



TOWN OF JEROME

POST OFFICE BOX 335, JEROME, ARIZONA (928) 634-7943

Regular Meeting of the **Planning and Zoning Commission**

Wednesday, July 21, 2021, 6:00 pm

Place: Jerome Civic Center

600 Clark Street, Jerome, AZ 86331

AGENDA

Item 1: Call to order

Item 2: Petitions from the public — Pursuant to A.R.S. § 38-431.01(H), public comment is permitted on matters not listed on the agenda, but the subject matter must be within the jurisdiction of the commission. All comments are subject to reasonable time, place, and manner restrictions. All petitioners must fill out a request form with their name and subject matter. When recognized by the chair, please state your name and please observe the three (3)-minute time limit. No petitioners will be recognized without a request. The commission's response to public comments is limited to asking staff to review a matter commented upon, asking that a matter be put on a future agenda, or responding to criticism.

Possible Direction to Staff

Item 3: Approval of Minutes — Regular meeting of June 16, 2021

Old (continued) Business: none

Hearings:

Item 4: Ordinance amendments related to temporary and off-premise signs in the commercial and industrial zones (continued from June 16, 2021)

Applicant: Town of Jerome

Amendments include but may not be limited to Section 509 of the Jerome Zoning Ordinance.

Discussion/Possible Action – P&Z Reso. 2021-12

New Business:

Item 5: Work session on affordable/workforce housing

Applicant: Town of Jerome

Work session to review the recent Verde Valley Housing Needs Assessment.

Discussion/Possible Direction

Informational Items (Current Event Summaries):

Item 6: Updates of recent and upcoming meetings — John Knight, Zoning Administrator

- a. **July 6, 2021 DRB meeting** — new house at 224 Fourth Street (Lazaro); paint colors at 668 Verde Avenue (Vorves); new signage for Jerome Ghost Tours (Bailey); work session on commercial signage
- b. **July 13, 2021 Council meeting** — first reading of ordinance regarding beekeeping; begin process of updating permit fees; discussion regarding creating a special events ordinance; possible coordination with the University of Arizona to assist with workforce/affordable housing

Item 7: Potential items for Wednesday, August 18, 2021: site plan review for a shed on Allen Springs Road (Barber); site plan review for deck at 630 Main Street (Bauers); site plan review for vacant lot on Juarez (Gale)

Discussion/Possible Direction to Staff

Item 8: Adjourn

The undersigned hereby certifies that this notice and agenda was posted at the following locations on or before 6 p.m. on _____

970 Gulch Road, side of Gulch fire station, exterior posting case

600 Clark Street, Jerome Town Hall, exterior posting case

120 Main Street, Jerome Post Office, interior posting case

Rosa Cays, Deputy Town Clerk, Attest

Persons with a disability may request reasonable accommodations such as a sign language interpreter by contacting Town Hall at (928) 634-7943. Requests should be made as early as possible to allow enough time to make arrangements. Anyone needing clarification on a P&Z Commission agenda item may call John Knight at (928) 634-7943.



TOWN OF JEROME

POST OFFICE BOX 335, JEROME, ARIZONA (928) 634-7943

Regular Meeting of the **Planning and Zoning Commission**

Wednesday, June 16, 2021, 6:00 pm

Place: Jerome Civic Center

600 Clark Street, Jerome, AZ 86331

MINUTES

6:00 (0:04) Item 1: Call to order

Chair Lance Schall called the meeting to order at 6:00 p.m.

Deputy Town Clerk Rosa Cays called the roll. Present were Chair Schall, Vice Chair Chuck Romberger, and Commissioner Lori Riley; Commissioner Jeanie Ready called in by phone. Also present was Zoning Administrator John Knight.

6:02 (0:32) Item 2: Petitions from the public – There were no petitions from the public.

6:02 (0:37) Item 3: Approval of Minutes – Regular meeting of May 19, 2021

Motion to Approve the Regular Meeting Minutes of May 19, 2021

Commissioner	Moved	Second	Aye	Nay	Absent	Abstain
Ready			X			
Riley		X	X			
Romberger			X			
Schall	X		X			

Old (continued) Business: none

Public Hearings:

6:04 (1:57) Item 4: Ordinance amendments related to temporary and off-premise signs in the commercial and industrial zones

Applicant: Town of Jerome

Amendments include but may not be limited to Sections 201 and 509 of the Jerome Zoning Ordinance.

Discussion/Possible Direction

Mr. Knight cited changes being suggested for the ordinance and read from his staff report. Some of the changes include the addition of murals, considered to be a painted sign per Town Attorney Bill Sims. He said sign area and open/closed and directional signs are also clarified in the amendments. Mr. Knight suggested temporary signs be allowed on a permit basis so they can be more easily regulated, with perhaps a \$25 fee. He referred to the Sedona application in the agenda packet and pointed out some of their policies. Mr. Knight said he was not sure what to do with off-premise signs and that perhaps they are valid for certain businesses based on location and with certain criteria. He also asked how the commission would like to address mannequins/skeletons and when they should be considered decoration vs advertising.

Ms. Riley asked if murals include the original sign painting on a building, e.g., the English Kitchen or Gibson Market. A few other signs were mentioned. Mr. Knight said there is a provision in the ordinance for historic signage.

Chair Schall said he would like to see the old signs restored. Ms. Riley said she would hope the square footage of preserving these signs would not count toward the size criteria. Mr. Knight said it would be considered separate from the total square footage.

Vice Chair Romberger asked if there would be a distinction between a marketing vs an artistic mural, and that it sounded like the focus was on signs or "ad murals." He asked if artistic murals were allowed in Jerome.

Mr. Knight said he thought old painted signs are worthwhile and but questioned whether artistic murals were historically significant and consistent with the town's history. He mentioned that a couple of council members have expressed concerns about the use of murals.

Chair Schall said one person's art could be someone else's graffiti. The discussion then turned to public art and sculptures.

Vice Chair Romberger posed key questions: what historic date are we trying to preserve? When is it appropriate to start preserving? He said something from yesterday could be considered historic in 20 years. Mr. Knight talked about how a California town set up a mural committee with standards and rules and how they worked. He said murals would fall under DRB and that for now murals would be treated like signs, by square footage.

Chair Schall asked about off-premise signs and what signs are currently in place (although they are not allowed, per the ordinance). He did mention Kate's Books, which has a sign across the street from the location. Mr. Knight listed the Gold King Mine, the Asylum, Grand Hotel, Haunted Hamburger, and Haven Methodist Church.

Ms. Riley suggested directional district signs; Chair Schall and Ms. Ready liked the idea. Mr. Knight said he was hesitant to bring this up since district signs were just removed. Discussion continued.

Chair Schall said he liked the idea of a permit process for temporary signs and suggested they be allowed to hang for 30 days; with a small fee set by Council, said Mr. Knight.

Ms. Riley said she likes skeletons as decoration but the ones holding signs at the UVX blocking the stairway are not acceptable. Ms. Ready agreed. Chair Schall said public health and safety is always a concern. Mr. Knight mentioned that he has spoken with the owner of one of the ghost tour companies about removing the skeleton blocking the handrail.

Vice Chair Romberger asked if sandwich boards brought in each night are considered temporary signs. Ms. Ready said she thought they were exempt, especially if they are on the business owner's property. Mr. Knight said they may need to be treated differently than temporary signs. Discussion continued.

Chair Schall returned to the subject of skeletons. He said if a skeleton is clothed in a business t-shirt and passing out biz cards, then it is advertising. He made suggestions on how this could be regulated and said he had no problem with them as decoration (if they do not block the right of way) and would be fine with prohibiting them as a way to advertise. The conversation turned to limiting the number of skeletons no matter how they are used. Mr. Knight suggested they treat "advertising" skeletons as temporary signs.

Vice Chair asked if skeletons would be included in square footage.

Mr. Knight said he would table the item for a month, take it to DRB, then come back to P&Z in July to review a "semifinal" version.

Mr. Knight said he believed the public hearing could be left open but that he would double-check on the procedure.

6:36 (34:54) Item 5: Ordinance amendments related to beekeeping

Applicant: Town of Jerome

Amendments include but may not be limited to Sections 201, 502, 503, 504, and 505 of the Jerome Zoning Ordinance.

Discussion/Possible Action – P&Z Reso. 2021-11

Chair Schall opened the public hearing at 6:37 p.m.

Mr. Knight said Council had proposed the beekeeping ordinance be treated as a conditional use permit (CUP) in the zoning ordinance rather than have it be part of the town code. This way it would be easier for residents to express concern, say, if someone had a child allergic to bees. Mr. Knight described how this would work in Jerome and that it would be wise to have a provision for noticing considering the size of the town. He said this would apply to beekeeping going forward, not existing beekeeping. Mr. Knight then clarified that the action from the commission would be a recommendation to Council.

Chair Schall closed the public hearing at 6:45 p.m.

Motion to Approve P&Z Resolution 2021-11

Commissioner	Moved	Second	Aye	Nay	Absent	Abstain
Ready			X			
Riley			X			
Romberger		X	X			
Schall	X		X			

Informational Items (Current Event Summaries):

6:43 (41:59) Item 6: Updates of recent and upcoming meetings – John Knight, Zoning Administrator

- June 7, 2021 DRB meeting** – new house on Mexican Pool property (300 Queen Street); new house at 224 Fourth Street (Lazaro); sign for Blazing Owl (300 Hull Street); gate for Husbands' Alley (140 Main Street); new sign for Jerome BATH House (240 Hull Avenue)
- June 8, 2021 Council meeting** – Ordinance amendment regarding administrative approval and appeals (2nd reading); initiation of ordinance regarding beekeeping; discussion regarding creating a special events ordinance; outreach regarding amendments to the residential parking ordinance

Mr. Knight shared highlights from the recent DRB and Council meetings. He mentioned the Lazaro house decision had to be postponed and would be on the next DRB agenda, and that the plywood at Husbands' Alley was being replaced with a gate built by Arnie Warren. Mr. Knight said the second reading of the ordinance amendment regarding administrative approval/appeals took place at the last Council meeting and has been adopted, and that a special events ordinance for the town code was in the works, an idea sparked by the recent Cocodona race.

6:53 (51:20) Item 7: Potential items for Wednesday, July 21, 2021: no items currently scheduled

Discussion/Possible Direction to Staff

Mr. Knight said another work session on temporary commercial signs would now be on the July agenda.

Item 8: Adjourn

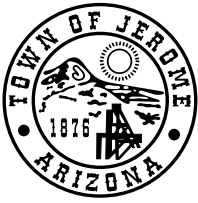
Motion to Adjourn at 6:53 p.m.

Commissioner	Moved	Second	Aye	Nay	Absent	Abstain
Ready			X			
Riley	X		X			
Romberger			X			
Schall		X	X			

Approved: _____ Date: _____
Lance Schall, Planning & Zoning Commission Chair

Attest: _____ Date: _____
Rosa Cays, Deputy Clerk

DRAFT



TOWN OF JEROME

POST OFFICE BOX 335, JEROME, ARIZONA 86331
OFFICE (928) 634-7943

Zoning Administrator Analysis Planning and Zoning Commission Wednesday, July 21, 2021

Item 4: Ordinance amendments related to temporary and off-premise signs in the commercial and industrial districts (hearing continued from June 6, 2021)

Applicant/Owner: Town of Jerome

Amendments may include but are not limited to Section 509 of the Jerome Zoning Ordinance.

Prepared by: John Knight, Zoning Administrator

Discussion/Possible Action – P&Z Reso. 2021-12

Background and Summary: Both the Design Review Board (DRB) and Planning and Zoning Commission (P&Z) have expressed interest in updating the sign ordinance to address temporary and off-premise signs in both the commercial and industrial zones. This would result in changes to Section 509 of the zoning ordinance. Staff has included a preliminary redline document with the proposed changes.

This hearing was continued from the June 6, 2021, P&Z meeting to provide an opportunity to gather additional information from the DRB. Comments from the last P&Z meeting and the DRB meeting are summarized below.

- April 21, 2021, P&Z meeting – the commission discussed possible changes to the ordinance.
- May 3, 2021, DRB meeting – the DRB discussed changes and agreed that amendments were needed.
- May 19, 2021, P&Z meeting – the commission initiated the process to amend the code.
- June 16, 2021, P&Z meeting – the commission held a public hearing and reviewed a redline version of the proposed changes. The item was tabled to July 13, pending DRB review.
- July 6, 2021, DRB meeting – the DRB discussed the ordinance amendments.

P&Z Comments (June 16, 2021):

- **Painted signs/murals** – Historic painted signs should be encouraged to remain. New painted signs (murals) used for advertising should be considered part of the sign advertising area. Murals could be considered public art provided they are not advertising a business.
- **Off-premise signs** – Various opinions were shared on whether to allow off-premise signs or continue to leave them as prohibited. The existing legal, off-premise signs would be grandfathered.
- **Temporary signs** – Consensus appeared to be that these should require permits and be allowed for up to 30 days. Also discussed was whether sandwich boards would be treated the same as temporary signs or be allowed in addition to other temporary signs.
- **Mannequins/skeletons** – The commissioners seemed to agree that these would be considered decorations unless they had garments with sign copy or business advertisements on them. They strongly agreed that they should not be blocking pathways or handrails.

DRB Comments (July 6, 2021):

- **Changeable copy signs** – Consensus was reached that these should be allowed provided they were relatively small.
- **Mannequins/skeletons** – DRB agreed with P&Z that these are fine as decoration unless they include business advertisements or are blocking pathways/stairs.
- **Sign clutter** – Concerns were raised about the number of signs and the visual distraction from the town as an historic community.
- **Temporary signs** – These should be restricted and require a permit.

Summary of proposed changes:

1. Definitions:

- a. **Changeable-copy signs** – New definition added for signs with changeable copy such as menu boards and whiteboards.
- b. **Mural/Painted sign** – New definition added identifying murals and signs painted on walls, to be considered part of the maximum sign area.
- c. **Mannequins/skeletons** – New definition added.
- d. **Sign area** – Expanded and clarified the definition of *sign area*.
- e. **Open/Closed sign** – Expanded the definition to include directional signs.
- f. **Temporary sign** – Expanded the definition to state that temporary signs are intended for a limited period of display.

2. Temporary commercial and industrial signs:

- a. **Permitting** – A new provision has been added to Section 509.G. that requires administrative approval of temporary signs. This allows town staff to identify the length of time the sign has been posted. It also provides an opportunity to educate the business owners about the requirements for temporary signs. Note that this provision would apply to A-frame or sandwich board signs in addition to other temporary signs.
 - b. **Length of time** – The maximum time frame has been reduced from 45 to 30 days and allowed a maximum of two times per calendar year.
3. **Off-premise signs** – Off-premise signs would continue to be prohibited. Existing, legal, off-premise signs would be grandfathered.
 4. **Changeable copy signs (menu boards, chalkboards, etc.)** – New standards are included that allow menu boards, chalkboards, whiteboards, and similar signs up to four (4) square feet without a permit.
 5. **Directional and Open/Closed signs** – Section 509.G.9. allows exterior open/closed signs up to four (4) square feet in area. These signs currently require a permit and approval from the Design Review Board, but staff recommends these be allowed without a permit.
 6. **Mannequins/skeletons** – These items would be prohibited if they include advertising copy or handing out promotional flyers. In addition, a provision has also been added to the Section 509.E. that signs, and other decorations such as mannequins/skeletons, cannot block pedestrian pathways and handrails.

Recommendation: The zoning administrator requests direction on possible changes to the sign ordinance relating to commercial and industrial signage.

Attachments:

- Resolution 2021-12
- Redline of proposed changes to the sign ordinance



TOWN OF JEROME

Post Office Box 335, Jerome, AZ 86331 (928) 634-7943

P&Z Resolution No. 2021-12

Code amendments primarily related to temporary and off-premise signs

WHEREAS the Town of Jerome would like to amend Section 509 of the Jerome Zoning Ordinance related to signage; and

WHEREAS the proposed amendments include, but are not limited to, regulating temporary signs, off-premise signs, changeable copy signs, and directional signs; and

WHEREAS on April 21, 2021, the Jerome Planning and Zoning Commission held a study session to discuss possible changes to the sign ordinance; and

WHEREAS on May 3, 2021, the Jerome Design Review Board held a study session to discussion possible changes to the sign ordinance; and

WHEREAS on May 19, 2021, the Jerome Planning and Zoning Commission adopted P&Z Resolution 2021-08 to initiate the process to amend the zoning ordinance related to signs; and

WHEREAS a notice for a public hearing was published in the *Verde Valley Independent* newspaper on May 30, 2021; and

WHEREAS on June 16, 2021, the Jerome Planning and Zoning Commission held a public hearing and provided public notice in accordance with Section 301.C. of the Jerome Zoning Ordinance; and

WHEREAS on June 16, 2021, the Jerome Planning and Zoning Commission opened the public hearing and tabled the hearing until July 21, 2021, to gather additional input from the Design Review Board; and

WHEREAS on July 6, 2021, the Jerome Design Review Board discussed the proposed amendments and provided additional input for consideration by the Jerome Planning and Zoning Commission.

NOW, THEREFORE, BE IT RESOLVED by the Planning and Zoning Commission of the Town of Jerome, Arizona, that the commission hereby recommends that the Town Council of Jerome amend Section 509 of the Jerome Zoning Ordinance related to temporary and off-premise signs.

ADOPTED AND APPROVED by a majority vote of the Jerome Planning and Zoning Commission on July 21, 2021.

ATTEST:

APPROVED:

Rosa Cays, Deputy Town Clerk

Lance Schall, Chair

Attachment – redline version of proposed text amendments

DRAFT Redline of proposed
changes to the sign ordinance

For consideration by P&Z on
7/21/2021

SECTION 509. SIGNS

A. PURPOSE

This section provides a set of standards for the design and construction of signs within the Town of Jerome. The purpose of this section is to encourage the preservation of historic buildings and artifacts, to protect the general public from damage and injury, to protect property values, to preserve the beauty and unique character of Jerome, to aid in the free flow of traffic within the town, and to promote the tourist industry, which is important to the economy of Jerome, and the Historic Overlay District. The section also recognizes free speech rights by regulating signs in a content-neutral manner.

B. DEFINITIONS

Within and for the purposes of this section, the following definitions, and only these definitions, apply.

1. Area -- Sign area is calculated as the area within a continuous perimeter that encloses the limits of text and graphics of a sign, together with any frame or other material or color forming an integral part of the display or used to differentiate the sign's message from the background against which it is placed. The area excludes the structure upon which the sign is placed and sign supports.
- ~~1.2.~~ Barber Pole-pole – a type of sign used by barbers to signify the place or shop where they perform their craft. The sign includes a staff or pole with a helix of colored stripes (usually red, white, and blue). The pole may be stationary or may rotate, often with the aid of an electric motor.
- ~~2.3.~~ Clear Vision-vision Triangle-triangle – A ~~triangle-triangle~~-shaped zone formed by the existing or proposed curb lines of two or more intersecting streets, roads, or alleys and a third line connecting said curb lines at a distance of thirty (30) feet in each direction from the point of the curb line intersection, in order to provide vehicular traffic an unobstructed view of cross traffic at intersections. In locations without curbs, the edge of the drivable surface of the street or road shall be treated the same as a curb.
4. Flying Banner-banner – a flexible or rigid pole ~~to which~~attached to one side of a flexible fabric, generally in the shape of a feather ~~or similar shape, is attached, and which is~~ used for the primary purpose of advertising or attention-getting by the public display of visually communicative images. Such banners are also known and sold under names ~~which that~~ include, but are not limited to, “quill sign,” “wing banner,” “banana banner,” “blade banner,” “flutter banner,” “flutter flag,” “bowflag,” “teardrop banner,” and others. The definition includes functionally similar display devices.
5. Mannequin/skeleton – a styled and three-dimensional representation of the human form.
6. Mural – See definition for *Sign, Painted*.
- ~~3.~~ —
7. Organization – An organized body of people with a particular non-profit or for-profit purpose, such as a society, association, civic or charitable group.
- ~~4.8.~~ Sign -- An object meant to convey a message through the use of words or symbols. A sign can be painted on one ~~surface,~~ or ~~both~~ multiple surfaces, be free-standing, ~~or be~~ signs supported by a ~~pole, or pole~~ or attached to a building. All exterior signs, whether public or private, are regulated by this ordinance.

9. Sign, A-frame – A temporary, movable, free-standing sign placed on but not permanently anchored in the ground. This definition includes T-frame signs and other similar temporary signs. A-frame signs are typically constructed of wood, cardboard, plastic, or other lightweight and rigid material, and are often referred to as sandwich boards.
10. Sign, Balloon – ~~Balloon sign shall mean~~ any sign painted onto or otherwise attached to or suspended from a balloon, whether ~~such balloon is~~ anchored or affixed to ~~a building or any other~~ portion of the premises or tethered to and floating above any portion of the premises.
11. Sign, Banner – A sign made of lightweight fabric or similar material with no enclosing framework that is mounted to a building or structure and does not flutter or move (see also definition for *flying banner*).
12. Sign, Business Door Identification -- A nameplate sign of a business name on an entry door, not exceeding 2 by 12 inches.
5. —
6. — ~~Area – A rectangular area calculated by drawing horizontal and vertical lines from all sign extremities excluding those which are essentially sign supports.~~
- 7.13. Sign, Canopy -- A sign mounted ~~on~~ or painted on a canopy or awning.
14. Sign, Changeable-Copy – A sign, or portion thereof, with characters, letters, or illustrations that can be changed or rearranged manually without altering the face or surface of the sign. Examples include whiteboards, chalkboards, and menu boards.
15. Sign, Directional – An exterior sign that indicates whether a business is open or closed, or directs people to a particular entrance of a building.
- 8.16. Sign, Free-~~S~~tanding -- A sign not attached to or supported by a building.
17. Sign, Gas-~~G~~enerated -- Gas-generated signs or signs illuminated by gas-generated lighting.
- 9.18. Sign, Height -- The vertical distance from the ground directly under the sign to the ~~lowest~~ highest point of the sign.
- 10.19. Sign, Interior -- Signs within a building not accessible from outside. Interior signs are not regulated by this ordinance.
11. — ~~Sign, Gas Generated – Gas generated signs or signs illuminated by gas generated lighting, other than those existing on June 14, 1977, are prohibited.~~
20. Sign, Nameplate - A sign typically used to identify the business or residents of the premises.
- 12.21. Sign, Off-premise -- A permanent or temporary sign not located on the premises of the business ~~which~~ that it advertises.
- 13.22. Sign, On-premise -- ~~A permanent or temporary sign located on the premises of the business that it advertises~~ A sign, the content of which relates to the premises on which it is located, referring exclusively to the name, location, products, persons, accommodations, services, or activities of or on those premises, or the sale or lease of those premises.
14. — ~~Sign, Nameplate – A sign which is limited to the name and/or business of the residents of the premises, not exceeding two inches by twelve inches (2" x 12").~~

- ~~15. Sign, Business Door Identification—A nameplate sign of a business name on an entry door, not exceeding two inches by twelve inches (2" x 12").~~
- ~~23. Sign, Open/Closed – See definition of Sign, Directional.~~
- ~~24. Sign, Painted – A sign painted directly on the building façade.~~
- ~~16.25. Sign, Projecting -- A building-mounted sign which that projects from and is supported by a wall of a building.~~
- ~~17. Sign, Wall—A sign attached flush to the exterior surface of a building, or permanently applied to a window of a building. The sign must not project above the roof. Light sources aimed at the wall sign may project further.~~
- ~~18. Sign, Historical/Historical Period—A sign in use in Jerome during the period between 1876 and 1953.~~
- ~~19.26. Sign, Service -- An interior sign whose purpose is not to advertise the business displaying the sign, but to inform or provide for the safety of the public. Signs such as credit card placards, directional signs, and "No Smoking" signs, and menu boards are examples of service signs.~~
- ~~20. Sign, Open/Closed—A sign indicating that a place of business is open or closed.~~
- ~~21.27. Sign, Temporary -- A sign not permanently attached to a structure or to the ground. Examples of temporary signs include garage sale signs, temporary sale signs, contractor signs, banner signs, A-frame signs, T-frame signs, candidate signs, and real estate signs. Temporary signs shall only be displayed for a limited period. The definition of temporary sign does not include flags.~~
- ~~22.28. Sign Walker – A person (or persons) waving "sales theme signs" with arrows at entrances to major highways or at corners of high traffic intersections directing customers to a sale. Also called sign twirlers, sign holders, human billboards, and sign events.~~
- ~~29. Sign, Wall - A sign attached flush to the exterior surface of a building, or permanently applied to a window of a building. The sign must not project above the roof. Light sources aimed at the wall sign may project further out from the wall.~~
- ~~23. Organization—An organized body of people with a particular purpose, such as a society, association, civic or charitable group, or similar, whether non-profit or for-profit.~~

[Ord. No. 457; Ord. No. 472]

C. APPLICABILITY

The provisions of this section shall apply to all signs placed or maintained within the Town of Jerome with the exception of the following:

1. Non-illuminated names of buildings, dates of erection, monument citations, commemorative tablets, and the like, when carved into stone, concrete, metal, or any other permanent type construction and made an integral part of a permitted structure or made flush to the ground.
2. Signs required by law or signs of a duly constituted governmental body, such as traffic signs, warning signs, or no trespassing signs.
3. Signs placed by a public utility for the safety, welfare, or convenience of the public, such as signs identifying high voltage, public telephone, or underground cables.
4. Notices regarding parking, directions, or trespassing on private property.
5. Signs upon a vehicle, provided that any such vehicle is actively used for bona fide delivery or other business purposes.

D. PERMITS

1. A sign permit shall be required before a permanent sign may be placed, constructed, re-constructed, or altered within the Town of Jerome with the exception of the following:
 - a. Changeable-Copy Signs.
 - b. Directional Signs.
 - c. Exterior temporary signs in the residential districts.
 - ~~a.d.~~ Name-plate signs and business door identifiers not exceeding ~~two 2 inches~~ by twelve inches (~~2" x 12"~~).
 - ~~b.e.~~ Repainting or maintenance of signs, provided there is no change in size, shape, wording, composition, or color.
 - ~~c.~~ On-site menu boards, either in a wall-mounted case or window display.
 - ~~d.~~ Exterior temporary signs.
 - ~~e.f.~~ Signs not permanently affixed to a window and located entirely within an enclosed building.
2. An application for a permanent sign permit shall be filed with the ~~Zoning zoning~~ Administrator administrator on a form prescribed by the ~~Zoning zoning~~ Administrator department. ~~The application and~~ shall be accompanied by ~~the required number of copies required by the Zoning Administrator. eight identical copies of the sign plans.~~ Each copy shall be on one or more sheets of paper measuring ~~not more no larger~~ than ~~twenty-four 24 inches~~ by ~~thirty-six 36 inches~~ (~~24" x 36"~~) drawn to scale, which shall show the following:
 - a. Signature of the applicant.
 - b. The name and address of the sign owner and sign erector.
 - c. Drawings showing the design, dimensions, color, material, and structure of the sign.
 - d. A drawing or photograph of the building facade indicating the proposed location of the sign, and all other existing signs maintained on the premises and regulated by this ordinance.
 - e. Proposed method of lighting the sign.
 - f. Any additional information ~~which that~~ the Design Review Board may require in order to decide on the application.
 - g. Payment of a non-refundable, one-time filing fee in an amount established by a schedule adopted by resolution of the Council and filed in the offices of the ~~Town town~~ Clerk clerk. Applicant may re-submit a modified plan without paying an additional fee. Payment of the filing fee shall be waived when the applicant is an ~~agency agent~~ agent of the town, county, state, or federal government.
3. Plan Review

The ~~Zoning zoning~~ Administrator administrator shall review and accept completed plans in accordance with the provisions of Section 303. These plans shall be placed on the agenda of the next Design Review Board meeting.
4. Design Review

The Design Review Board shall, in accordance with the provisions of Section 304, deny, approve, or conditionally approve any application for a sign permit. Upon approval of an application by the Design Review Board, the ~~Zoning~~ zoning ~~Administrator~~ administrator shall be instructed to issue the sign permit.

5. The Design Review Board may waive the requirements of this section in order to allow the preservation or restoration of signs or commercial graphics ~~which are~~ determined to be of historical significance.

[Ord. No. 457; Ord. No. 472]

E. REGULATIONS APPLICABLE TO SIGNS IN ALL ZONES

1. The design, color, shape, materials, and style of permanent signs shall be subject to review and approval of the Design Review Board.
2. All signs shall be constructed, designed, or attached to structures in conformance with the building code adopted by the Town of Jerome.
3. No sign or mannequin/skeleton shall be constructed or placed in the clear vision triangle, erected or lit in such a manner as to interfere in any way with the flow of traffic on the public right of way, or present a traffic hazard.
4. No sign or mannequin/skeleton shall be constructed or placed in such a manner as to interfere with pedestrian traffic on public or private walkways, stairs, and/or handrails.
- ~~4-5.~~ Free-standing signs shall not exceed four (4) feet in height.
- ~~5-6.~~ Organizations as defined herein are allowed temporary signs without a permit or review for temporary special event banners or signs. Banners for special events must be removed within three (3) days of the close of any event and may not be hung on Town property without permission of the Town of Jerome. The ~~Town~~ town ~~Manager~~ manager may approve special event banners to be hung on ~~Town~~ town property for recurring events. Banners to be hung on ~~Town~~ town property for ~~first~~ first-time events shall be approved by the ~~Town~~ town ~~Council~~ council.
- ~~6-7.~~ Lighting shall be directed at the sign from an external, incandescent light source and shall be installed so as to avoid any glare or reflection into any adjacent property, or onto a street or alley so as to create a traffic hazard. These restrictions shall apply to internally lit signs, which may be allowed if constructed of metal or wood. No internally lit signs that are constructed of acrylic or plastic are allowed. No sign that flashes or blinks shall be permitted outside. No visible bulbs, neon tubing, or luminous paints shall be permitted as part of any sign.
- ~~7-8.~~ Any existing nonconforming, permanent sign legally constructed or permitted prior to the adoption of this ordinance may be continued in use; if such a sign is damaged, it may be restored or repaired. If a new sign is constructed, it must conform to the provisions of this chapter.
- ~~8-9.~~ Signs shall be removed ~~upon~~ within thirty (30) days of business relocation or closure.
- ~~9-10.~~ If any sign becomes a danger to the public or becomes deteriorated or is abandoned, the property owner, or owner of the sign shall be notified to remove or repair the sign. If ~~he/she~~ they does not comply within ten (10) days, the ~~Zoning~~ zoning ~~Administrator~~ administrator shall have the sign removed and the cost assessed to the owner of the property on which such sign is located.

11. Painted Signs. Painted signs shall be subject to review by the Design Review Board. The maximum number and area of painted signs shall be subject to the same restrictions and standards as other permanent signs.

~~10.~~ 12. Flags. Unless otherwise required by state law or specified in this ~~Article~~ article, no more than two (2) flags may be displayed on a flagpole, from a flag bracket, or on a flag stanchion. Examples of flags include, but are not limited to, the insignia of any nation, organization of nations, state, province, county, city, ~~any~~ religious, civic or fraternal organization, or educational institution. The area of each flag shall not exceed sixteen (16) square feet and the height of the flag shall be no taller than the building to which it is attached. For the purpose of determining the area of a flag, only one side of the flag shall be counted. Flags may be externally illuminated. A sign permit is not required for a flag.

[Ord. No. 457; Ord. No. 472]

F. REGULATIONS APPLICABLE TO SIGNS IN RESIDENTIAL ZONES

1. One nameplate sign not exceeding ~~two~~ 2 inches by ~~twelve~~ 12 inches (~~2"x12"~~) indicating the names of the occupants or business, and one set of numbers ~~four~~ 4 inches ~~4~~ by ~~twelve~~ 12 inches (~~4"x12"~~) indicating the street address shall be allowed for each dwelling unit without a permit.
2. One non-illuminated sign not exceeding eight (8) square feet in area shall be allowed on premises only to identify a home business and requires a permit and review by the Design Review Board. A two-sided sign is one sign.
3. No sign shall extend above the eaves line of a building or extend higher than ten (10) feet above the ground directly below it.
4. Temporary signs shall be permitted in the residential zones without a permit, subject to the following provisions:
 - a. The sum area of all temporary signs does not exceed five (5) square feet in size.
 - b. If the temporary sign pertained to an event (such as an open house or garage sale), the sign shall be removed within three (3) days of the completion of the event or activity ~~which~~ that is being advertised.
 - c. Signs shall maintain a minimum setback from the right of way of ten (10) feet, unless there is a primary structure on the lot ~~which is~~ located closer to the right of way ~~than~~ ten (10) feet, in which case the sign may be placed at the same setback as the primary structure.
 - d. The maximum height of a temporary sign is four (4) feet.
 - e. Signs shall not be illuminated.

[Ord. No. 457; Ord. No. 472]

G. REGULATIONS APPLICABLE TO SIGNS IN COMMERCIAL AND INDUSTRIAL ZONES

1. No more than two (2) permanent signs are permitted for any one business except that a business having frontage on and physical access from two (2) or more streets will be allowed a total of three (3) signs.
2. The maximum area of all permanent signs shall not exceed 32 square feet.
- ~~2.~~ 3. The area of any single wall, projecting, free-standing or canopy sign shall not exceed ~~sixteen~~ (16) square feet.

- ~~3-4.~~ No sign shall extend above the roof of the building to which it is attached.
- ~~4-5.~~ The bottom of any projecting sign shall be no lower than ~~eight (8)~~ feet above the ground directly below it.
- ~~5-6.~~ No part of any projecting or free-standing sign may project over any roadway.
- ~~6-7.~~ One (1) set of address numbers not exceeding ~~four 4 inches 4~~ by ~~twelve 12 inches (4" x 12")~~ in total area shall be allowed in addition to normal sign allowances.
- ~~7-8.~~ Temporary signs, which are promotional in nature and intended to advertise a specific event, activity, or business, such as "sale" signs are allowed in addition to other signs. Examples of temporary signs include, but are not limited to, A-Frame signs, T-Frame signs, sandwich boards and B banner signs. Temporary signs must meet all restrictions for signs in this section in addition to the following:
- a. The sum area of all temporary signs shall not exceed ~~eight (8)~~ square feet.
 - b. No business may display a temporary sign more than ~~ninety-sixty (60) (90)~~ days per calendar year, or ~~thirty forty-five (30 45)~~ consecutive days.
 - c. If the temporary sign pertained to an event (such as an open house or garage sale), the sign shall be removed within three (3) days of the completion of the event or activity which is being advertised.
 - d. Temporary signs shall maintain a minimum setback from the right of way of five (5) feet, unless there is a primary structure on the lot which is located closer to the right of way than five (5) feet, in which case the sign may be placed at the same setback as the primary structure.
 - e. The maximum height of a temporary sign is four (4) feet.
 - f. Temporary signs require administrative approval from the zoning administrator. Applications shall be submitted on a form prepared by the zoning administrator and shall demonstrate compliance with the standards of this section.
 - g. ~~Signs shall not be illuminated.~~ Application for a temporary sign shall include payment of a non-refundable, one-time filing fee in an amount established by a schedule adopted by resolution of the Council and filed in the offices of the town clerk. Payment of the filing fee shall be waived when the applicant is an agent of the town, county, state, or federal government.
 - h. Temporary signs shall not be illuminated.
 - e.
 - ~~d. No permit is required for temporary signs.~~

Examples of temporary signs:

 - ~~Chalkboards or signs that change daily for menu specials~~
 - ~~Signs for special events that have limited use, such as Art Walk announcements~~
 - ~~Sandwich boards / A-Frame signs (allowed in vestibules and on private property, but not on public sidewalks)~~
 - ~~Banners~~
 - ~~"Sale" and other exterior product advertising~~
9. Changeable-copy signs are allowed without a permit provided they do not exceed 4 square feet in size and are attached to the façade of a building. A maximum of one sign per business is allowed.

~~8.10.~~ Exterior Directional signs ~~indicating open and closed~~ are permitted in addition to normal sign allowances. No more than two (2) directional signs are allowed with a maximum total area of ~~These signs should be no more than four (4) square feet in area.~~ Directional signs do not require a permit. ~~Such an exterior open/closed sign requires a permit and approval from the Design Review Board.~~

~~9.11.~~ Standard copyright signs Service signs offering information on incidental services or recommendations, e.g., VISA, MasterCard, WiFi, etc., are permitted in addition to normal sign allowances; provided:

- a. They conform to all provisions contained in this section.
- b. They are inside a window.
- c. There is no more than one (1) sign per incidental service per public entrance to the business.
- d. ~~No sign's area shall~~ Each sign does not exceed ~~sixteen (16)~~ square inches in area.

[Ord. No. 457; Ord. No. 472]

H. PROHIBITED SIGNS

1. Abandoned signs
2. Billboards
3. Digital or electronic signs with changeable copy
4. Flying banners
5. Flashing or blinking signs
6. Gas-generated signs
7. Inflatable and balloon signs
8. Mannequins/skeletons displaying, wearing, or holding any advertising content such as flyers, business cards, or other promotional materials.
- ~~8.9.~~ Moving and rotating signs – including rotating barber poles
- ~~9.10.~~ Off-premise signs in the commercial or industrial zoning districts
- ~~10.11.~~ Signs attached to or painted on trees, rocks or other natural features
- ~~11.12.~~ Signs emitting any sound designed to attract attention
- ~~12.13.~~ Signs in the clear vision triangle
14. Signs in the right-of-way
- ~~13.15.~~ Signs blocking pedestrian pathways, stairs, or handrails
- ~~14.16.~~ Signs painted on fences
- ~~15.17.~~ Sign walkers
- ~~16.18.~~ Signs with visible bulbs, neon tubing, or luminous paints

[Ord. No. 472]



TOWN OF JEROME

POST OFFICE BOX 335, JEROME, ARIZONA 86331
OFFICE (928) 634-7943

Zoning Administrator Analysis Planning and Zoning Commission Wednesday, July 21, 2021

Item 5: Work session on affordable/workforce housing

Applicant/Owner: Town of Jerome

Staff will provide information on the recent efforts in the Verde Valley regarding affordable/workforce housing.

Prepared by: John Knight, Zoning Administrator

Discussion/Possible Direction

Background and Summary: In May 2021, staff attended a workshop on affordable/workforce housing. This effort was primarily sponsored by the cities of Cottonwood and Sedona with contributions from Jerome and other jurisdictions in the Verde Valley. Cottonwood and Sedona hired Elliott D. Pollack & Co. and Sheila D. Harris Consulting Services to do the following:

- Perform research of the existing housing conditions;
- Develop a detailed needs assessment and identify any shortfalls in housing availability and affordability, and
- Recommend possible tools that jurisdictions could implement to improve the accessibility of affordable housing.

Key points: A few crucial items related to Jerome and the Verde Valley are noted below.

1. **Losing population** – Over the next 30 years, Jerome is anticipated to lose population. The population estimate for 2020 is 450 and Jerome is expected to decrease to 372 by 2050, a projected loss of 72 residents. This represents a loss of over 15 percent of the town's current population, a trend supported by anecdotal evidence from home sales over the last several years. Many of the homes currently being sold are turned into short-term rentals or used as part-time vacation homes. Should this trend continue, Jerome may not survive as an independent town for the next 100 years. Note that Jerome is currently the second smallest incorporated town in Arizona. Winkelman, Arizona, is the smallest at approximately 350 people.
2. **Population aging** – Jerome has an older population. The median age is approximately 54 years old. Compare this to Cottonwood's median age of 34 years old and Camp Verde's median age of 41 years old.
3. **Loss of younger workforce in the Verde Valley** – As a whole, the Verde Valley is losing population in the 15 to 59 age range. The biggest loss of population is for people 45 to 54 years old. The greatest increase in population is among 65 to 74 year-olds. People in this age range are typically retired or only work part time.
4. **High unemployment** – Jerome has the highest unemployment rate in the Verde Valley. As of March 2021, Jerome's unemployment was estimated at almost 12 percent.

5. **Employment sectors** – The majority of jobs in the Verde Valley are in the sectors of business services, consumer services, government, hospitality/tourism, and retail.
6. **Housing prices** – In 2019, the average home price was estimated at over \$290,000. Current housing price trends indicate that the average price now exceeds \$350,000 with many homes selling for over \$600,000. Average rental prices are difficult to obtain due to limited availability. Rent for single rooms can exceed \$850/month while rents for homes can exceed \$2,500/month.
7. **Affordability gap** – Jerome has a high “affordability gap” with more than 27 percent of households paying more than 30 percent of their income to rent and over 21 percent paying more than 50 percent of their income for housing.
8. **Tools to create affordable housing** – Jurisdictions can implement a variety of tools to create and retain affordable/workforce housing, such as
 - Use of town-owned land
 - Density bonuses
 - General plan policies that prioritize affordable housing
 - Flexible design standards
 - Permit fee waivers
 - Expedited/streamlined permit processing
 - Reductions in parking requirements
 - Partnerships with nonprofit housing developers (like Habitat for Humanity)

Recommendation: The zoning administrator recommends the Planning and Zoning Commission review the information provided and offer input on potential tools that could be used to increase the affordable housing supply in Jerome.

Attachments:

- PowerPoint slides from May 2021 presentation



Representing the Verde Valley Communities:

Camp Verde, Clarkdale, Cottonwood, Jerome, Sedona, Unincorporated Yavapai County including Beaver Creek (Lake Montezuma, Rimrock, McGuireville), Bridgeport, Cornville, Page Springs, Verde Villages, Village of Oak Creek and the Yavapai-Apache Nation

April 2021



Verde Valley Housing Existing Conditions Needs Assessment Tools for Change

May 2021

**Elliott D. Pollack & Co.
Sheila D. Harris Consulting Services**



Elliott D. Pollack & Company

Sponsored By



"Inspiring a Vibrant Community"



Elliott D. Pollack & Company

The Team

- **Elliott D. Pollack & Company – Lead Consultant**
 - Rick Merritt, President
 - Danny Court, Senior Economist
- **Sheila D. Harris Consulting Services**
 - Consultant to affordable housing developers



Agenda

- **Existing Conditions & Housing Gap Assessment**
 - **Verde Valley Regional Housing Survey**
- **Case Study & Tool Kit – Preliminary Recommendations**



Existing Conditions



2019 Population & Household Estimates

Municipalities	Population	Households	Persons Per Household
Sedona	10,374	5,285	1.96
Camp Verde	11,162	4,361	2.56
Clarkdale	4,517	2,384	1.89
Cottonwood	12,249	5,589	2.19
Jerome	450	222	2.03
Unincorporated Areas			
Cornville	3,665	1,542	2.38
Lake Montezuma	5,784	2,486	2.33
Village of Oak Creek	5,888	2,232	2.64
Verde Village	11,466	5,785	1.98
Total Verde Valley	65,556	29,886	2.19
Source: U.S. Census Bureau; Office of Economic Opportunity			



Verde Valley Population History & Forecast

Year	Camp Verde	Clarkdale	Cottonwood	Jerome	Sedona	Unincor. County	Total Verde Valley
1990	6,243	2,144	5,918	403	7,720	13,991	36,419
2000	9,451	3,422	9,179	329	10,192	22,534	55,107
2010	10,875	4,103	11,238	441	10,020	25,717	62,393
2018	11,113	4,328	12,133	447	10,305	26,352	64,678
2020	11,224	4,403	12,292	444	10,382	27,155	65,899
2030	11,612	4,669	12,857	418	10,777	29,122	69,456
2040	12,334	5,033	13,739	399	11,511	31,193	74,210
2050	13,025	5,364	14,557	372	12,333	33,083	78,734
2020-2050 Change	1,802	961	2,265	(72)	1,951	5,928	12,835

Source: U.S. Census Bureau; Office of Economic Opportunity



Average Household Size & Median Age

Community	Household Size			Median Age
	Average	Owner	Renter	
Camp Verde	2.56	2.42	2.87	40.7
Clarkdale	1.89	1.82	2.03	57.3
Cottonwood	2.19	2.20	2.18	33.8
Jerome	2.03	2.24	1.58	53.8
Sedona	1.96	2.01	1.84	61.2
Cornville	2.38	2.39	2.26	54.7
Lake Montezuma	2.33	2.42	2.16	56.3
Verde Village	2.64	2.57	2.82	47.5
Village of Oak Creek	1.98	1.91	2.13	62.8
Verde Valley	2.25	2.23	2.29	52.5

Source: 2014-2018 and 2015-2019 American Community Survey 5-Year Estimates



Median & Average Household Incomes

Municipalities	Median Income	Average Income
Camp Verde	\$40,000	\$52,849
Clarkdale	\$48,685	\$60,577
Cottonwood	\$34,209	\$46,138
Jerome	\$43,523	\$67,519
Sedona	\$60,015	\$85,574
Unincorporated Areas		
Cornville	\$54,400	\$68,065
Lake Montezuma	\$40,892	\$49,065
Verde Village	\$49,935	\$65,150
Village of Oak Creek	\$56,263	\$84,379
Total Verde Valley	\$47,558	\$64,390

Source: 2014-2018 American Community Survey 5-Year Estimates



Tenure By Age of Householder

Age	2010	2019	Change
Total Households	27,885	28,480	595
Owner	18,875	19,947	1,072
Renter	9,010	8,533	(477)
15 to 24 years	967	612	(355)
25 to 34 years	2,469	2,131	(338)
35 to 44 years	3,257	2,982	(275)
45 to 54 years	4,927	3,557	(1,370)
55 to 59 years	3,439	3,242	(197)
60 to 64 years	2,872	3,468	596
65 to 74 years	5,439	7,480	2,041
75 to 84 years	3,139	3,653	514
85 years +	1,376	1,355	(21)
Median Age of Population	46.8	52.5	

Sources: ACS 2010 and 2019 5-Year Estimates



Affordable Housing




Workforce Housing
(essential personnel)
80% - 120% AMI

+

Low & Moderate-
Income Housing
Less Than 80% AMI





Income Definitions

Family of 4, Yavapai County

AMI: \$64,600

Moderate Income: 80% - 120% AMI

\$51,680 - \$77,520

Low Income: 50% - 80 % AMI

\$32,300 - \$51,680

Very Low Income: Less than 50% AMI

Less than \$32,300



Low & Moderate Income Households

Yavapai County

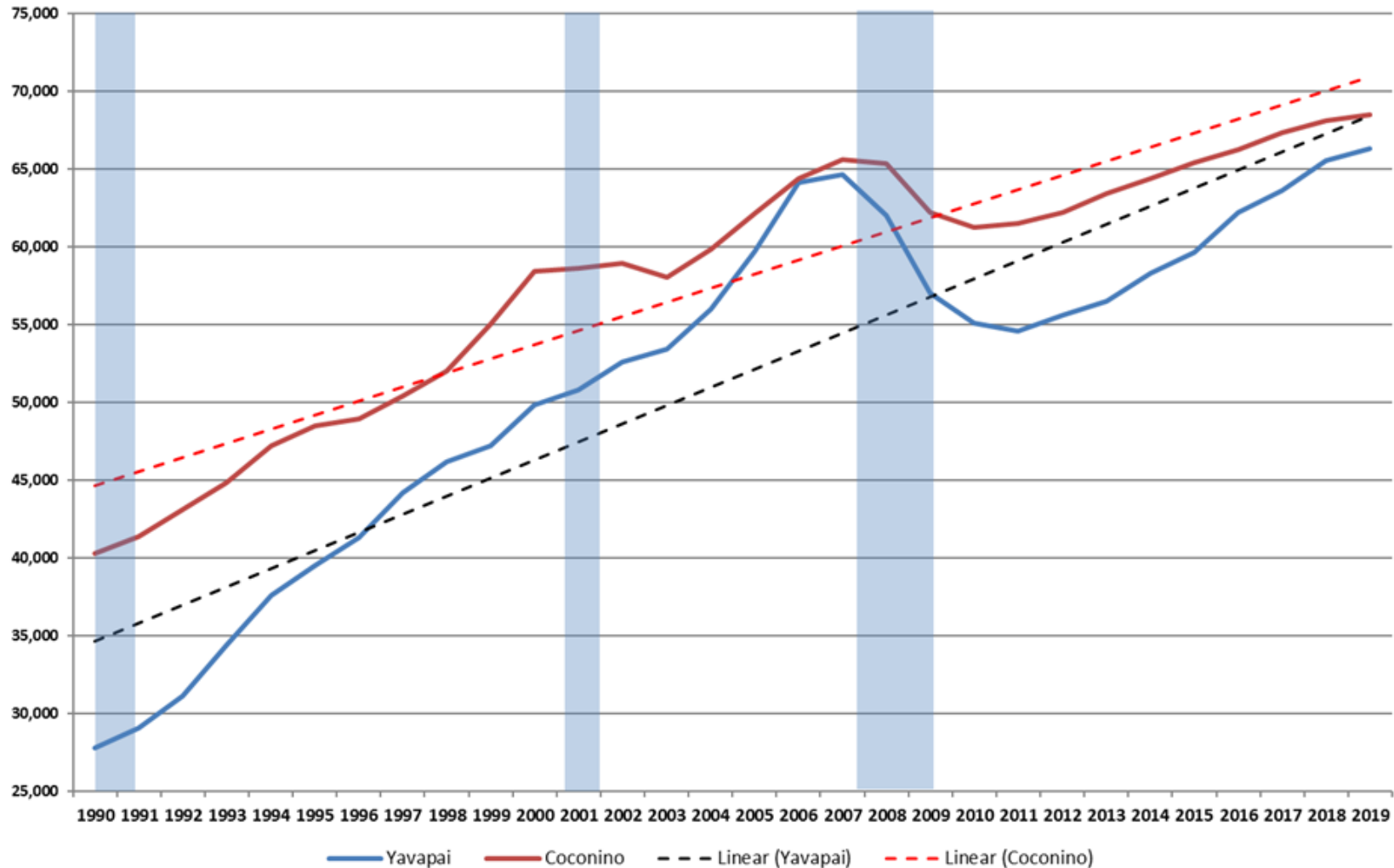
% of Median Household Income	Income for Household of 4	Total Households	% of Total Households
0%-30%	\$0 - \$16,440	9,695	10.3%
30%-50%	\$16,441 - \$27,400	11,010	11.7%
50%-80%	\$27,401 - \$43,840	15,940	16.9%
80%-100%	\$43,841 - \$54,800	10,345	11.0%
>100%	\$54,801+	47,360	50.2%
Total		94,345	
Sources: U.S. Census 2013-2017 ACS, HUD CHAS Dataset			



Employment 1990-2019 Yavapai & Coconino County

Source: Arizona Office of Employment and Population Statistics, in cooperation with the U.S. Dept of Labor, Bureau of Labor Statistics

Recessions



Unemployment Rate

Year	Arizona	Yavapai County	Camp Verde	Clarkdale	Cottonwood	Jerome	Sedona
2012	8.3%	8.6%	9.9%	13.6%	8.7%	5.4%	7.1%
2013	7.7%	7.7%	8.9%	12.3%	7.8%	5.0%	6.6%
2014	6.8%	6.4%	7.4%	10.5%	7.1%	7.4%	6.3%
2015	6.1%	5.6%	6.5%	9.3%	6.3%	6.6%	5.7%
2016	5.4%	4.9%	5.7%	8.3%	5.5%	5.7%	5.2%
2017	4.9%	4.5%	5.3%	7.6%	5.1%	5.2%	4.7%
2018	4.8%	4.5%	5.2%	7.5%	5.0%	5.1%	4.7%
2019	4.8%	4.5%	5.3%	7.6%	5.0%	5.2%	4.6%
2020	7.9%	7.5%	7.2%	13.2%	4.6%	15.2%	7.6%
Mar. 2021	6.5%	5.6%	5.4%	10.0%	3.4%	11.7%	5.8%

Source: Arizona Office of Economic Opportunity



Average Travel Time to Work

Jurisdiction	Minutes
Camp Verde	22.8
Clarkdale	23.8
Cottonwood	23.1
Jerome	21.5
Sedona	16.4
Uninc. Area	27.6
Verde Valley	23.7

Source: 2013-2017 American Community Survey
5-Year Estimates



Employment By Industry Cluster Verde Valley Vs. State of Arizona

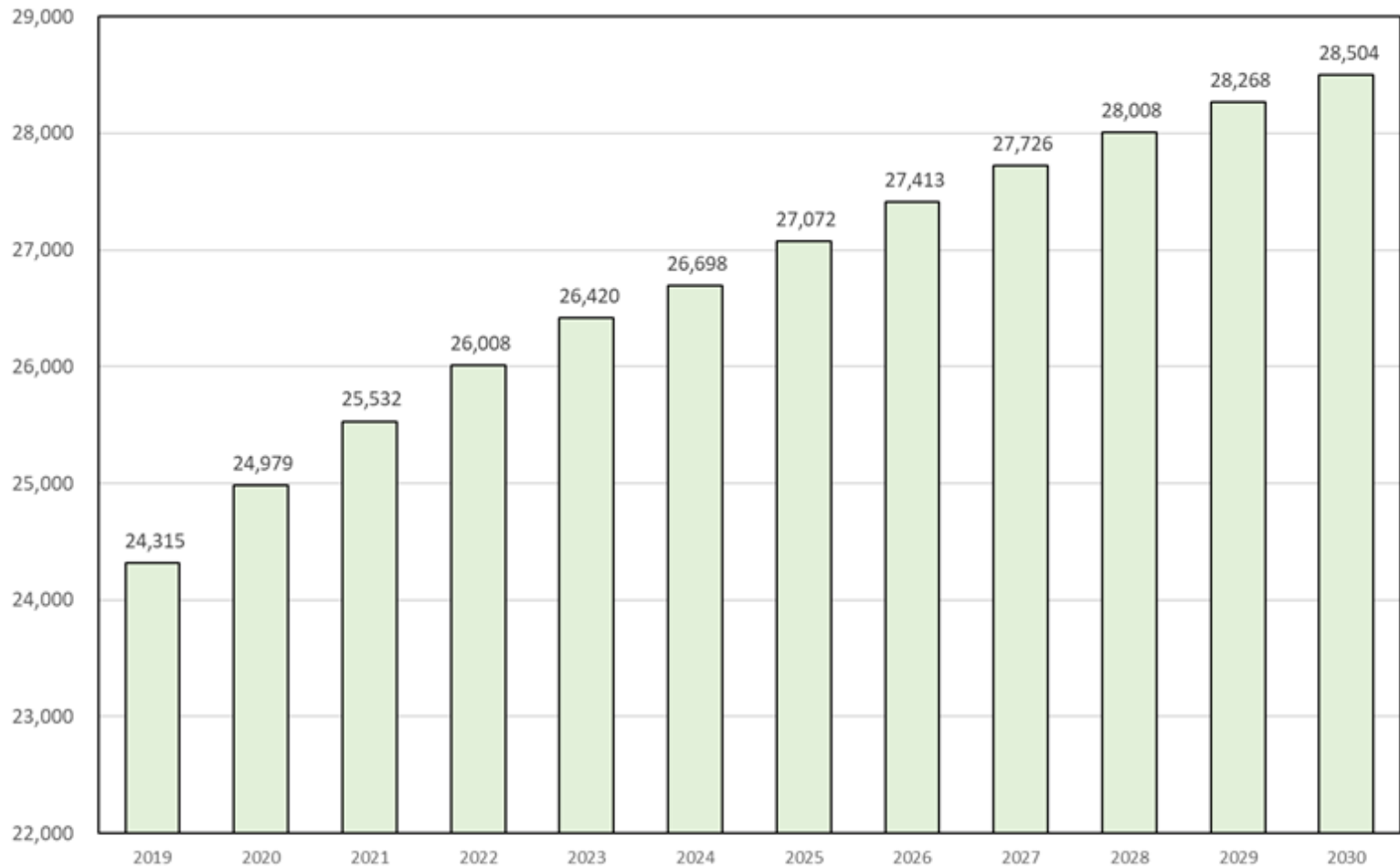
Cluster	Verde Valley		Arizona (1,000s)		Location Quotient
	Employees	% of Total	Employees	% of Total	
Business Services	1,096	4.2%	298,840	12.0%	0.35
Construction	1,730	6.6%	164,910	6.6%	1.00
Consumer Goods Manufacturing	128	0.5%	29,700	1.2%	0.41
Consumer Services	3,360	12.9%	274,050	11.0%	1.17
Education	2,060	7.9%	206,240	8.3%	0.95
Finance, Insurance, & Real Estate (FIRE)	1,212	4.6%	179,890	7.2%	0.64
Government, Social, & Advocacy Services	2,800	10.7%	261,570	10.5%	1.02
Health Care	3,797	14.6%	270,510	10.9%	1.34
High Tech Manufacturing & Development	205	0.8%	105,680	4.3%	0.19
Hospitality, Tourism & Recreation	4,445	17.1%	111,140	4.5%	3.81
Media, Publishing & Entertainment	339	1.3%	20,720	0.8%	1.56
Metal Inputs & Transportation-Related Manuf.	46	0.2%	29,010	1.2%	0.15
Non-Metallic Manufacturing	156	0.6%	27,990	1.1%	0.53
Resource-Dependent Activities	315	1.2%	41,610	1.7%	0.72
Retail	3,480	13.3%	281,390	11.3%	1.18
Telecommunications	90	0.3%	25,880	1.0%	0.33
Transportation & Distribution	810	3.1%	157,090	6.3%	0.49
Totals	26,069	100.0%	2,486,220	100.0%	

Source: 2019 Arizona COG/MPO Employer Database limited to employers with 5 or more employees.



Verde Valley Employment Forecast 2019-2030

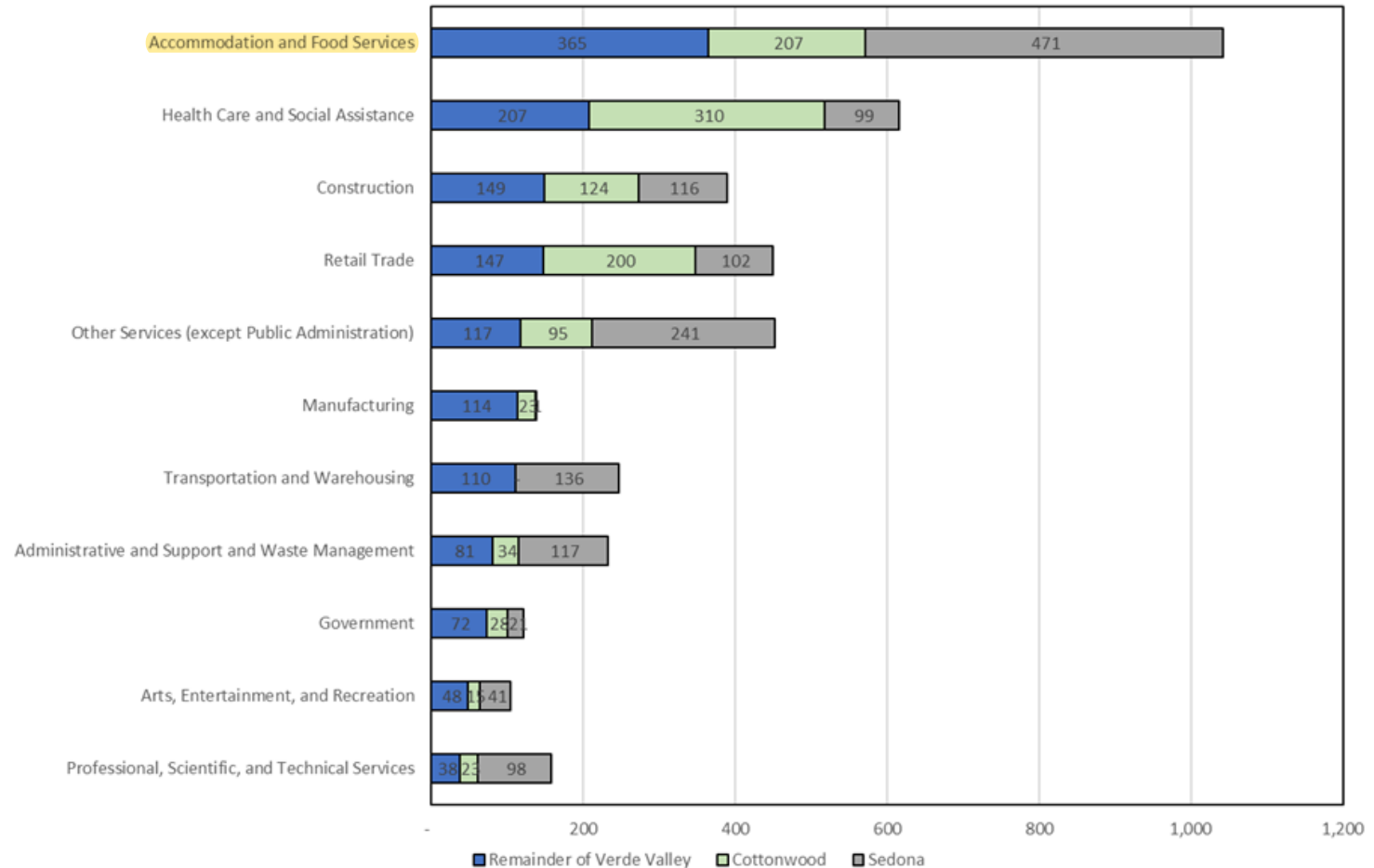
Source: EMSI



Forecasted Increase in Jobs 2019-2030

Verde Valley

Source: EMSI



Demographic & Economic Summary

- The Verde Valley is forecasted to grow by about 13,000 persons over the next 30 years.
- Employment forecast is 4,200 jobs over next 10 years.
- Sedona and the Village of Oak Creek have the highest household incomes in the Valley.
- Employee commuting patterns are an important indicator of the difficulty in finding affordable housing. For Sedona, 75% of those employees who work in the city live in another community. In Cottonwood, 77% of residents leave the city to work each day.



Demographic & Economic Summary

- According to Census data, the Verde Valley is losing population in the age groups from 15 to 59 years of age. As a result, the media age of the population now stands at 52.5 years compared to 46.8 years in 2010.
- The strengths of the Verde Valley economy are:
 - Construction & mining
 - Education & Health Services
 - Leisure & Hospitality
 - Government



Total Housing Units by Unit Type

Unit Type	Camp Verde		Clarkdale		Cottonwood		Jerome		Sedona		Uninc. Area		Verde Valley	
	Units	%	Units	%	Units	%	Units	%	Units	%	Units	%	Units	%
Total housing units	4,488		2,267		5,887		272		6,788		13,624		33,326	
1-unit, detached	2,858	63.7%	1,564	69.0%	2,911	49.4%	197	72.4%	4,976	73.3%	9,033	66.3%	21,539	64.6%
1-unit, attached	105	2.3%	202	8.9%	305	5.2%	13	4.8%	253	3.7%	412	3.0%	1,290	3.9%
2 units	-	0.0%	213	9.4%	468	7.9%	24	8.8%	193	2.8%	424	3.1%	1,322	4.0%
3 or 4 units	158	3.5%	110	4.9%	189	3.2%	21	7.7%	129	1.9%	231	1.7%	838	2.5%
5 to 9 units	48	1.1%	-	0.0%	287	4.9%	7	2.6%	139	2.0%	259	1.9%	740	2.2%
10 to 19 units	32	0.7%	-	0.0%	237	4.0%	-	0.0%	83	1.2%	235	1.7%	587	1.8%
20 or more units	12	0.3%	-	0.0%	322	5.5%	4	1.5%	94	1.4%	305	2.2%	737	2.2%
Mobile home	1,237	27.6%	178	7.9%	1,168	19.8%	6	2.2%	902	13.3%	2,669	19.6%	6,160	18.5%
Boat, RV, van, etc.	38	0.8%	-	0.0%	-	0.0%	-	0.0%	19	0.3%	56	0.4%	113	0.3%

Source: 2014-2018 American Community Survey 5-Year Estimates

Occupied Mobile Home Inventory by Year Built

Year Built	Camp Verde	Clarkdale	Cottonwood	Jerome	Sedona	Uninc. Area	Verde Valley
Mobile Homes	1,081	138	978	6	829	2,232	5,264
Before 1979	320	-	138	6	417	590	1,471
% Before 1979	29.6%	0.0%	14.1%	100.0%	50.3%	26.4%	27.9%

Source: 2014-2018 American Community Survey 5-Year Estimates



Seasonal Housing Units Verde Valley

Community	Seasonal Units	Seasonal % of Total Units
Camp Verde	162	3.6%
Clarkdale	41	1.8%
Cottonwood	372	6.3%
Jerome	26	9.7%
Sedona	928	13.7%
Uninc. Area	1,255	9.2%
Verde Valley	2,786	8.4%
Arizona	196,210	7.3%

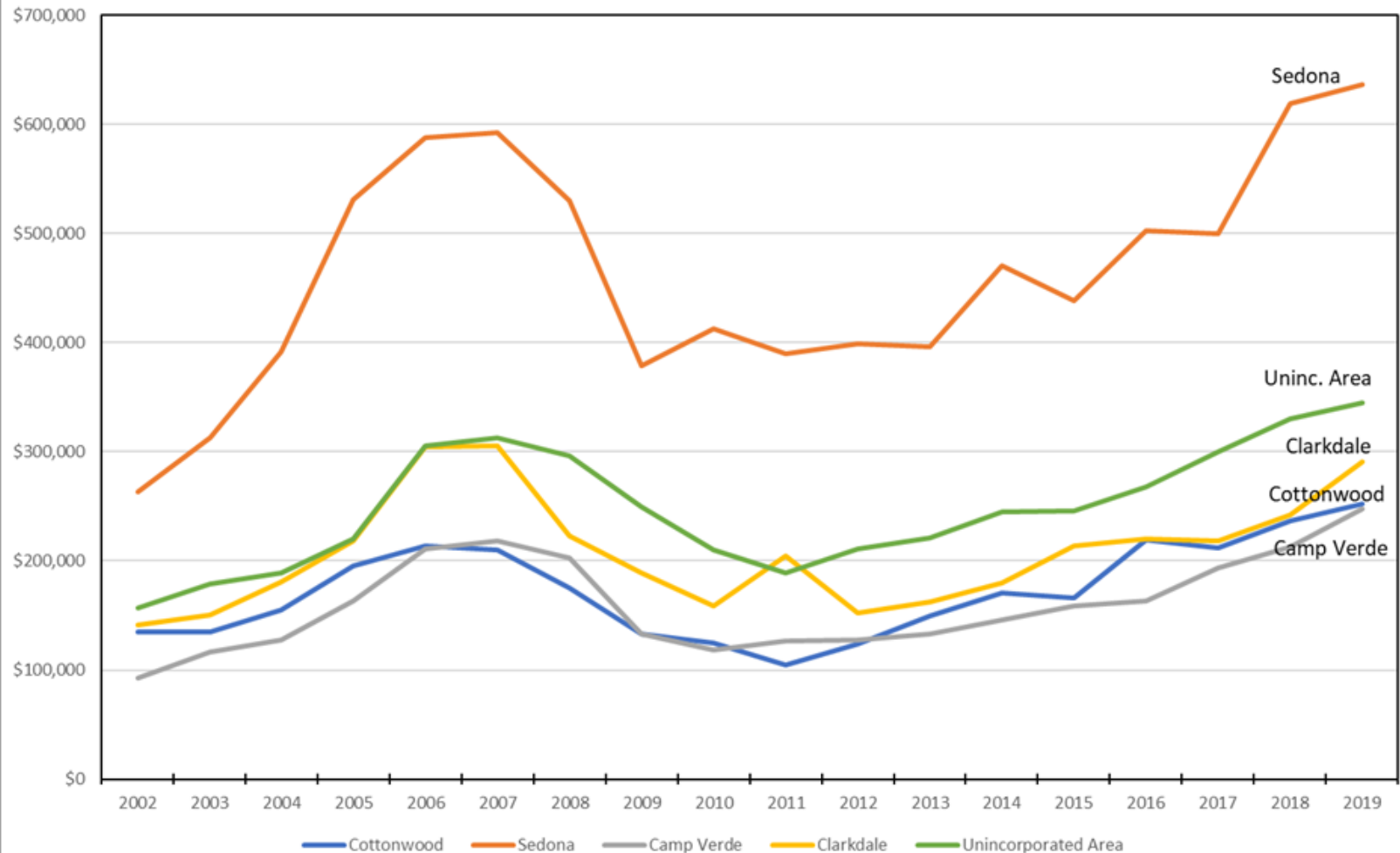
Source: 2014-2018 American Community Survey 5-Yr Estimates



Verde Valley Housing Sales 2002 - 2019

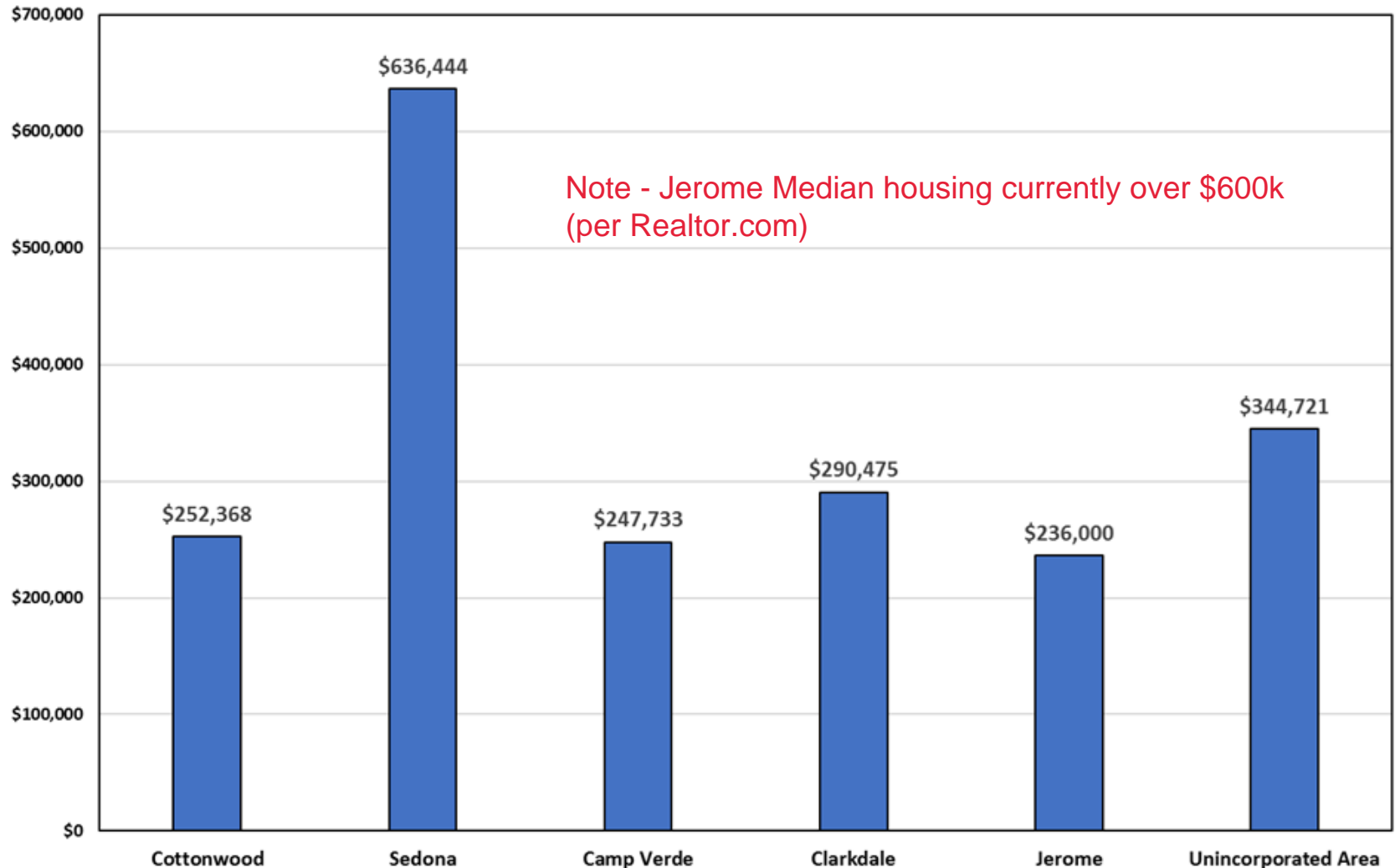
Average Sale Price

Source: Yavapai & Coconino County Assessors



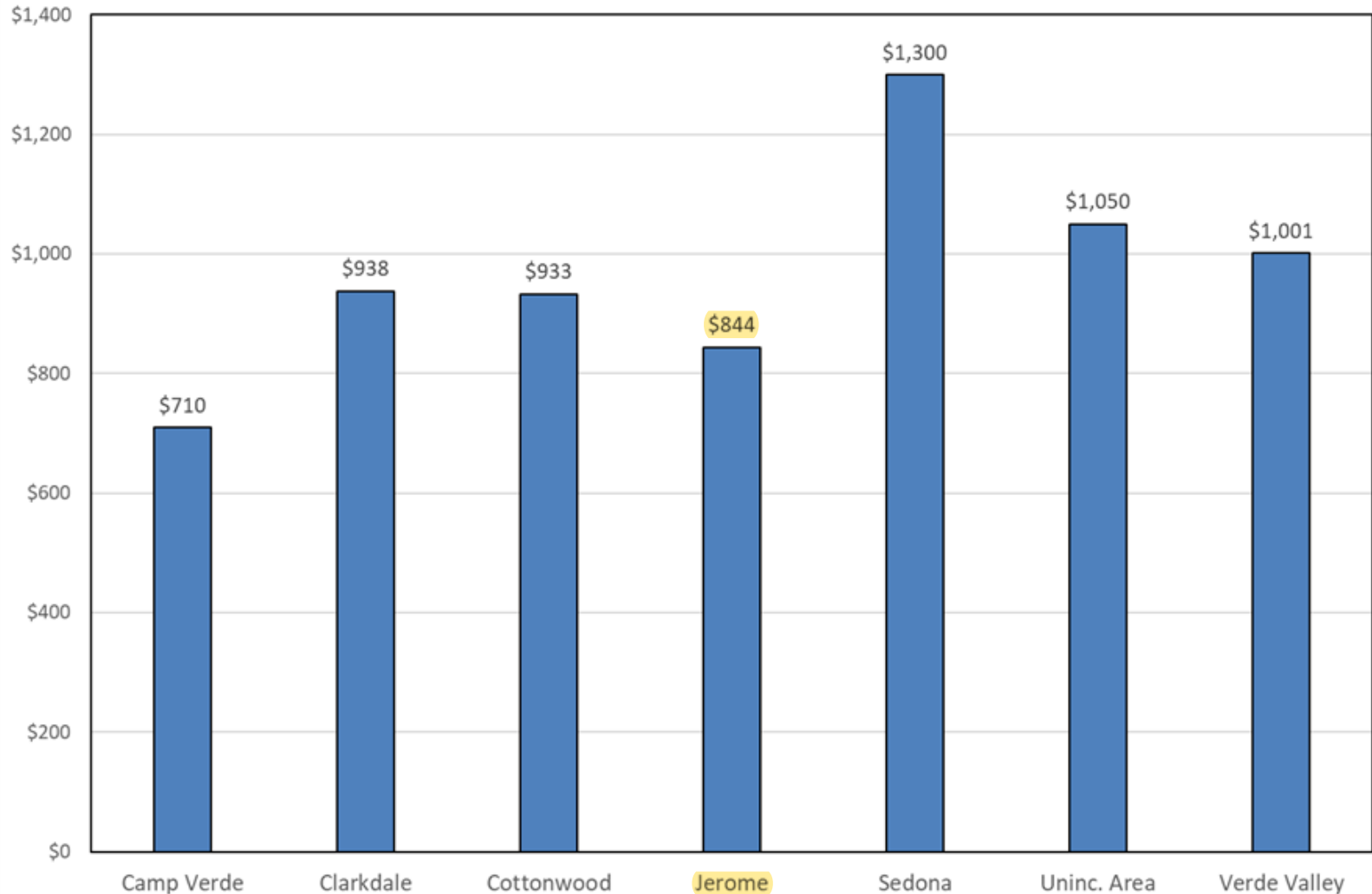
2019 Average Housing Price Verde Valley

Sources: Yavapai & Coconino County Assessor



2019 Median Gross Rent

Source: 2015-2019 American Community Survey 5-Year Estimates



Verde Valley Apartment Inventory

Community	Units	% of Total
Camp Verde	135	9.5%
Clarkdale	67	4.7%
Cottonwood	879	61.7%
Jerome	24	1.7%
Oak Creek	74	5.2%
Sedona	246	17.3%
Total	1,425	100.0%

Source: Elliott D. Pollack & Co.



Yavapai County Average Rents

Year	Average Rent	% Change
2010	\$665	
2011	\$687	3.4%
2012	\$651	-5.3%
2013	\$676	3.9%
2014	\$751	11.1%
2015	\$803	6.9%
2016	\$832	3.7%
2017	\$922	10.8%
2018	\$1,019	10.5%
2019	\$1,121	10.0%
Source: Zillow		



HUD Fair Market Rents 2015 & 2020

Community	Zip Code	2015	2020	% Change
Camp Verde	86322	\$850	\$1,032	21.4%
Clarkdale	86324	\$1,092	\$1,148	5.1%
Cornville	86325	\$982	\$1,512	54.0%
Cottonwood	86326	\$872	\$1,096	25.7%
Jerome	86331	\$962	\$962	0.0%
Rimrock	86335	\$850	\$1,118	31.5%
Sedona	86336	\$1,126	\$1,512	34.3%
Oak Creek	86351	\$1,082	\$1,298	20.0%

Source: HUD Fair Market Rents



Note - HUD defines cost-burdened families as those “who pay more than 30 percent of their income for housing”.

Housing Cost Burden By Community

Community	Occupied Housing Units	Cost Burdened Units	% Cost Burdened Units	Share of Verde Valley Burdened Units
Camp Verde	3,956	1,144	28.9%	11.1%
Clarkdale	2,226	1,034	46.5%	10.0%
Cottonwood	5,253	2,135	40.6%	20.7%
Jerome	227	62	27.3%	0.6%
Sedona	5,348	2,275	42.5%	22.0%
Uninc. Area	11,414	3,686	32.3%	35.7%
Totals	28,424	10,336	36.4%	100.0%

Source: 2018 American Community Survey 5-Year Estimates



Affordable Rents For Critical Personnel & Service Workers Yavapai County

Occupation	Annual Wage	Affordable Payment*	Affordable Rent
Teacher	\$46,000	\$1,150	\$1,000
Police	\$54,900	\$1,373	\$1,223
Firefighter	\$53,400	\$1,335	\$1,185
Registered Nurse	\$82,050	\$2,051	\$1,901
LPN	\$54,100	\$1,353	\$1,203
Nursing Assistants	\$33,800	\$845	\$695
Restaurant Cook	\$31,200	\$780	\$630
Waiter	\$40,000	\$1,000	\$850
Housekeeping	\$31,200	\$780	\$630
Area Median Family Income 2020 (HUD)	\$64,600	\$1,615	\$1,465

*Includes rent and utilities

Source: AZ OEO, U.S. Dept. of Labor 2019



Sample Monthly Housing Payment & Qualifying Income

	5% Down Payment		5% Down Payment	
Home Price	\$250,000		\$300,000	
Down Payment	\$12,500	5%	\$15,000	5%
Loan Amount	\$237,500		\$285,000	
Interest Rate	3.5%		3.5%	
Payment (30 Years)	\$1,066		\$1,280	
Property Tax	\$188	0.90%	\$225	0.90%
Insurance	\$73	0.35%	\$88	0.35%
PMI	\$158	0.80%	\$190	0.80%
Total Payment	\$1,485		\$1,782	
Qualifying Income	\$59,409		\$71,291	



Housing Summary

- The term “affordable housing” refers to the continuum of housing demand including both low income and workforce households.
- 36% of the households in the Verde Valley are cost burdened. In Clarkdale, Cottonwood, & Sedona, more than 40% are cost burdened.
- Single family detached units and mobile home units account for 83% of all housing units in the Verde Valley.
- Out of 33,300 housing units in the Valley, only 1,400 units are in traditional apartment complexes.



Housing Summary

- Census data shows that 6.2% of all housing units are considered apartments in the Valley compared to 16% statewide.
- Housing prices and rents have risen dramatically over the past year beyond what the data in the report suggests. The shortage of resale units exacerbates the problem.
- Short term rentals (Airbnb, VRBO) have further restricted the number of housing units that are available for rent.



Housing Summary

- Mobile homes that were built before 1976 provide a source of moderate-cost housing but may pose health and safety risks. More than 1,400 mobile homes in the Verde Valley were built before 1976.



Affordable Housing Gap Analysis



Verde Valley Housing Cost Burden Summary

	Camp Verde	Clarkdale	Cottonwood	Jerome	Sedona	Yavapai County	Total Verde Valley
Total Households	3,956	2,226	5,253	227	5,348	11,414	28,424
Cost Burdened Households	1,144	1,034	2,135	62	2,275	3,686	10,336
% Cost Burdened Households	28.9%	46.5%	40.6%	27.3%	42.5%	32.3%	36.4%
Paying 30%-50% of Income	554	882	1,174	14	1,060	2,024	5,708
Paying More Than 50% of Income	590	152	961	48	1,215	1,662	4,628
% Paying More Than 50% of Income	14.9%	6.8%	18.3%	21.1%	22.7%	14.6%	16.3%

Source: 2018 American Community Survey 5-Year Estimates

The housing cost burden for the U.S. is 30.6% and for Arizona it is 29.0%.



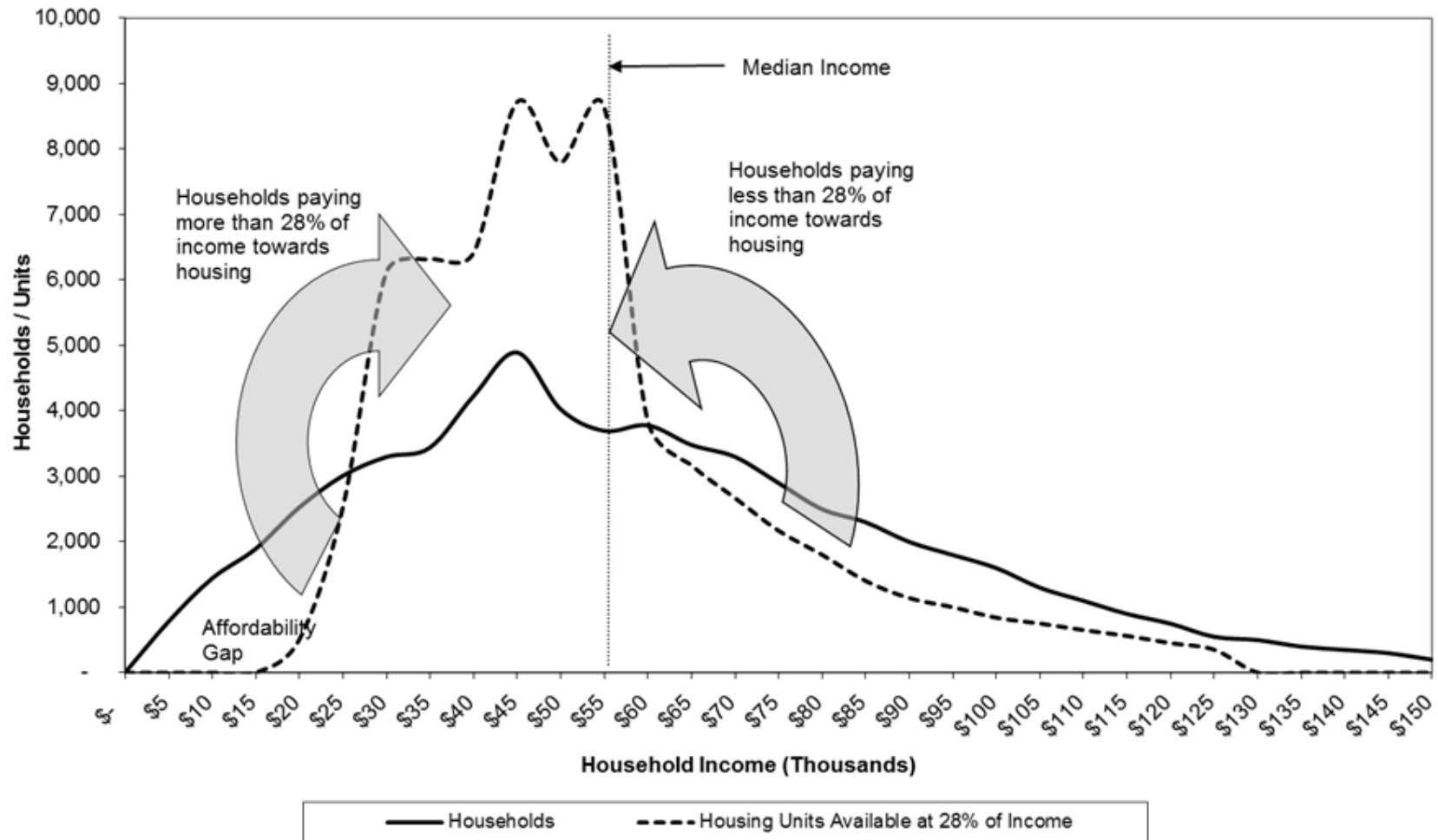
Affordability Gap Analysis

Two Components of Affordable Demand:

- Existing affordable housing demand
- Demand from employment growth as region increases in jobs



Affordability Gap Illustration



Cottonwood Affordability Gap Analysis

Assumptions

Maximum % of Income for Housing	30%
Interest Rate	4.00%
Down Payment	5.00%
Median Household Income	\$34,209
PMI/Home Insurance/Property Tax Factor	1.45

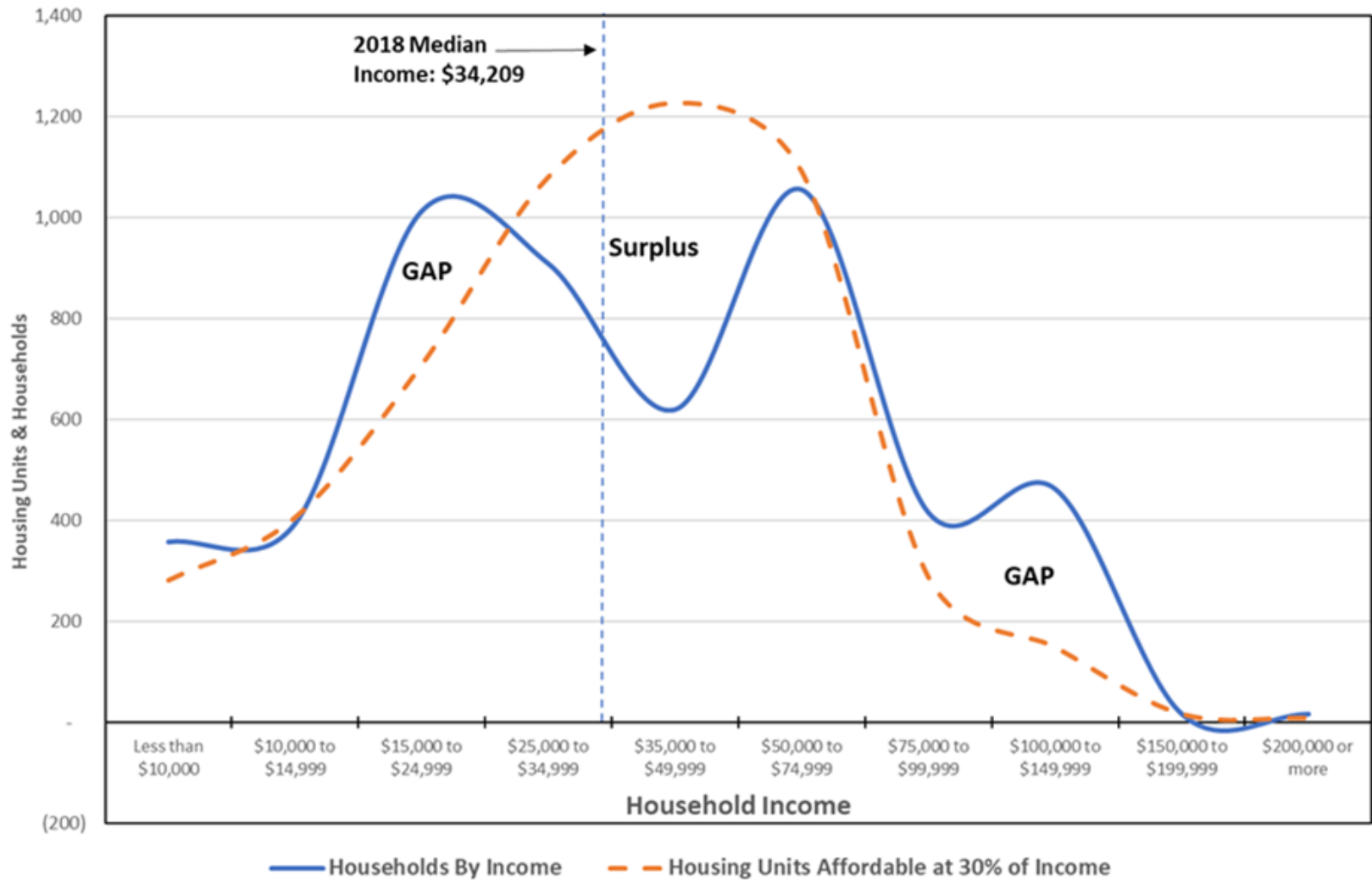
Household Income		Total Households	Affordability Range		House Value		Monthly Rent		Units Available		Total Units Available	GAP	Cumulative GAP
			Low	High	Low	High	Low	High	Owner Occupied	Renter Occupied			
\$0	\$10,000	357	-	\$250	-	\$38,000	\$0	\$250	161	120	281	(76)	(76)
\$10,000	\$14,999	394	\$250	\$375	\$38,000	\$57,100	\$250	\$375	105	301	406	12	(64)
\$15,000	\$24,999	1,014	\$375	\$625	\$57,100	\$95,100	\$375	\$625	277	431	709	(305)	(370)
\$25,000	\$34,999	909	\$625	\$875	\$95,100	\$133,100	\$625	\$875	419	662	1,081	172	(198)
\$35,000	\$49,999	620	\$875	\$1,250	\$133,100	\$190,200	\$875	\$1,250	558	669	1,227	607	409
\$50,000	\$74,999	1,056	\$1,250	\$1,875	\$190,200	\$285,300	\$1,250	\$1,875	647	443	1,090	35	444
\$75,000	\$99,999	415	\$1,875	\$2,500	\$285,300	\$380,400	\$1,875	\$2,500	195	92	287	(128)	316
\$100,000	\$149,999	462	\$2,500	\$3,750	\$380,400	\$570,600	\$2,500	\$3,750	149	-	149	(314)	2
\$150,000	\$199,999	16	\$3,750	\$5,000	\$570,600	\$760,700	\$3,750	\$5,000	16	-	16	0	2
\$200,000	-	16	\$5,000	\$0	\$760,800	\$0	\$5,000	\$0	8	-	8	(8)	(5)
		5,258							2,535	2,718	5,253		

Source: U.S. Census American Community Survey 2018 5-Year Estimates



Cottonwood Affordability Gap

Sources: U.S. Census, Yavapai & Coconino County Assessors



Housing Gap Estimate By Income Range Verde Valley

Household Income Range	Camp Verde	Clarkdale	Cottonwood	Jerome	Sedona	Unincor. County	Total
Less than \$10,000	(82)	(94)	(76)	(5)	(205)	(209)	(671)
\$10,000 to \$14,999	30	(146)	(64)	(0)	(512)	(546)	(1,238)
\$15,000 to \$24,999	(95)	(280)	(370)	(11)	(747)	(782)	(2,285)
\$25,000 to \$34,999	(27)	(34)	(198)	4	(972)	(606)	(1,833)
\$35,000 to \$49,999	42	(12)	409	(10)	(981)	(195)	(746)
\$50,000 to \$74,999	(57)	11	444	(7)	(1,154)	42	(722)
\$75,000 to \$99,999	9	39	316	12	(1,258)	23	(859)
\$100,000 to \$149,999	10	(86)	2	35	(943)	(112)	(1,094)
\$150,000 to \$199,999	80	71	2	15	(448)	(222)	(501)
\$200,000 or more	4	-	(5)	0	-	(0)	(2)

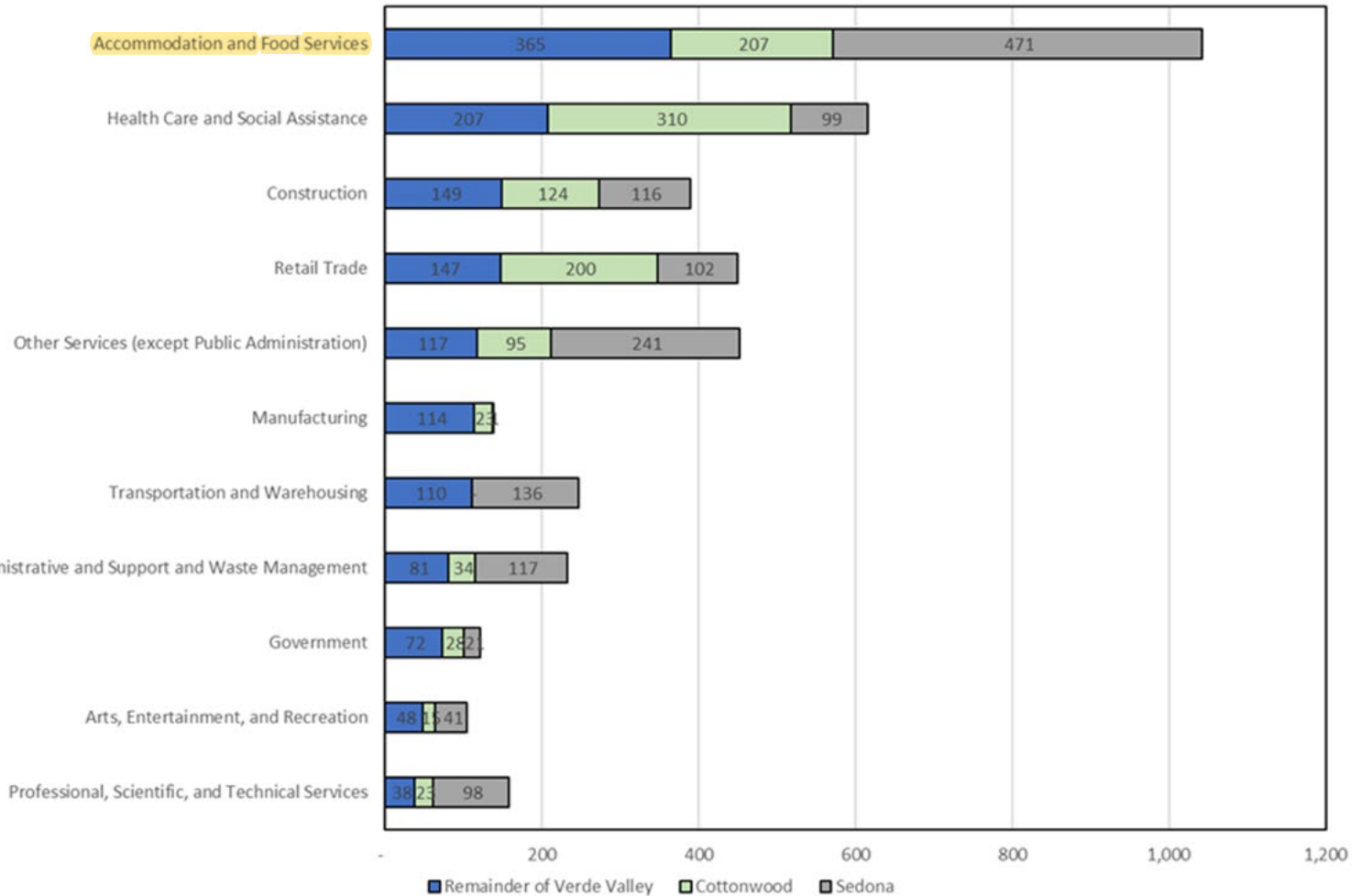
Source: 2018 American Community Survey 5-Year Estimates



Forecasted Increase in Jobs 2019-2030

Verde Valley

Source: EMSI



Affordable Housing Demand From Employment Growth

Community	5-Year Demand	Annual Demand
Camp Verde	160	32
Clarkdale	15	3
Cottonwood	241	48
Jerome	12	2
Sedona	362	72
Unincorporated Area	151	30
Total	943	189
Source: EMSI		



Verde Valley Five-Year Affordable Housing Demand

Community	Existing Gap Demand	Forecasted Employment 5-Yr. Demand	Total 5-Yr. Demand	% of Total Demand
Camp Verde	95	160	255	6.8%
Clarkdale	280	15	295	7.9%
Cottonwood	370	241	611	16.3%
Jerome	11	12	23	0.6%
Sedona	1,258	362	1,620	43.3%
Unincorporated Area	782	151	933	25.0%
Total	2,796	943	3,739	100.0%

Source: EMSI



Verde Valley Regional Housing Survey



Primary Findings

FINAL TAKEAWAYS

- 1,869 individual responses.
- Two-thirds of responses reported two or fewer people in their household.
- 40% were single income households.
- Median income of respondents is \$65,942, slightly higher than the AZ median income.
- Retirees made up 26% of respondents and the medical/healthcare sector represented 23% of responses.



Primary Findings

- Majority of respondents have worked more than five years in the Verde Valley and travel less than 20 miles to work.
- The region's housing-related challenges are:
 - Lack of affordable housing
 - Lack of housing in general
 - Low wages
 - Concerns about vacation rentals



Primary Findings

- The housing cost burden of respondents is similar to Census estimates.

Housing Cost Burden						
Burden Range	Owners		Renters		All Households	
	Households	% of Total	Households	% of Total	Households	% of Total
Less than 30%	795	65.7%	239	57.0%	1,034	63.6%
30% to 49.9%	247	20.4%	162	38.9%	409	25.1%
50% or more	214	17.6%	45	10.8%	259	15.9%
Total	1,211	100.0%	416	100.0%	1,627	
Median Cost Burden	22.6%		22.0%		22.4%	

- 72% of respondents say they are very or somewhat satisfied with their housing situation.



Primary Findings

- Those respondents considering moving from the Verde Valley cite reasons of lack of affordable housing, the quality of medical resources, and low wages.
- The homeownership to renter ratio is 70% to 27%, consistent with Census data.



Case Studies and Tool Kit



Case Studies

- Martha's Vineyard, MA
- Flagstaff, AZ
- Telluride, CO
- Breckenridge, CO



Tool Kit

Apartment Development	
Costs of Development	Tools
Land Costs 15%-20% of total costs	Community Land Trust Land Banks Use of City-owned land Density bonuses Zoning/General Plan policies City contribution to lower private land costs (Gap financing)
Soft Costs 15%-20% of total costs (Design, Entitlement, Permits)	Waiver of permit fees Waiver/reimbursement of development fees Expedited review of plans Flexible design standards Streamlining of development requirements & processes Apartment development by-right
Hard Costs 60%-70% of total costs (Labor & Building Materials)	Waiver of construction sales tax Consistency in Building Codes Reduced parking requirements City assistance with infrastructure improvements Direct capital funding of development costs (Gap financing) Partnerships with private developers & non-profits



Zoning & Planning

Zoning & General Plan Summary Verde Valley Communities		
Jurisdiction	Multifamily Zoning	General Plan
Camp Verde	R-2 District	2016 General Plan includes a Housing Element.
	Density permitted: Unspecified	Affordable housing policies/goals not addressed.
Clarkdale	R-3 District	2012 General Plan has a Housing Element.
	14.5 units/acre maximum	Affordability is addressed in the Plan.
		The 2022 Plan update will also include a Housing Element.
Cottonwood	R-3 and R-4 Districts	2014 General Plan has a sophisticated Housing Element.
	29 units/acre maximum	Affordability is a significant part of the Housing Element.
Jerome	R-2 District only permits single & two-family dwellings	2018 General Plan addresses STRs, encourages affordable housing.
Sedona	RM-1 zone: 8 units per acre	2014 General Plan has a Housing Element.
	RM-2 zone: 12 units per acre	No particular policies on Affordable Housing.
	RM-3 zone: 20 units per acre	
	Design Incentives & Guidelines for Affordable Housing (DIGAH)	
Yavapai County	Density of 14.5 units/acre maximum	2012 Comprehensive Plan does not have a Housing Element.



Affordable Housing Policies

Verde Valley communities should adopt consistent policies that require the provision of affordable units at the time of rezoning or annexation.

Sedona's Design Incentives & Guidelines for Affordable Housing (DIGAH) and Flagstaff's Incentive Policy for Affordable Housing are examples of the types of documents that should be adopted.





Community Land Trust

■ ***Benefits:***

- A CLT is one of the most productive tools for addressing affordable housing issues.
- It can be used to hold title to land for both low-income and workforce housing projects, reducing land costs.
- A CLT could be a substitute for a Housing Authority option for the Verde Valley.

■ ***Administrative Support:***

- Requires staffing to administer the CLT.
- Requires monitoring of the sale of homes to ensure affordability.
- Partnership with a non-profit housing agency is recommended.



Example: Flagstaff Community Land Trust Program (CLTP)

Elliott D. Pollack & Company

City-Owned Land

■ *Benefits:*

- City-owned land could provide a cost-effective method of producing affordable low-income and workforce housing.
- City-owned land may represent a “sunk cost” to the City.



Deed Restricted Housing

■ ***Benefits:***

- Deed restrictions can be put in place for 30 years or more.
- Communities can use deed restrictions as a negotiating tool for affordable units or projects during the zoning or annexation process.

■ ***Disadvantages:***

- Linkage and mitigation programs are not permitted as a requirement of development under State law.
- Deed restricted units have encountered difficulties securing a mortgage for the property.

■ ***Administrative Support:***

- Requires staffing by the City to administer and monitor deed restricted rents.



Development Incentives

- **Benefits:** Encourage the development of affordable units by reducing zoning and building requirements and procedures.
 - Density incentives to offset the inclusion of affordable units.
 - Flexible development standards.
 - Adjustments to building design standards.
 - Waiver of permit fees (building fees, plan review fees, etc.).
 - Reimbursement of development impact fees (impact fees cannot be waived but could be paid by the city).
 - Expedited review of plans.
 - Reduced parking requirements, particularly if a property is located near mass transit.
 - Waiver of sales tax on construction of the project.



Alternative Housing Types

■ Benefits:

- Accessory Dwelling Units (ADUs) have become popular across the country. Expands the housing inventory under existing zoning.

■ Disadvantages:

- Care must be taken that ADUs do not turn into short-term rentals.





Staffing & Funding

■ **Staffing:** A regional affordable housing effort will require hiring of staff. Assistance can also be provided by non-profits such as Housing Solutions of Northern Arizona.

■ **Potential Dedicated Funding Sources:**

- Increase in retail sales tax rates
- Dedicated property tax
- Increase in bed tax
- Mitigation or linkage programs that require in-lieu payments
- General Fund allocations
- Sale or lease proceeds from city-owned land
- Bond financing



Low Income Housing Tax Credit Program (LIHTC)

An indirect federal subsidy used to finance the construction and rehabilitation of low-income affordable rental housing.

■ ***Benefits:***

- A highly successful program for low income households.
- Complexes are usually of moderate size ranging from 40 to 80 units.

■ ***Disadvantages:***

- The amount of tax credits available to Arizona is limited; project selection is highly competitive.
- Projects often require soft debt or subsidies from local governments.



Private Activity Bonds (PABs)

The PAB program is similar to the LIHTC program but based on 4% tax credits instead of 9%.

■ ***Benefits:***

- A successful approach to providing affordable housing for low-income households earning no more than 60% of AMI.
- The complexes are mixed-income - more acceptable to communities.
- The PAB program is less competitive than the LIHTC program.

■ ***Disadvantages:***

- Projects typically require more soft debt or subsidies from local governments than LIHTC projects.



Next Steps

- Identify structure of a Verde Valley regional, cooperative affordable housing approach.
- Identify the tools that communities can adopt to promote affordable housing.
- Prepare a Five-Year Strategy.





**For a quick analysis of important
economic data released each week,
subscribe to the
*Monday Morning Quarterback***

www.arizonaeconomy.com

(Click on Subscribe to MMQ)

