

**THE PLANNING & ZONING ADVISORY COMMISSION
FOR THE TOWN OF DEWEY-HUMBOLDT
REGULAR MEETING NOTICE
Thursday, January 4, 2018 6:00 P.M.**

**P&Z MEETING
2735 S. HWY 69**

**COUNCIL CHAMBERS, TOWN HALL
DEWEY-HUMBOLDT, ARIZONA**

AGENDA SUMMARY

1. **Call To Order.** Chair Hambrick called the meeting to order at 6:01 p.m.
2. **Opening Ceremonies.**
 - 2.1. **Pledge of Allegiance.** Led by Commissioner Siereveld.
3. **Roll Call.** Commissioners Lori Crofutt, Rich Schauwecker, Lon Ullmann, Vice Chair Jeff Siereveld and Chair Victor Hambrick were present. Commissioners Karen Brooks and Michael Gill were absent.
4. **Informational Reports.** None.
5. **Planner's Update on current events and activities.**

Community Planner (CP) Steven Brown stated we are taking RSVPs for another round of water testing. Residents can RSVP to Town Hall by either sending an email to stevenbrown@dhaz.gov or calling Town Hall at 928-632-7362. We are offering free testing of well water for lead, arsenic and copper. RSVPs can be taken from now until February 20th, at which time we will start handing out the test kits. The kits will be sent to Flagstaff for testing and the results will be sent directly to the property owner. Distribution of the reserved kits will take place February 21-23. The kits have to be turned in by noon on February 23rd. Chair Hambrick asked if this lab had a previous contract and if they were local? CP Brown explained there are no testing labs in the D-H area. The Town did go out for competitive bids when they first started the testing process.
6. **Consent Agenda.**
 - 6.1. **Minutes.** Minutes from the October 5, 2017 Planning & Zoning Regular Meeting.

Commissioner Crofutt made a motion to approve the Minutes from the October 5, 2017 Planning & Zoning Regular Meeting, seconded by Commissioner Siereveld. The motion passed unanimously.
7. **Discussion Agenda –New Business.** None.
8. **Discussion Agenda – Unfinished Business.** None.
9. **Public Hearing Agenda.**
 - 9.1 Request for a Use Permit UP 17-001 for approximately 2.42 acres of real property, Mogollon Vineyards, located at 2430 S. State Route 69, also known as Yavapai County Assessor's Parcel Number 402-08-029K in the C2-35 (Commercial; General Sales and Services) zoning district to allow the operation of a winery, including the processing of grapes into wine, aging and bottling of wine on the property.

Chair Hambrick introduced the agenda item as a request for a Use Permit UP 17-001 for approximately 2.42 acres of real property and asked Community Planner Brown for his overview.

CP Brown informed the Commissioners that most of the pertinent information was in their packets. The request is from Mogollon Vineyards, located at 2430 S. State Route 69, also known as Yavapai County Assessor's Parcel Number 402-08-029K in the C2-35 (Commercial; General Sales and Services) zoning district to allow the operation of a winery, including the processing of grapes into wine, aging and bottling of wine on the property. CP Brown stated in compliance with ARS 9462.04, the legal notice for this public hearing, indicating the time and place of the hearing, along with a general explanation and general description of the area effected, was published in the Daily Courier. In the Town of D-H, it was physically posted in two locations on the subject property and was sent by first class mail to each of the property owners within 300' of the subject property, all of which took place at least 15 days prior to this hearing date. He noted the applicant, Keith Moore, from Mogollon Vineyards was present. The General Plan designation for this property is General Commercial, and zoning is C2-35. It is located just north of Town Hall on the west side of the road. They want to convert one of the buildings to a bottling facility. They applied for a Class 13 Liquor License and discovered the uses in C2-35 did not include fermentation and bottling of spirits. The C3 District, which is the district above this property does allow for this type of bottling. Staff feels the best option is for a Special Use Permit to allow for fermentation of wine in C2-35. It gives the Planning & Zoning Commission and Town Council an opportunity to weigh in on it and see if they agree with Staff. The zoning to the north is RCU-12 residential, the zoning to the west is R1-L70 residential, the zoning to the south is a mixture of R1-12 residential and C21 commercial, and the east is State Route 169. The applicants wish to move their winery operation to D-H to be closer to family. The subject property is designated by the 2009 General Plan as General Commercial. The purposed use compliant with that designation. The purposed use for fermenting and bottling facility is permitted in the C2 zoning district. Conditions recommended by Staff will assure that the use exceeds the conditions and criteria of Section 153.91 Use Permits. Those are the criteria that the code lists as being relevant to be considering Use Permits. Town Staff has received no public comment to date. ADOT requires the property owners to apply for a new driveway permit. As ADOT assesses the property, some additional improvements may be needed. Town Staff's recommendation is for the P & Z Commission to review this proposal and make a recommendation to the Town Council. Approval will make it possible for this business to expand and enhance. A denial would likely result in them seeking to locate elsewhere.

Staff recommends the following conditions be made a part of this approval:

- 1) The Use Permit is approved for a term of five (5) years, to be reviewed at the end of that period to determine if renewal for an additional period is appropriate. Application for Renewal shall be made by the owners of the property following the same process as for a new Use Permit.
- 2) Prior to occupancy of any structures by the winery or for any other purpose, a special inspection is conducted by the Town Building Official, and the applicants shall make any improvements required as a result of that inspection prior to occupancy.
- 3) Applicants will maintain a TTB (Alcohol & Tobacco Tax and Trade Bureau) basic permit and bonding as long as they are operating under this Use Permit.

CP Brown stated we did receive comments from ADOT, some of them have to do with the kinds of improvements that may be necessary as the use grows and traffic demands it. Initially, they will need to seek a driveway permit for the change of use from the t-shirt factory using this driveway, to the winery. ADOT looks at the differences in traffic flow and traffic volume and issues a permit on that basis. Emailed to everyone was copy of the January 3, 2018 ADOT letter.

In addition to Town Staff's conditions, ADOT's conditions should also be made a part of this approval:

- 1) ADOT recommends that the Town request that before approving the conditional use permit that the property owner submit an encroachment permit application to ADOT for Change of Ownership to existing access onto SR-69 Frontage Road that shall adhere to ADOT'S requirements for a permitted access.
- 2) Should the use change or a significant amount of traffic is generated by this property either by additional property development, or land use change, it will be the owner's responsibility to complete the appropriate traffic studies or evaluations and the subsequent improvements as requested by ADOT. If the change of use is significant, the property owner may be required to submit an application for access, subject to current ADOT standards.
- 3) Traffic Impact Statement may be required to determine what impact this development will have to the state highway system.

Commissioner Schauwecker asked if ADOT is asking for a study? CP Brown stated that ADOT is currently not requiring a study. Commissioner Schauwecker asked if ADOT eventually required a study and they could not afford the price of the study what would happen? CP Brown stated he did not think a request from ADOT would hinder the owners moving forward. Commissioner Schauwecker asked if the applicant owns the property? CP Brown confirmed this.

Commissioner Siereveld asked if ADOT has the volume of use from the previous business? CP Brown stated that ADOT has those numbers and they will determine if they need to do any improvements to the driveway for access.

Chair Hambrick asked why is it best that they do a Use Permit for C2-35 verses changing the zoning to C3? CP Brown stated that Staff recommends the Use Permit because there are other uses that would be permitted in a C3 district, more industrial type uses. There is also some residential in the area. The Use Permit gives the Town the opportunity to assess the use over the five years.

Commissioner Schauwecker asked if there are any schools or churches it would affect? CP Brown stated there were no schools or churches within 300 feet of the property.

Commissioner Siereveld asked if there was a concern from residents in the area regarding the proposed use? CP Brown stated that the Town has received no phone calls, letters or emails from the residents within 300 feet. CP Brown stated that it has been a C2-35 since the beginning of the Town.

Chair Hambrick asked if the applicants would like to make a statement? The applicant, Keith Moore, spoke of he and his wife having owned Mogollon Vineyards in Snowflake, AZ for the past two years. He graduated from Yavapai Community College and is currently a contractor in Phoenix. Most of their sales are over the internet. They decided they needed to get their business into a more populated area and they have family here, so they would like to sell their business in Snowflake and move locally. They are a small vineyard and their volume is very small, about 4-6 tons a year, which is 3,500 bottles. The bottling operation is by hand and completed in five to ten days per year. They are a craft winery and they hope to add a tasting room. Their sales are by internet, wine club and through the tasting room. They have a proposed parking lot that will hold 19 cars. They intend to apply for the ADOT driveway permit.

Commissioner Schauwecker asked when the property was acquired? Mr. Moore stated about seven to eight months ago. Commissioner Schauwecker asked if they did not receive approval, would they look elsewhere? Mr. Moore stated they bought the property for the winery. He believed it to be a commercial property that would allow for bottling, but the bottling is for distilled water. He didn't realize that was an issue, noting there are other properties in Yavapai County that have wineries on them that are C2. Commissioner Schauwecker asked if they were growing grapes on their property in Snowflake? Mr. Moore stated he was growing grapes in Snowflake, Willcox, and they have five acres in Dewey and another four acres off of the 169. Those vineyards are two to three years old and won't be ready for a couple of years. Mr. Moore stated this is a low water, high value crop.

Commissioner Siereveld asked are there any disposal necessities? Mr. Moore stated everything is organic and no excessive waste disposal will be required and the wastewater goes to the septic system.

Chair Hambrick asked CP Brown what the next process steps were. CP Brown stated this will be heard at Public Hearing at the next Regular Council Meeting on January 16, 2018. Chair Hambrick inquired if they would have to reapply for the use permit in five years and receive P & Z and Council approval, again? Mr. Moore stated he would prefer to have the proper zoning, but is under a time constraint. CP Brown stated he met with the Town Manager and given the uses that are permitted in C3, in addition to allowing this, that changing the zoning to C3 would not receive a favorable reception. Chair Hambrick asked if the owner wanted to change their use to a mechanical bottling with 20,000 bottles/day, would they have to apply for a permit? CP Brown stated that Staff's recommendation would not be supportive of a C3 zoning. The first five years of the operation would allow the Town to assess the business from the Town's standpoint.

Commissioner Crofutt asked why were you hesitant to recommend C3? CP Brown stated that the C3 allows for more intensive uses, such as auto recycling, etc. It wasn't worth the risk for the Town, at this point, to just go for supporting a C3 zoning. The Special Use Permit allows the Town and the business to get comfortable with one another.

Chair Hambrick asked Mr. Moore if he had any other questions or rebuttal?

Mr. Moore asked if the ADOT permit was going to cause a delay? CP Brown indicated it would not and Mr. Moore needed to contact Richard Perez at ADOT to get that process started.

Commissioner Schauwecker asked if P & Z's recommendation would determine if they needed the ADOT permit? CP Brown replied that if the applicant is approved for the Use Permit, but does not get the ADOT permit, they would not be able to occupy the building. Commissioner Schauwecker asked if they have to go through the County Health Department? CP Brown stated they would have to comply with anything that is required.

Chair Hambrick closed this portion of the meeting and opened the meeting for public comment at 6:45 p.m.

Public notices were sent to property owners within a 300-foot radius of the project site. Staff did not receive any comments from the surrounding property owners. Staff will forward to the Commission any public comments, if they are received.

Nancy Wright spoke of being against a C3 zoning because there are things, besides a winery, that could go in there and it is a residential area. Her initial concerns were with the environment and if it was going to be an organic operation. She was pleased to hear it would be organic and there

will be a drip system. Ms. Wright is in support of the winery. She would also be concerned about how many events could be held there. As long as it is organic, she is for it.

Chair Hambrick called for further public comments. There were no further comments.

Vice Mayor John Hughes said that this would be a great addition to the Town. The wine tasting room will bring tourists in and might help D-H out a little bit. Cottonwood trees use more water/day than a winery would. He clarified in regard to ADOT that after they get the Use Permit approval, then they will have to follow through with the ADOT stipulation. Other communities that have wineries bring revenue in and this Town needs revenue.

Chair Hambrick closed the public comment at 6:50 p.m. and reconvened the regular meeting.

Commissioner Ullmann and Commissioner Siereveld made comments regarding the low water usage for wineries.

Commissioner Schauwecker made a motion to approve the recommendation for this Use Permit for the Mogollon Vineyards with the following conditions:

- 1) The Use Permit is approved for a term of five (5) years, to be reviewed at the end of that period to determine if renewal for an additional period is appropriate. Application for Renewal shall be made by the owners of the property following the same process as for a new Use Permit.
- 2) Prior to occupancy of any structures by the winery or for any other purpose, a special inspection is conducted by the Town Building Official, and the applicants shall make any improvements required as a result of that inspection prior to occupancy.
- 3) Applicants will maintain a TTB (Alcohol & Tobacco Tax and Trade Bureau) basic permit and bonding as long as they are operating under this Use Permit.

And that, the requirements from ADOT for permits are applied for, as contained their letter of January 3, 2018.

- 1) ADOT recommends that the Town request that before approving the conditional use permit that the property owner submit an encroachment permit application to ADOT for Change of Ownership to existing access onto SR-69 Frontage Road that shall adhere to ADOT'S requirements for a permitted access.
- 2) Should the use change or a significant amount of traffic is generated by this property either by additional property development, or land use change, it will be the owner's responsibility to complete the appropriate traffic studies or evaluations and the subsequent improvements as requested by ADOT. If the change of use is significant, the property owner may be required to submit an application for access, subject to current ADOT standards.
- 3) Traffic Impact Statement may be required to determine what impact this development will have to the state highway system.

The motion was seconded by Commissioner Siereveld. The motion passed unanimously.

10. Comments from the Public. None.

11. Adjourn. The meeting was adjourned at 6:53 p.m.