

COUNCILMAN OSTERMAN DECLARED A CONFLICT OF INTEREST AND LEFT THE DAIS DURING THE DISCUSSION AND VOTE ON ITEM 6.

**MOTION AND VOTE – ITEM 6**

COUNCILMEMBER DRAKE MOVED FOR APPROVAL OF ITEM 6, 21-ZN-2005 AND 6-HP-2005. COUNCILMAN ECTON SECONDED THE MOTION, WHICH CARRIED 6-0, WITH COUNCILMAN OSTERMAN ABSTAINING.

**REGULAR AGENDA      ITEMS 13 - 14**

**13.      Sereno Canyon (Crown Communities) Density Incentive Requests:**

1. Approve a density incentive for the Crown Property development, zoned Single Family Residential District Environmentally Sensitive Lands (R1-130 ESL), to increase allowed dwelling units from 101 to 122 dwelling units with amended development standards on 330 +/- acres. This site is located at the east end of Alameda Road near N. 122nd Street (northeast corner of E. Pinnacle Peak Road alignment and N. 122nd Street alignment, north up to Happy Valley Road alignment).
2. Adopt Ordinance No. 3661 affirming the amended development standards.
3. Adopt Resolution No. 6826 affirming the density incentive.
4. Adopt Resolution No. 6854 authorizing the Mayor to execute the Development Agreement No. 2006-019-COS.

**Location:** 122nd Street and Alameda Road

**Reference:** 1-ZN-2005

**Staff Contact(s):** Frank Gray, Planning and Development Services General Manager, 480-312-2890, [fgray@scottsdaleaz.gov](mailto:fgray@scottsdaleaz.gov); Randy Grant, Chief Planning Officer, 480-312-7995, [rgrant@scottsdaleaz.gov](mailto:rgrant@scottsdaleaz.gov)

Staff provided a presentation outlined as follows:

- Description of the 330-acre property
- Zoning map
- The request to increase density in exchange for more dedicated natural area open space (NAOS)
- The request to amend development standards to reduce lot size, width, and setbacks
- The request to approve a development agreement assuring Ranch Gate Road as an alternate access road for the development
- Description of ESL District
- Proposed conceptual plan
- Items for consideration
  - Amended standards allow for development flexibility
  - 66 acres of additional NAOS and an additional 20 lots
  - Proposal limits land disturbance and helps preserve meaningful NAOS
  - Increased number of lots not anticipated to impact traffic, infrastructure, or services
  - Concerns of neighborhood regarding extending Alameda Road to the east resulted in proposed development agreement assuring Ranch Gate Road as an alternate access road, and a request to remove Alameda Road from the Streets Master Plan.

- The Planning Commission recommends approval subject to stipulations, and the Transportation Commission recommends approval of Ranch Gate Road as an alternate access road, subject to stipulations.
- Two additional stipulations have been added since the Planning Commission hearing:
  - Under 'Circulation' Item 1 – change 'certificate of occupancy' to 'residential building permits'
  - Under 'Circulation' Item 2 – add the following sentence at the end of the paragraph – 'The applicant shall be required to construct Happy Valley/118<sup>th</sup> Street and Ranch Gate Road; in-lieu payments shall not be an option for these streets.'

Applicant presentation:

- The goal of the proposal is to preserve open space and solve a transportation challenge.
- The proposed density is less than permitted by the General Plan.
- The 330 acres was formerly thirteen separate parcels with thirteen different plans.
- The new site plan provides 62% open space.
- The developer will be putting in three miles of trails.
- The applicant agrees with all stipulations.

Mayor Manross opened public testimony.

**Brian Coast**, 11930 E Mariposa Grande, 85255, said he had worked hard in meeting with City officials and negotiating an agreement. He is in favor of the final proposal and mentioned that a petition to close Alameda Road was signed by 130 neighbors.

**Steve Kensok**, 11921 E Sand Hills Rd, 85255, spoke in favor of the density incentive and the new designation of Alameda Road.

**Terry Benson**, 11491 N 131<sup>st</sup> Wy, 85255, read a letter from Virginia Korte supporting the proposal.

**Howard Myers**, 6631 E Horned Owl Tr, 85262, spoke in opposition to the density incentive, saying it is an attempt to use the clause to justify an increase in the number of lots. He also does not feel the open space is "meaningful." Mr. Myers urged Council to make decisions that are right for the City, not the developer.

**Claudia Neal**, 10929 E Betony Dr, 85255, read a letter from Arnold Roy supporting the proposal.

**Bob Vairo**, 10040 E Happy Valley Rd, #451, 85255, representing the Coalition of Pinnacle Peak (COPP), spoke in support of the proposal to close Alameda Road. COPP also supports the density incentive, although with some hesitation, believing additional language is needed for clear guidance.

**Tim Miller**, 11933 E Sand Hills Rd, 85255, believes a compromise was reached with the developer by transferring traffic to Ranch Gate Road in order to protect the neighborhood.

**Norbert Kleiner**, 24867 N 119<sup>th</sup> Pl, 85255, spoke in opposition to the proposal, saying the density incentive benefits are being manipulated and are solely for the residents of the development. Mr. Kleiner suggested that a better alternative for traffic would be to extend Jomax Road to the east to intersect 128<sup>th</sup> Street.

**Tom Hassell**, 11727 E Sand Hills Rd, 85255, spoke in support of the density incentive, and said the impact on Alameda Road would be a disaster if that street is left as is.

**Mike Kelley**, 24095 N 116<sup>th</sup> Wy, 85255, said the Board of Directors of Troon Ridge, representing 381 homes, supports the plan.

Mayor Manross closed public testimony. Twelve additional comment cards were received from citizens in favor of Item 13, but not wishing to speak.

Council/Staff/Applicant discussion:

- Councilmember Drake expressed concern about not receiving information regarding character area studies with staff reports, citing this case as an example. Staff assured Council that the principles of pertinent character area studies have been incorporated into the project. Randy Grant, Chief Planning Officer, promised that staff would be sure to include information on how a proposal takes into consideration the principles of a particular character area study in future staff reports.
- The applicant verified that the trail will be a shared-use trail, and users will not have to go through a gate to access it.
- The applicant verified that construction traffic will be limited to Ranch Gate Road, no hardship exemption request has been made for the wall/gate, and the community park in the center of the development is not included in NAOS calculations.
- Council agreed with the suggestion from one of the speakers that the language for density incentives should be strengthened.
- Staff verified that the Transportation Master Plan was studied in conjunction with plans for Alameda Road.
- Staff confirmed there would be bike lanes on 128<sup>th</sup> Street.
- Staff said the 150-foot scenic corridor would be addressed when the development is platted. Councilmember Drake would like to see the Special Street Design Guidelines for 128<sup>th</sup> Street included in stipulations and addressed at the time of platting.
- Staff discussed the trail connection to the Preserve along 128<sup>th</sup> Street, which will be addressed in development of the plat.
- Councilmember Drake made several suggestions for additional or amended stipulations including:
  - Amendment of minimum lot area, from 49,000 square feet to 60,000 square feet.
  - A stipulation prohibiting perimeter walls
  - A stipulation to review trail design, trail access, and development gates
  - A stipulation for street designs per the Dynamite Foothills Character Area Plan
  - A stipulation for lot grading/terracing, as applicable
  - A stipulation regarding location/design of lots and walls on building envelope lines
  - A stipulation regarding access to the Preserve with no decorative walls except in the immediate area of the entrance gates
  - A stipulation adding bike lanes on 128<sup>th</sup> Street
  - A stipulation setting 100 feet as the minimum setback for the scenic corridor and 125 feet as the average
  - Particular focus by the Development Review Board on the trail plan, including both paved and unpaved trails
  - Councilmember Drake will provide written stipulations to staff

**MOTION AND VOTE – ITEM 13**

COUNCILMAN ECTON MOVED FOR APPROVAL OF SECTIONS 1, 2, 3, AND 4 REFERENCED IN ITEM 13, ALONG WITH THE ADDITIONAL STIPULATIONS BY STAFF AND COUNCILMEMBER DRAKE. COUNCILMAN LITTLEFIELD SECONDED THE MOTION, WHICH CARRIED 7-0.

**14. Contribution Rates for Employee Health and Dental Benefits**

**Request:** Adopt Resolution No. 6824 approving premium contribution rates and plan design changes (e.g., co-pays, deductibles) for employee health and dental benefit plans for FY 2006/07.

**Related Policies, References:**

- Scottsdale Revised Code Section 14-102 relating to the contribution of City funds for employee insurance benefits.
- Council Action dated 9/23/03 authorizing employee health care and life insurance benefits.
- Council Action dated 12/8/03 authorizing benefit plan documents, summary plan descriptions and contribution rates.
- Council Action dated 3/22/05 authorizing FY 2005/06 contribution rates.

**Staff Contact(s):** Neal Shearer, Assistant City Manager, 480-312-2604, [nshearer@scottsdaleaz.gov](mailto:nshearer@scottsdaleaz.gov); Craig Clifford, Chief Financial Officer, 480-312-2364, [cclifford@scottsdaleaz.gov](mailto:cclifford@scottsdaleaz.gov); Teri Traaen, Human Resources General Manager, 480-312-2615, [ttraaen@scottsdaleaz.gov](mailto:ttraaen@scottsdaleaz.gov)

City Manager Jan Dolan reviewed new options for premium rates and plan designs per Council's direction of March 21, 2006:

- Premium Option A will result in an additional cost impact to the City of about \$1.5M.
  - Plan design adjustments may result in an additional cost increase to the City of \$300,000-\$400,000.
- Premium Option B may result in an additional cost to the City of about \$2.5M.
  - Plan design adjustments may result in an additional cost increase to the City of \$300,000-\$400,000.
- Funding for the reductions in premium contributions by participants can be addressed by completely deferring the cost, through the unreserved General Fund balance, or some combination of the two.
- The plans will be reviewed and adjusted annually.

Mayor Manross opened public testimony.

**Chet Anderson**, Scottsdale Fraternal Order of Police, 6825 E Thomas Rd, 85257, spoke in favor of Option B, and asked that the City's most valuable resource, the employees, not be forgotten.

**James Hill**, Police Officers of Scottsdale Association, 8414 E Vista Dr, 85250, supported Option B as the best balance. He suggested the employee committee be comprised of employees chosen by their peers rather than a random selection.

Mayor Manross closed public testimony.