was extended. It would eliminate improvements and maintenance costs to the Town.

- **Tonya Hebel** – She wondered if there was a department that addressed weeds, more than two horses per acre, travel trailers, or any place people could go to get answers. It was explained that she could contact the Town's Code Enforcement staff.

4) **CURRENT EVENT SUMMARIES AND REPORTS**

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

a) Status reports by Mayor and Council regarding current events.

- Mayor Miller had attended the grand opening of LASER, a large animal storage facility for emergency situations.
- Councilmember Armstrong had attended the Central Yavapai Metropolitan Planning Organization Executive Board meeting. The three projects that would be submitted to the State was the completion of Jasper Hill, State Route (SR) 89 from Road 3 to Road 4 widening and improvements, and SR 89 from Road 4 to Road 5 widening, improvement, and installation of a roundabout at Road 5.
- Vice-Mayor Perkins announced that school was back in session, and she reminded people to drive safely. The next week was Homecoming week, and there would be a parade in the morning for the Seniors.

- b) Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

Town Manager Blackmore presented the following:

- Introduced Tricia Lewis, who's firm, Arizona Partners, was on the agenda for approval of Public Information Officer.

5) CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to approve Consent Agenda Items 5(a, b, c, d, e, and f) as written.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

7 - 0 PASSED - Unanimously

- a) Consideration and possible action to approve the Professional Services Agreement with Northern AZ Partners, LLC (dba Northern Arizona Partners), to provide public information officer consulting services beginning August 23, 2022, through June 30, 2023, in an amount not to exceed \$50,000. (Laura Kyriakakis, Human Resources Director)
- b) Consideration and possible action to award a construction contract to Asphalt Paving & Supply, Inc. for the Municipal Water System Improvement Project in the amount of \$1,435,435.00. (Steven Sullivan, Assistant Engineer)
- c) Consideration and possible action to approve the Third Amendment to Town Prosecutor Contract with Lexington Law Firm through June 30, 2024, for a monthly amount of \$3,250.00. (Joe Duffy, Administrative Services Director, Town Manager)
- d) Consideration and possible action for final approval of the Arizona Public Service (APS) Franchise Agreement. (Erin N. Deskins, Town Clerk)
- e) Consideration and possible action to approve the June 28, 2022, regular and special meeting minutes. (Erin N. Deskins, Town Clerk)
- f) Consideration and possible action to approve the July 12, 2022, study session and regular meeting minutes. (Erin N. Deskins, Town Clerk)

6) ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a) Public Hearing and consideration and possible action to approve Ordinance 2022-920 amending the Town of Chino Valley Unified Development Ordinance by amending certain provisions of Chapter 2 related to the meaning of words and terms, and certain provisions of Chapter 4 related to guest houses.(Laurie Lineberry, Development Services Director)

Recommended Action: (i) Hold Public Hearing (ii) Approve Ordinance No. 2022-920

Laurie Lineberry, Development Services Director, presented the following:

- The only purpose of the text amendment was to allow renting of guest houses.
- There had been confusion regarding the proposed change because people did not think they could have guest houses, but currently in the code, guest houses were allowed on properties zoned one-acre or larger.
- The proposed language was to allow legal rentals of units, with parameters that would protect the neighbors next to someone with a guesthouse.
- After questions were brought up by residents at the June Council meeting, staff took it back to the Planning Commission (P&Z) for further discussion and answers to the questions.
 - The definition for a new manufactured home was a manufactured home unit that had never been lived in, not used or occupied, and was no more than two years old from the date of manufacture.
 - P&Z determined that to make site built and manufactured homes work together, the requirement would be that a manufactured home would need to have a manufactured guest home, and a site-built home would need a site-built guest home. This would keep the architectural elements the same on a lot.
 - The guest house would need to be on a permanent foundation.
 - If a property owner had a separate guest house that would be rented, there were separate criteria that needed to be followed. One criterion was that a property owner could choose to meter the utilities to the guest house. Another requirement was that the owner needed to live on site to manage and maintain the renters.
 - CC&R's versus the Town Code question had been answered accurately by the Town Attorney. The Town enforced their codes, and the HOA enforced their CC&R's. In a conflict, the Town only enforced their codes. HOA's and CC&R's would be a civil process.
- Guest houses were currently allowed in residential zones, and the proposed language would determine if the Town should allow the rental of guest homes under certain criteria. The existing guest house code would remain in place.

Council and staff discussed the following;

- There had been citizens that spoke at the last P&Z meeting that thought the rental of guest homes would be helpful to the housing situation, but at the last Council meeting people had said the opposite.
- The guest homes would not have separate addresses, but the residents would have an

A or B. Staff did not reach out to APS because they worked with them during the permitting process.

- P&Z had discussed buildings on a lot looking like they belong with each other. Building material, roof pitches and material, and buildings that looked as if they were built to be together were discussed. Through these discussions, P&Z made the determination of like buildings needed to be together.
- A guest house had a size maximum and had to be subordinate to the primary residence.
- If a primary home is rented, the guest house could not be rented. There was only one rental unit per property. It could only be used as a guest house.
- In the current code, guest houses could not be rented out. The code would add parameters that the property owner would need to meet in order to allow a rental to occur on the property. If both the primary and guest house were rented, there was no ability to protect the neighborhood. This was in addition to the rights of a property, and with rights came responsibility, such as not infringing on a neighbor with a rental unit. When staff was informed of an illegally rented guesthouse, they enforce the code.
- Septic systems would need County approval before being issued a permit.
- The code currently allowed a second structure to be built, and the new language only allowed the guest house to be rented out. The proposed code was not allowing additional units.
- Guest houses could not currently be used for vacation rentals (VRBO), but if they were allowed to rent the guest house, it could be rented out for short term, such as a VRBO.
- There was concern that two structures on one lot created an unofficial lot split. There was also concern that there was no way to regulate if the owner was living onsite full time.
- There was concern that the Town currently did not enforce rentals of the guest homes, but by adding the new language people had less personal property rights because they were restricting what could be put on the lot.
- If they did not pass the new text language, people could still have guest houses, but they just could not rent them out. The current code did not allow any type of separate meter for the guest house, but the new code would.

Public Comment:

- Cathy Middlested – A letter was filed and given to the Council to read. She opposed the item.
- Larry Holt – Opposed the item for some of the same reasons the Council had voiced during the meeting. His biggest concern was that it had the potential to double the traffic in a neighborhood if everyone built and rented a guest house. Two separate addresses meant two separate residences on one acre. If someone died, there would be no one to watch the renter, and it was difficult to evict someone. He did not care if the owner lived onsite. He had seen many who had lived onsite, and the property was still trashed.
- Tonya Hebel – She agreed with everything that had been said, and with Airbnb's it would be a problem. She thought septic would be an issue because septic sizes would need to be increased.
- Rachelle Fernow – She had attended all the meetings on the topic. She thought the Planning Department and Ms. Lineberry had put in a lot of work and answered many questions. There had been great discussions. After the P&Z meeting, she had thought it was a great opportunity for people to make additional income and solve the housing issue. She now thought there might be a bigger problem after listening to everyone at the current meeting. She thought they needed better enforcement before approving the

new language. She wondered how they could regulate the current situation before moving on to something else.

- John Hamilton – Questioned if there were any regulations on the minimum square footage of a guest home. Staff explained that the minimum was 400 square feet. He wondered if there were a limit on the number of residents that could live in a guest house. Staff explained there were regulations in the building code.

Council, Town Attorney, and staff discussed the following;

- Staff explained that there were ways to get a better handle on what was currently out there, but it was not things that the community would like. Those things included having the guest home registered, inspected annually, and a sworn affidavit filed by the owner. That would be how something would be handled that turned into a free for all.
- The Town Attorney did not know to what extent on a single-family use that the Town would have the authority to discover if there was illegal renting of a guest home. They had the code enforcement authority. They could get information on registered property from the County, but that was about as far as they could go under their current code provisions. There was nothing that would easily allow the Town to go onto a single-family home to inspect it. Code Enforcement was limited in many ways and was generally only complaint driven because of lack of resources. If there was a complaint, the Town would be limited by the Regulatory Bill of Rights about how something could be enforced. The State had clamped down on the ability of local governments to do those types of things. The issue would have to be researched before they could discuss options.
- Members thought the issue warranted further discussion before approval. Their options would be to continue the item indefinitely, which would require re-advertising and going back through the P&Z process before it could go back to the Council; the item could be continued to a specific date and would not need to be re-advertised; or there could be a motion to deny, and the issue would be done. Members discussed their options, including a study session that was clearly advertised as a public meeting, have a joint meeting with P&Z, or move the item to a specific date.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to table Ordinance No. 2022-920 indefinitely.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

7 - 0 PASSED - Unanimously

- b)** Public hearing and consideration and possible action to approve Ordinance 2022-921, to rezone approximately 1 acre of land from Industrial (I) to Single Family Residential 1 Acre Minimum (SR-1), for property generally located on the north side of Granite Creek road, between Home Lane and Misty Lane (APN 306-17-110D). (Will Dingee, Senior Planner).

Recommended Action: (i) Hold Public Hearing (ii) Approve Ordinance 2022-921 as presented, subject to the staff report, information provided during this hearing, and conditions found in Attachment 1.

Will Dingee, Senior Planner presented the following:

- The item was a rezone request from industrial to single family residential one acre minimum.
- The property was one acre in size and currently vacant. The property location and surrounding properties were reviewed.
- There was a similar request earlier in the year that the Council had approved.
- P&Z heard the item on July 5, 2022, and had no discussion and there were no public comments. The item was unanimously approved, and P&Z forwarded a recommendation of approval.

There were no public comments.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to approve Ordinance 2022-921 as presented, subject to the staff report, information provided during this hearing, and conditions found in Attachment 1.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

7 - 0 PASSED - Unanimously

- c) Consideration and possible action to approve the purchase and sale agreement for the sale of 40 acres of land (parcel number 306-02-001A) for the development of an RV park at Old Home Manor in the amount of \$1,110,000. (Maggie Tidaback, Economic Development Project Manager)

Recommended Action: Approve the purchase and sale agreement for the sale of 40 acres of land (parcel number 306-02-001A) for the development of an RV park at Old Home Manor in the amount of \$1,110,000.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to move Item 6(c) before Item 6(a)

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

7 - 0 PASSED - Unanimously

Maggie Tidaback, Economic Development Project Manager, presented the following:

- The Town had been trying to get an RV Park for a very long time. They had gotten an offer for 40-acres of land at Old Home Manor (OHM) for a RV park development.
- From 1983 to 2009 the Town had purchased 880-acres for slightly over \$840,000. In 2016 and 2018, the Town had hired a consulting firm to develop a masterplan. The masterplan had extensive development, including a golf course, but without the water capacity, it could not happen. In 2019, the Town rezoned the property to a Business Park Zoning. In 2021, the Council approved the sale of the land, and an invitation for bids went out, which closed in June of 2022.

- An overview of the site and RV Park were reviewed.
- The first request for bids went out in 2021, but the parcel changed, so the Town had to rebid it. The developer was offering \$1.11 million for 40-acres of land. They had a good track record of successfully completing projects. A \$20,000 earnest money deposit would be deposited into an escrow account, and when it closed, the remaining balance would be paid off.
- The Town had Sketch Architects put together some designs that included amenities the Town wanted to see in an RV park. The current developer was aware of the Town's expectations.
- Staff recommended approving the purchase and sale agreement for 40-acres of land for an RV Park at OHM for \$1.11 million. The Buyer would deposit the earnest money and then schedule a re-application meeting with Development Services and have a site plan review meeting. The buyer would need 180-days for their due diligence period.

Council and staff discussed the following;

- There would not be any long-term spaces.
- Staff reviewed the area of parcel 306-02-001A. The parcel was in the area of the ball fields and BMX track.
- The Town would need to enter into a Development Agreement to ensure that the RV Park was on water and sewer.

Surround properties were reviewed.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to approve Item 6(c), the purchase and sale agreement for the sale of 40 acres of for the development of an RV park at Old Home Manor in the amount of \$1,110,000.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

7 - 0 PASSED - Unanimously

7) **ADJOURNMENT**

MOVED by Councilmember Lon Turner, seconded by Councilmember Cloyce Kelly to adjourn the meeting at 7:19 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

7 - 0 PASSED - Unanimously



Jack W. Miller, Mayor

ATTEST:



Erin N. Deskins

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 23rd day of August, 2022. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 11th day of October, 2022.

Erin N. Deskins

Erin N. Deskins, Town Clerk