

**MINUTES  
REGULAR SESSION  
MAYOR AND COUNCIL  
COUNCIL CHAMBERS  
WEDNESDAY, OCTOBER 17, 2012  
6:30 P.M.**

**Minutes are a summary of the actions taken. They are not verbatim.  
Public input is placed after Council motions to facilitate future research.  
Public input, where appropriate, is heard prior to the motion**

**1. Call to Order**

The meeting was called to order at 6:30 p.m.

**2. Roll Call**

Mayor Burnside, Vice Mayor Kovacovich, Councilors Whatley, George, Baker, Jones and German were present.

**Also Present:** Town Manager Russ Martin, Community Development Director Mike Jenkins, Town Marshal Nancy Gardner, Economic Development Director Mel Preston, and Recording Secretary Margaret Harper

**3. Pledge of Allegiance**

The Pledge was led by German.

**4. Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.

**a) Approval of the Minutes:**

- 1) Regular Session – October 3, 2012
- 2) Work Session – September 26, 2012

**b) Set Next Meeting, Date and Time:**

- 1) Friday, October 19, 2012 at 8:00 a.m. – Work Session – CIP
- 2) October 24, 2012 at 9:00 a.m. – Joint Meeting with Yavapai-Apache Nation Council Members
- 3) October 24, 2012 at 5:00 p.m. – Work Session with Camp Verde Sanitary District Board
- 4) October 24, 2012 at 6:30 p.m. – Council Hears Planning & Zoning Matters
- 5) Friday, October 26, 2012 at 8:00 a.m. – Work Session - CIP

**c) Possible approval of applications for Wine Festival License/Wine Fair License for Fire Mountain Wines.**

The applicant will participate in the Verde Valley Fall Festival being held on October 19, 20, and 21, 2012, to be held at Jackpot Ranch, located at 2025 Reservation Loop Road. Staff Resource: Debbie Barber

**d) Possible approval of Resolution 2012-870 declaring October 22-26, 2012 as “Arizona Cities & Towns Week.”** Staff Resource: Debbie Barber

**e) Possible approval of the Library Support Agreement Membership in the Yavapai Library Network.** Staff Resource: Kathy Hellman

**f) Possible approval of recommendations for FY 2011/2012 year-end adjustments to the budget and fund transfers.** Staff Resource: Mike Showers

On a motion by Kovacovich, seconded by Baker, the Consent Agenda was unanimously approved as presented, with the October 24, 2012, 9:00 a.m. meeting canceled.

Mayor Burnside announced that the meeting scheduled with the Yavapai-Apache Nation Council Members on October 24, 2012 at 9:00 a.m. has been canceled and will be rescheduled.

**5. Council Informational Reports.**

German reported on helping to check in the Fort Verde Days Parade entries; the Parade was wonderful, and she complimented all those who worked on Fort Verde Days, including those who organized the great quilt show.

Jones said she enjoyed working on the Little Guy-Little Guy Contest, and extended her special thanks to those who assisted her as judges.

Baker regretted that she missed Fort Verde Days; she was in San Diego seeing her grandson become a Marine.

Whatley said she also enjoyed Fort Verde Days; the event for her family ranks right up with Christmas and

Thanksgiving.

**George** reported on his attendance at the Innovation Summit last Tuesday in Flagstaff, and followed that up with a report to the other Council members. The Mayor also attended that session and had some good questions about how to help Camp Verde.

**Kovacovich** said he also enjoyed the Fort Verde Days Parade, and thanked Camp Verde Promotions for all the work they did to put on the event.

**Burnside** commented on participating in the Parade, as well as attending the Innovation Summit with George regarding promoting entrepreneurs; the follow-up report provided by George was excellent. Burnside reminded everyone of the upcoming Archaeology Center Symposium on Friday, and this weekend the Jackpot Ranch is having its Festival Days on Friday, Saturday and Sunday.

6. **Special Announcements & Presentations –**

- **Welcome to new businesses:**
  - ❖ **One Way Electric Inc. – Phoenix**
  - ❖ **Body Art 4 Fun-Camp Verde**
  - ❖ **Fairway Homes West, Inc. – Fife, WA**

Burnside announced and welcomed the foregoing new businesses.

7. **Call to the Public for items not on the agenda.**

(Comments from the following individuals are summarized.)

**Howard Parrish** thanked all the Council members who had attended the Colonel's Daughter contest, and especially the Mayor for his participation.

**Mark Manelli**, with the Arizona District, Optimists International, explained his organization that is made up of 100% volunteers from local communities, with the primary goal of helping kids and the community, through fund raising and different projects. He announced a club infill and setup meeting scheduled for tomorrow, to be held at Sweet Grace Restaurant at 6:00 p.m., and all those who want to help kids and the community are invited.

**Steve Goetting** reminded everyone of the upcoming showing of "Kingdom of the Spiders" on October 27, 2012, at 6:30 p.m.; snacks will be available. The Wine Festival is set for February 16, 17 and 18, 2012; he also described an event he attended in Chandler regarding business incubators, and plans to organize another trip and invited those interested to join him.

**Justin Wertz** gave an update on his project, and commended the Council for their continuing help, and especially for how they correctly show their respect for the Flag during the Pledge of Allegiance.

There was no further public input.

8. **Presentation and possible discussion of Quarterly Reports from the following**

- a) **Board of Adjustments and Appeals**
- b) **Planning & Zoning Commission**
- c) **Fort Verde State Historic Park**

Community Development Director Mike Jenkins presented the Quarterly Reports for both the Board of Adjustments and the Planning Commission, followed by the Quarterly Report on the Fort Verde State Park presented by Sheila Stubler, Park Manager.

9. **Discussion, consideration, and possible approval of a defined area in the downtown identified as an**

**Entertainment District, pursuant to A.R.S. §4-207 allowing the Town of Camp Verde to approve on a case-by-case basis, exemptions from the distance restrictions for the issuance of certain liquor licenses for establishments in relation to public, private or charter schools or places of worship. Staff Resource: Mel Preston**

On a motion by George, seconded by Baker, the Council unanimously approved the defined area in the downtown identified as an Entertainment District, pursuant to A.R.S. Sec.4-207 allowing the Town of Camp Verde to approve on a case-by-case basis, exemptions from the distance restrictions for the issuance of certain liquor licenses for establishments in relation to public and charter schools or places of worship.

On a motion by Whatley, seconded by Burnside, the Council unanimously voted to amend the original motion to include the modified version of the Entertainment District, and the triangular piece at the south end of the District.

Economic Development Director Preston gave a Power Point presentation on the proposed Entertainment District, citing the legislation and Arizona Statute allowing the uses in such a District, subject to approval by the Town. The presentation included the definition, purpose and benefits of a Downtown Entertainment District, as well as the proposed boundaries and how they were identified, an area consisting of 8.85 acres, or .14 square miles, with Main Street as the focus.

#### **PUBLIC INPUT**

(Comments from the following individuals are summarized.)

**Tom Pitts**, President of the Verde Valley Wine Consortium, among other regional leadership and tourism positions, spoke at length on the benefits of opening up community areas for wine-tasting rooms that have been a successful addition to the Verde Valley region following recent legislative changes legalizing wine making and selling in this State. Mr. Pitts pointed out the difference between wine-tasting rooms and bars, and reviewed the studies of the impact of the wine industry on the economy of the region. In response to a question from Mayor Burnside, Mr. Pitts said that he is strongly in favor of moving forward with an Entertainment District, and stressed that the Town would still have absolute control over license applications on a case-by-case basis.

**Bob Burness** said that he liked the idea of the proposed District, a good marketing tool, and the Town definitely needs new businesses. However, he questioned the proposed long stretch of the District, and perhaps a centralized location would be a better choice for the Town; more consideration should be given to the structure of the area.

**Wes Girard** commented on attending earlier meetings on the issue, and said that he believes it is only a thinly veiled end run excuse by the liquor industry at the State level, and the Town is getting sucked into it. Consumption of liquor is an indulgence, not entertainment. The courts make no distinction between getting loaded in a wine-tasting room or a cowboy bar. There are already businesses that can sell alcohol in Camp Verde. He is looking for a straightforward presentation of what is being proposed

**John Strathmere**, owner of the Montezuma Inn, one of the properties being considered to be included in the Entertainment District. Food should be available along with consuming alcohol. The idea of alcohol sales needs more thought. He questioned whether any economic studies have been done on how property values have been affected inside an Entertainment District, and cited the regulation that would allow Camp Verde only one chance to designate such a District. His concern, as a commercial property owner, is for an overlay being placed on his property having to do with alcohol. He would like to hear more from other communities in regard to residential properties that abut the entertainment area, and whether the Town of Camp Verde really wants to use alcohol for growth. He suggested that the proposal is in conflict with the vision and values of the Town as stated in the General Plan, and commented on possible safety issues from the traffic generated by the wine tasting rooms. He questioned whether the proposed District conformed to the 1/8 mile width requirement, and cited a requirement for a facility to be at least 5,000 sq. ft. in order to be eligible for sampling privileges. Moving the proposal forward at this time is premature.

**Steve Goetting**, also a member of the Wine Consortium, outlined the need for the outlets to help promote the

agricultural industry, a part of which is producing the grapes and the other being able to sell the product; tasting rooms would be a great economic driver for the Town.

**Melanie Hicks** said there seems to be too much emphasis on alcohol sales in connection with an Entertainment District. She commented on how Main Street in Cottonwood has been revitalized by the wine-tasting rooms, and she has never seen drunks walking around there. This is a good idea for Camp Verde; but perhaps there needs to be more worked out with the property owners.

There was no further public input.

### **Council Discussion**

Preston addressed the question regarding the 1/8-mile width, noting that the proposed area is within that requirement. The reference to a 5,000 sq. ft. tasting room is completely off base, to her knowledge; she believes it pertains to tasting in a wine store, for example. In response to questions from Burnside, Preston said she was not aware of any studies on the effect on property values, only studies done on direct and indirect revenue. As for a centralized area, the area along Main Street was an arbitrary decision, focusing on identifying areas that might attract potential retail establishments in the future; other areas could be included now, if desired. Preston stated her understanding that any changes can be made, just as anything else can be done at the local level; a new increased, or reduced, area can be brought to Council as long as it is contiguous and is contained within the one square mile parameter. Preston knows of no case where any property owner has requested to be excluded. Martin pointed out that a property owner has the right to decline to participate in any of the benefits of the District, or to lease property for any type of operation. Preston said there are two different liquor licenses for sampling or tasting; the sampling requires the 5,000 sq. ft. building.

The Council members discussed the questions raised. Whatley pointed out that designating an Entertainment District would be a great selling point for property within that boundary. Preston said that the district, by law, would need to be identified as an "Entertainment District"; it can be called whatever the Town wants, as long as the name includes "Entertainment District." In response to a question from German, Preston said that the District could be modified, by modifying the Resolution, a decision made at the local level. Also, the Entertainment District does include residential area, which Martin explained are homes located in a district zoned Commercial. There was some discussion regarding the issuance of a liquor license; the Town can only recommend or object to an application; the State has the final say. Jones referred to the definition of an "Entertainment District," which is an area with a significant number of entertainment, artistic and cultural venues, adding that the District would increase opportunities for marketing the downtown area. Preston confirmed that it would not preclude marketing other areas in Camp Verde for businesses.

German said she is in favor of an Entertainment District, but the Town can have all those other businesses anyway; the only reason for the District is to be able to have wine tasting rooms, and she would like to perhaps compromise with some of the residents by adjusting the boundaries. Preston said she is not aware at this time of what those areas might be. Martin referred to the map that had been provided to illustrate the proposed District, indicating the residential areas, most of which are zoned C-2; any amendments should be made now before approving the Resolution. George said he sees this District as another tool to help make it easier for businesses to come to Camp Verde, and is in favor of the proposal. Whatley said it is a win-win situation that will help get the downtown buzzing. Burnside pointed out, for clarification, that one C-1 parcel is included in the proposed map, and asked if a retail store could apply to go into wine tasting; Jenkins said that would be right. There was further discussion on the issue of the State having the final authority for issuing liquor licenses. Preston confirmed that the responses from the businesses regarding the Entertainment District have been positive and they have shown support. Baker acknowledged the concern of some citizens for the alcohol issue, but said that the community has to consider everyone and search out opportunities for the businesses and the Town. Whatley said she has not seen any concern on the part of the churches or schools. Burnside stressed that the Town is trying to get some economic value out of the proposed District; the seated Council at the time of each liquor license application will need to carefully scrutinize what type of establishment is being presented. Burnside added that he would like staff to consider any other advantages that might be available, to be more flexible for some other types of businesses to come in, keeping in mind the issues of

signage, parking, noise, or lighting. Martin said he believes that would pertain more to the subject of economic development, depending on what other hurdles potential businesses may be facing, and will be addressed as particular zoning or use issues are questioned. The motion was made to approve the proposed Entertainment District; following discussion, a motion was made for an amendment, and action was taken accordingly.

10. **Call to the Public for items not on the agenda.**

There was no public input.

11. **Manager/Staff Report**

Martin reminded everyone of the PARA Study of the Y-intersection that will be presented briefly on November 2, 2012 about 9:00 a.m., at the normal CIP session; on November 6, there will be a general public meeting on that issue preceding the Council meeting. At 5:30 p.m. on November 7, there will be an informal appreciation event to fete those who built the staircase over in our facility. Martin also issued a reminder of Friday morning at 8:00 a.m., which will also be the schedule for Fridays for the next month or so. Martin expressed appreciation for the work done on the roads, despite the weather not cooperating; the striping should be completed soon. Halloween will be observed on October 31<sup>st</sup> downtown, and interviews are scheduled for the Parks & Recreation Supervisor. Sympathy was expressed to the Burroughs family for the difficult time ahead.

12. **Adjournment**

On a motion by Baker, seconded by Jones, the meeting was adjourned at 8:04 p.m.

  
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Bob Burnside, Mayor

  
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Margaret Harper, Recording Secretary

**CERTIFICATION**

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on the 17<sup>th</sup> day of October 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 16 day of November, 2012.

  
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Debbie Barber, Town Clerk