



City of Prescott
Planning & Zoning Commission

October 10, 2024 | 9:00 AM
201 N Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chairman Michelman called the meeting to order at 9:00 a.m.

2. ROLL CALL

Don Michelman, Chair
Thomas Reilly, Vice Chair
Thomas Davis, Member (Excused)
Susan Graham, Member
Thomas Hutchison, Member
James Kleczewski, Member (Excused)
James Whiting, Member (Excused)

3. DISCUSSION & ACTION ITEMS

A. Approval of the September 12, 2024 Planning and Zoning Commission Meeting Minutes.

MOTION BY COMMISSIONER REILLY TO APPROVE THE SEPTEMBER 12, 2024 MEETING MINUTES; SECONDED BY COMMISSIONER HUTCHISON; COMMISSIONER GRAHAM ABSTAINED: PASSED (4-0)

B. **LDC24-001:** Proposed Amendment to the Land Development Code Affecting Accessory Dwelling Units.

Community Planner Kaylee Nunez provided a presentation on LDC24-001 to insert the term ADU (Accessory Dwelling Unit) in the LDC (Land Development Code) Section 2.5.6 related to guest quarters. She provided a sample site plan showing the requirements for ADU's and setback requirements.

Planning Manager George Worley provided additional information saying that the state does not allow cities to prohibit short-term rental uses on any property zoned Single Family (SF). He stated that short-term rentals have a more adverse impact on neighborhoods than long-term rentals, due to a constant change of residents. He said that this proposal would be to remove barriers to allow for long-term use of guest quarters/ADU's and that currently, it is not allowed to have separate utilities for electricity and water and this proposal would include the allowance of submeters for electricity and water. This will allow property owners to monitor how much water is being used by the ADU, separately from the primary residence.

Commissioner Hutchison stated that it sounds like this proposal goes beyond the new state law and allows for long term rental when the state law precludes it.

Ms. Nunez clarified that state law precludes the city from prohibiting short-term rentals and does not preclude long-term rentals.

Commissioner Hutchison stated that this seems to be a zoning change making Single-Family homes into Multifamily.

Ms. Nunez stated that the zoning code already allows for short-term rentals in Single-Family zoning and only one ADU will be allowed.

Mr. Worley provided additional information stating that ADU's are considered accessory dwellings that are limited by a maximum size allowance. These ADU's for short-term rentals are already allowed for short-term rentals and have already compromised the Single-Family zoning. He stated that Multifamily zoning does not allow ADU's and they would have to be permitted as a second residence.

Commissioner Hutchison stated that this would be a takeaway from the Single-Family zoning.

Mr. Worley stated that currently an ADU could be built and rented out short-term without neighbors having a say in the matter. He does not believe that this change will generate an increase in new ADU's but will provide a legal alternative to allow these to be rented out long-term.

Chair Michelman asked if an HOA (Homeowners Association) prohibits having ADU's for short term, that would overrule the city code allowing ADU's.

Mr. Worley stated it does and a property owner is subject to both zoning codes and HOA bylaws.

Commissioner Hutchison asked if there are legal implications that may surface in allowing this code change.

Deputy City Attorney Matt Podracky stated that the city has to be careful but does not believe there are legal implications related to the general concept. He referenced the Land Development Code section 11.1D and said there is no definition of ADU's and it will need to be amended. He has no overall concern with allowing long-term rentals being added to the LDC if Council approves.

Ms. Nunez stated that this is not a solution to the current housing crisis, but it is progress.

Commissioner Reilly stated that this is not a solution but is a step in the right direction. He asked about the issue of parking spaces associated with the proposed ADU's and asked if the parking spaces can be tandem with the existing driveway.

Ms. Nunez responded that this can be tandem to the existing driveway.

Mr. Podracky asked if staff has done research on what other communities are doing with these types of structures.

Mr. Worley stated this is happening a lot in the northwestern portion of the country and has examples from the Portland/Seattle area. These areas have created funding encouragements; however, the city is looking at this as a reduction in regulation encouragement and not for funding.

Ms. Nunez stated that this is something the city should be proactive about so that protections can be built into city code.

Member of the public, Howard Mechanic stated that good submeters for gas, water, and electric can be found for under \$100. He hopes that the city will encourage citizens to look into submeters. He expressed that conservation is important for this area and these submeters will save the tenant and landlord money. He referenced the work force housing situation being critical and many police or fire fighters are leaving because they cannot afford to live in Prescott. He believes this will encourage lower priced rentals, which are needed. He stated that a study is to be completed to determine the need for workforce housing and believes that Prescott needs approximately 1,000 units.

Chair Michelman asked if the city pursues submeters, how would it be handled.

Mr. Worley stated that the city could add language to the LDC that submetering is encouraged for conservation purposes.

Commissioner Hutchison asked if there has been consideration to suggest that new residential construction include an ADU.

Ms. Nunez responded that there has not, this is simply the first step to allowing these ADU's long-term.

Mr. Worley stated additionally, the city is not trying to create conflict with subdivisions with HOA's. He said this is to remove restrictions and provide encouragement.

Councilman Gambogi asked the commission to think about the government element of work force housing and the marketplace. He stated that there is a deficit of 7 million affordable homes. He said that there are currently over 500 short-term rentals in Prescott and the ones near him are rarely occupied. If these units were available for housing, it would help the housing issue a lot. He stated that the marketplace answer is to pay fire fighters, police, teachers, and healthcare workers market wages and the rest will settle out.

MOTION BY COMMISSIONER REILLY TO RECOMMEND COUNCIL APPROVAL OF LDC24-001; SECONDED BY COMMISSION GRAHAM: PASSED (4-0)

- C. **LDC24-002:** Proposed Amendment to the Land Development Code Modifying the Definition of "Floor Area, Gross".

Ms. Nunez gave a presentation and provided the definition of Floor Area Gross from LDC 11.2 table 11.2.5. She stated that garages are excluded from the gross floor area definition creating a loophole to allow large RV garages or hobby garages. She referenced the current code reads that you can have unlimited square footage of an accessory garage, and it is only limited by the maximum lot coverage allowance for each zoning.

Commissioner Reilly asked if this definition differs from the definition of occupiable space from the IRC (International Residential Code) or IBC (International Building Code).

Mr. Worley stated that this does differ from the IRC/IBC definition. He provided that the reason for this difference is due to building code being written for life safety concerns. He stated that garage space would be excluded from the floor area of the house, but under the building code it would not.

Commissioner Reilly asked if the garage area would be included in the gross floor area under this proposal.

Mr. Worley stated yes it would be included.

Commissioner Reilly believes that would be a problem due to unoccupiable spaces being included. He stated that this would result in increasing the size of an accessory dwelling unit that can be located on a lot.

Ms. Nunez asked if he was contemplating an additional revision to the gross floor area definition.

Commissioner Reilly stated it's either a revision or to leave it the way it was. He asked what problems are being caused and what problems are being fixed.

Mr. Worley stated that the problem being fixed is the primary use of the definition as it relates to principal buildings versus accessory buildings. He said excluding the parking area from the principal and the accessory buildings would allow a much larger accessory building and no longer limit the accessory building to 50% of the principal building.

Commissioner Reilly stated that there are already limitations to the amount of building that can be placed on a lot and asked why we are attempting to change that.

Mr. Worley explained that the code already limits the amount of buildings that can be on a lot and the purpose of this change is to clarify what counts towards that amount.

Commissioner Reilly asked what the problem is with an accessory structure being larger than the primary structure.

Ms. Nunez responded that allowing larger accessory structures starts to make the residential zoning more industrial.

Commissioner Hutchison asked what is the desired effect of this change.

Mr. Worley stated that it is to ensure that accessory buildings do not exceed the size of the principal building.

Chair Michelman stated that this would change what is counted as area of the principal building and asked if this would increase the size of the accessory building.

Mr. Worley responded that it could increase the calculations but would not necessarily increase the size of the building.

Commissioner Reilly stated that this change allows the possibility of the accessory building to be larger than what is allowed by the code.

Mr. Worley disagreed and spoke about how the calculations are currently enforced.

Ms. Nunez added that the greater threat is being able to have an unlimited garage size that is only constrained by the max lot coverage allowance.

Chair Michelman stated that right now there is a limit based on the occupiable space.

Ms. Nunez stated that you can currently build a 3,000 square foot garage if setbacks and max lot coverage are met.

Commissioner Reilly stated that he believes the issue is to try to avoid large garages being built. He believes that this should be addressed differently with a new proposal.

Chair Michelman asked if this change was adopted, how would it affect the real estate industry.

Ms. Nunez stated that it will not affect the real estate industry. She said that when real estate companies list a home, they list everything, and she does not believe this will have implications on the real estate market.

Chair Michelman asked if this could affect taxes.

Mr. Worley stated that The County Assessor does an evaluation based on the actual use. He said this should not affect taxes or real estate advertising.

Commissioner Reilly asked if there was a way to go back to the LDC definition of size of an accessory building and add that a garage or vehicle storage cannot exceed a certain size.

Mr. Worley stated that he appreciates the Commissioner's input and will reevaluate this proposal. He recommended the Commission to move to recommend further study or not take action and the planning team will come back with a new proposal.

MOTION BY COMMISSIONER REILLY TO TABLE LDC24-002 TO ALLOW STAFF TO LOOK AT ALTERNATE DEFINITIONS; SECONDED BY COMMISSIONER HUTCHISON: PASSED (4-0)

4. UPDATES

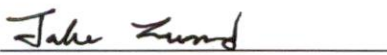
Mr. Worley provided updates about the 2025 General Plan 60-day public comment period. There will be a second open house held at The City of Prescott Library October 24th, 2024.

5. ADJOURNMENT

There being no further business to discuss, Chairman Michelman adjourned the meeting at 9:58 a.m.


DON MICHELMAN, Chairman

ATTEST:


Recording Secretary