

# AGENDA

# 3:00 P.M.

## CITY OF SEDONA, SPECIAL CITY COUNCIL MEETING WEDNESDAY, DECEMBER 12, 2018

### NOTES:

- Meeting room is wheelchair accessible. American Disabilities Act (ADA) accommodations are available upon request. Please phone 928-282-3113 at least two (2) business days in advance.
- City Council Meeting Agenda Packets are available on the City's website at:

[www.SedonaAZ.gov](http://www.SedonaAZ.gov)

### GUIDELINES FOR PUBLIC COMMENT

#### PURPOSE:

- To allow the public to provide input to the City Council on a particular subject scheduled on the agenda.
- This is not a question/answer session.
- The decision to receive Public Comment during Work Sessions/Special City Council meetings is at the discretion of the Mayor.

#### PROCEDURES:

- Fill out a "Comment Card" and deliver it to the City Clerk.
- When recognized, use the podium/microphone.
- State your:
  1. Name and
  2. City of Residence
- Limit comments to **3 MINUTES**.
- Submit written comments to the City Clerk.

### 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

### 2. ROLL CALL

### 3. SPECIAL BUSINESS

LINK TO DOCUMENT = 

- a. AB 2445 **Discussion/possible direction** regarding the draft Sustainable Tourism Plan including possible direction for follow up meetings relating to future workplans and budget. 
- b. **Discussion/possible action** regarding future meetings/agenda items.

### 4. EXECUTIVE SESSION

If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice regarding matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- b. Return to open session. Discussion/possible action regarding executive session items.

### 5. ADJOURNMENT

Posted: \_\_\_\_\_

By: \_\_\_\_\_

Susan L. Irvine, CMC  
City Clerk

Note: Pursuant to A.R.S. § 38-431.02(B) notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with material relating to the agenda items is typically available for review by the public in the Clerk's office after 1:00 p.m. the Thursday prior to the Council meeting and on the City's website at [www.SedonaAZ.gov](http://www.SedonaAZ.gov). The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk's Office. All requests should be made **forty-eight hours** prior to the meeting.

CITY COUNCIL CHAMBERS  
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.

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**CITY COUNCIL  
AGENDA BILL**

**AB 2445  
December 12, 2018  
Special Business**

**Agenda Item: 3a**

**Proposed Action & Subject:** Discussion/possible direction regarding the draft Sustainable Tourism Plan including possible direction for follow up meetings relating to future workplans and budget.

<b>Department</b>	City Manager
<b>Time to Present</b>	60 minutes
<b>Total Time for Item</b>	3 hours
<b>Other Council Meetings</b>	November 28, 2018
<b>Exhibits</b>	A. PowerPoint Presentation B. Summary of Inception Report, Surveys, and Public Input

City Attorney Approval	Reviewed 12/4/18 RLP	<b>Expenditure Required</b>	\$ 0
City Manager's Recommendation	Discuss and provide direction on the draft Sustainable Tourism Plan.	<b>Amount Budgeted</b>	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

**SUMMARY STATEMENT**

At the November 28<sup>th</sup> Special Council meeting, the first part of the Sustainable Tourism Plan was presented. This meeting will focus on individual objectives and tactics. Input from the last meeting is still being incorporated into the draft plan.

**Background:** The Sedona Chamber of Commerce and Tourism Bureau (Chamber) in partnership with the City, a consultant team, and a local advisory group have been working for more than a year to create a draft Sustainable Tourism Plan. The Plan is meant to be a comprehensive approach to managing tourism in a way that ensures a vibrant economy while preserving a healthy environment and high quality of life. The purpose of this meeting is to review the draft plan and provide any direction necessary to complete the plan in time for it to be used for conversations regarding next year's budget and workplan scheduled between January and June 2019 with the City and Chamber.

**History/Timeline:** Over the last five years there has been a significant shift in the way we think about and manage tourism:

- **2013-2014:** The City and Chamber began conversations about how to expand investment in destination marketing to accelerate the recovery from the Great Recession
- **2015:** The City and Chamber implemented a new contract pledging 55% of bed tax revenues for destination marketing, management of the visitor center, and product development
- **2015-current:** Significant growth in the tourist economy brought higher employment, growth in sales and bed taxes, new amenities for tourists and locals but also traffic congestion, parking issues, and other negative impacts
- **2016:** The Chamber began shifting its approach from traditional destination marketing to “tourism management” with the intent of expanding the focus from economics to include quality of life, health of the environment, and quality of the visitor experience.
- **2016:** The Chamber, City, and other community stakeholders completed the Global Sustainable Tourism Council (GSTC) Destination Assessment, which identified numerous existing tools for sustainable tourism management but also identified a lack of integration of those tools and a lack of a formal process and plan
- **2017:** The Chamber and City awarded a contract to Nichols Tourism Group and ASU to undertake a Sustainable Tourism Plan and define an ongoing process for better comprehensive tourism management
- **2018:** The Chamber, City, consultant team, and advisory group helped to draft the Plan
- **2019 and Beyond:** The Plan will be used to achieve integration of economic, cultural, and environmental indicators and will guide future annual workplans and budgets for tourism management

**Process:** To achieve a comprehensive and integrated plan, numerous tactics were deployed:

- Contracted with a consultant team including Nichols Tourism Group and faculty from Arizona State University School for Sustainable Tourism
- Created a citizen advisory group including the Mayor, City staff, representatives from the tourism industry, environmental advocates, and citizens at large
- Collected data on economic conditions including trends and forecasts
- Utilized three survey instruments to ascertain opinions from business owners, visitors, and residents
- Hosted open house workshops to further engage community members, share data, and solicit input
- Examined national and international best practices in tourism management
- Generated a draft plan with objectives, goals, and strategies

**Key Considerations:** Good strategic plans follow a tried and true process and include common components. Council is encouraged to bring any and all accumulated context to the table for this discussion. At the same time, that context should be filtered through an orderly and established process to ensure the best outcomes. The key components to a good plan include:

- A clear and specific vision of a desired future state/outcome
- Clear objectives linked to the vision
- Strategies that are **S**pecific, **M**easurable, **A**ttainable, **R**esults-oriented and **T**ime-bound
- Accountability through assigned roles and responsibilities
- An identified process for continued implementation, evaluation, assessment, and changes to the plan

This meeting will focus on outlining in greater detail the purpose, process, and key findings that have led to the draft plan including the proposed mission, goal tracts, and objectives. There are additional potential work sessions scheduled for December and January to ensure there is ample time for discussion. It is unlikely that we will be able to present the background and entire plan at the first meeting.

**Community Plan Consistent:** Yes - No - Not Applicable

**Board/Commission Recommendation:** Applicable - Not Applicable

**Alternative(s):**

## **MOTION**

**I move to:** for discussion and possible direction only.

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# Sedona Sustainable Tourism Plan City Council Work Session 11-28-2018



# For Today

1. Introductions
2. Revisit purpose and scope
3. Review key findings
  - Data collection, trends
  - Surveys (resident, business, focus groups, visitor)
4. Review draft mission
5. Goal tracks and objectives
6. Discuss range of tactics and input on prioritization
7. Next work sessions (tentative)
  - Continue to refine tactics, priorities, lead partners, support partners, metrics
  - December 12
  - January 9 (shared agenda)
  - January 16 (joint city council / board of directors)



## *We Know Strategic Planning*

- NTG 20+ years
- Western States - Alaska, Washington, Arizona, Colorado
- Sensitive Destinations - Sonoma, Ponte Vedra, Sarasota, Historic Triangle, Sedona, Chicago/DuPage
- NPS - Grand Canyon, Indiana Dunes National Lakeshore



# Purpose and Scope



# Sustainability Pillars



# *Sustainable Tourism Strategic Plan*

Develop a 5-year sustainable strategy, guiding Sedona's tourism industry by considering the community's vision for tourism, the market potential for tourism growth, and a sustainable tourism development approach

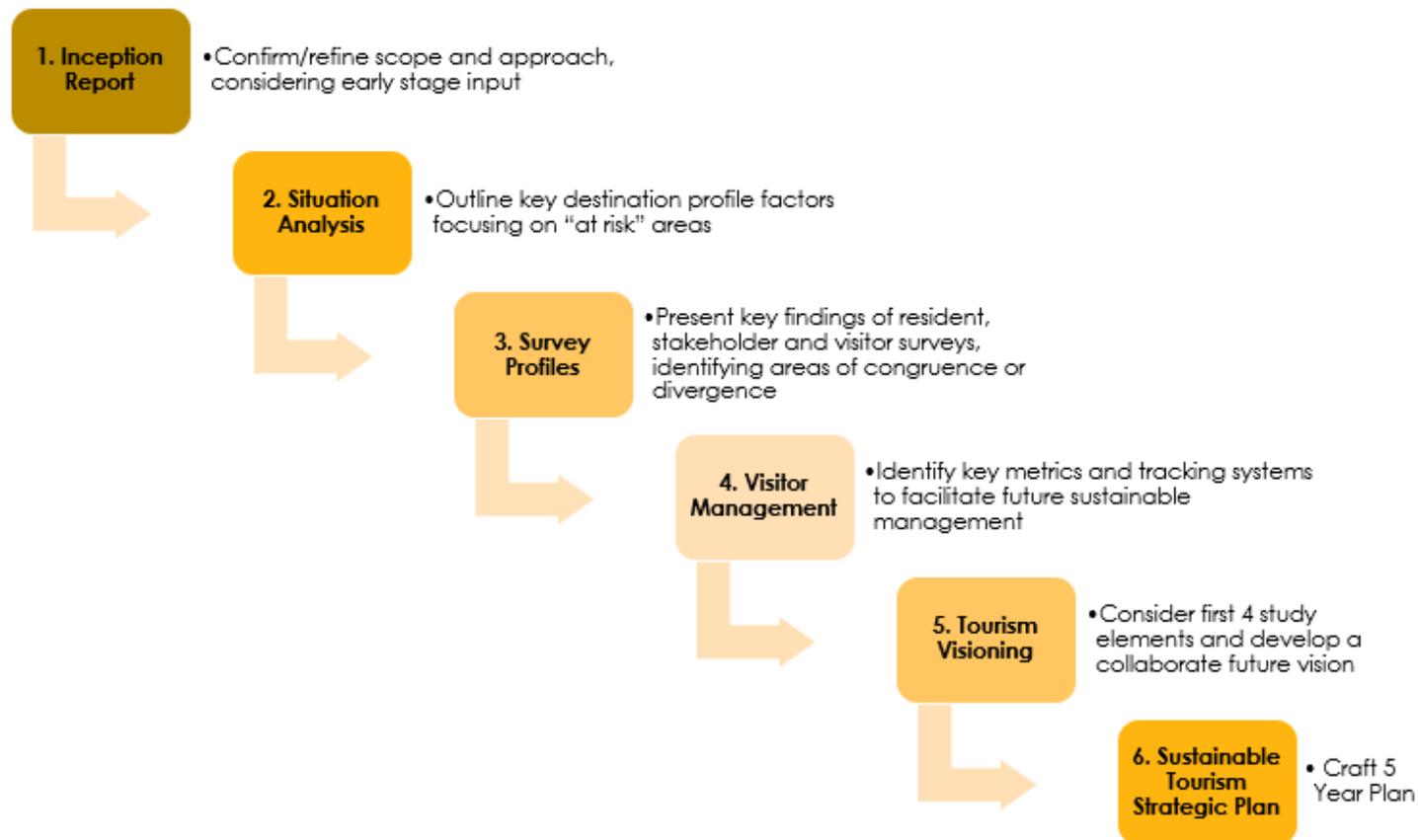
1. Analyze and evaluate past trends in Sedona's tourism industry through a lens of competitiveness and sustainability
2. Engage residents and businesses in crafting a vision for tourism in Sedona
3. Provide recommendations regarding future levels of acceptable change
4. Develop a visitor management system for the future

## *Additional Factors*

1. Consider the key findings of the Global Tourism Sustainability Council, focusing on the areas it found additional attention was warranted
2. Have clear tactical recommendations identifying the associated entities having roles in implementation, their associated timelines (near, mid, longer) and prospective metrics to evaluate the progress in achievement

# Six Planning Components

## The Planning Process





## Component 3 – Survey Research

- a) Resident Survey
- b) Stakeholder/Business Survey
- c) Visitor Survey
- d) Public Sector Focus Group



# Review Key Findings



# Surveys

## 1. Residents:

- Mail survey of **residents**-a random sample of cleaned tax assessors database
- Mail survey to 1,000 residents in June 2018
- Response rate of 38% for a sample 376 which is a representative and generalizable sample

## 2. Businesses:

- Online survey of **businesses** used email addresses from Chamber member list
- Merged list had over N=782 unique records
- Conducted in July with n=262 respondents for 34% response rate

## 3. Visitors:

- Intercept at six locations January to July. Random selection over 6 hours. One day per location per month. Sites included:
- Uptown, Tlaquepaque Art and Craft Village, Chapel of the Holy Cross, Slide Rock State Parks, Crescent Moon Picnic Site, West Fork Trailhead
- Goal was over 1,000 completed surveys that accurately reflect mix of day and overnight segments which was achieved (n=1,001)

# Resident Survey



## *Resident Survey – Resident Profile*

- Older highly educated - average age of 67, 2/3 boomers, 52% women, 76% college or advanced degree, high income
- Approximately 75% full time/25% seasonal residents
- Long tenure - lived in Sedona an average of 15 years
- Most introduced to Sedona as visitor
  - less than 2% grew up in Sedona
  - 85% visited as a tourist before moving to Sedona
  - 25% visited on business
- Few residents provide input on tourism decisions (<30%)
- Detached from the tourism industry
  - More than 80% indicate no income from tourism, however, most have at least some contact with tourists (about 90%)
- More than 60% hosted visitors in their home last year; about 8% had paying guests

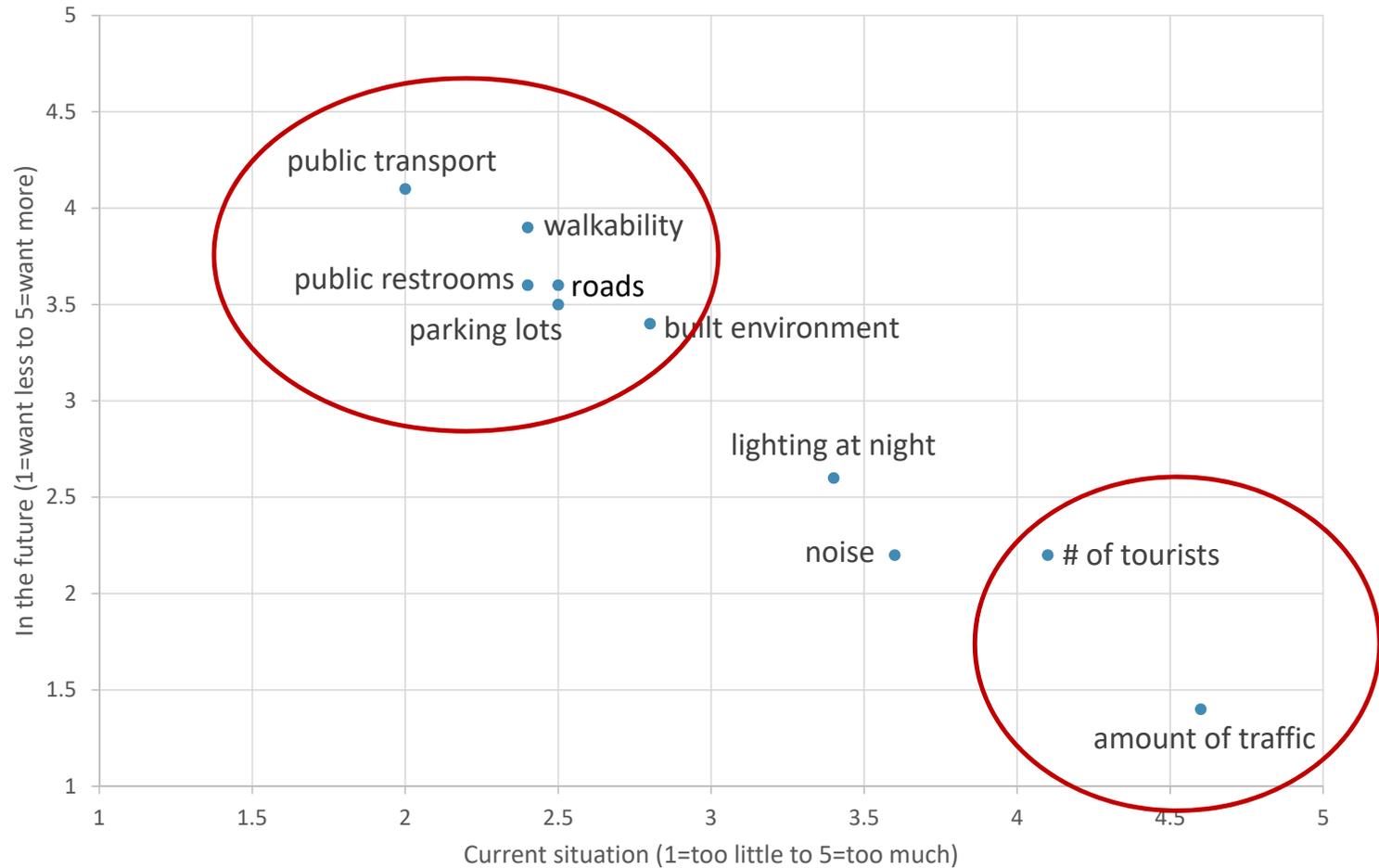
## *Resident Survey – Tourism Opinions*

- Varies from business
  - 50% same role as now; 43% less of a role
- Prioritized areas of potential economic activities: 1)medical/health, 2)higher education, 3)craft beverage, 4)professional services, 5)retail, (tourism #7)
- Knowledgeable about the role of tourism in the economy (tax revenue, job creation, community amenities)
- Acceptable expanded demand: public transportation, parks, culture, outdoor recreation; but not motorized recreation or accommodations

## *Resident Survey - Sustainability*

- Current tourism levels are OK if traffic flows improved and sustainable approach is taken; do not want less City services or increased property taxes if it means less tourism
- Highest importance on parks that promote “Leave No Trace,” locally owned tours/attractions with low environmental impact
- Affect on quality of life
  - Recognize both positive and negative impacts—crowding is a significant issue
- Visitor segment preferences
  - Preferred types - friends and family, cultural/heritage, visitors during low demand, arts, non-motorized outdoor recreation
  - Least preferred: motorized recreation, visitors during high demand, group tours

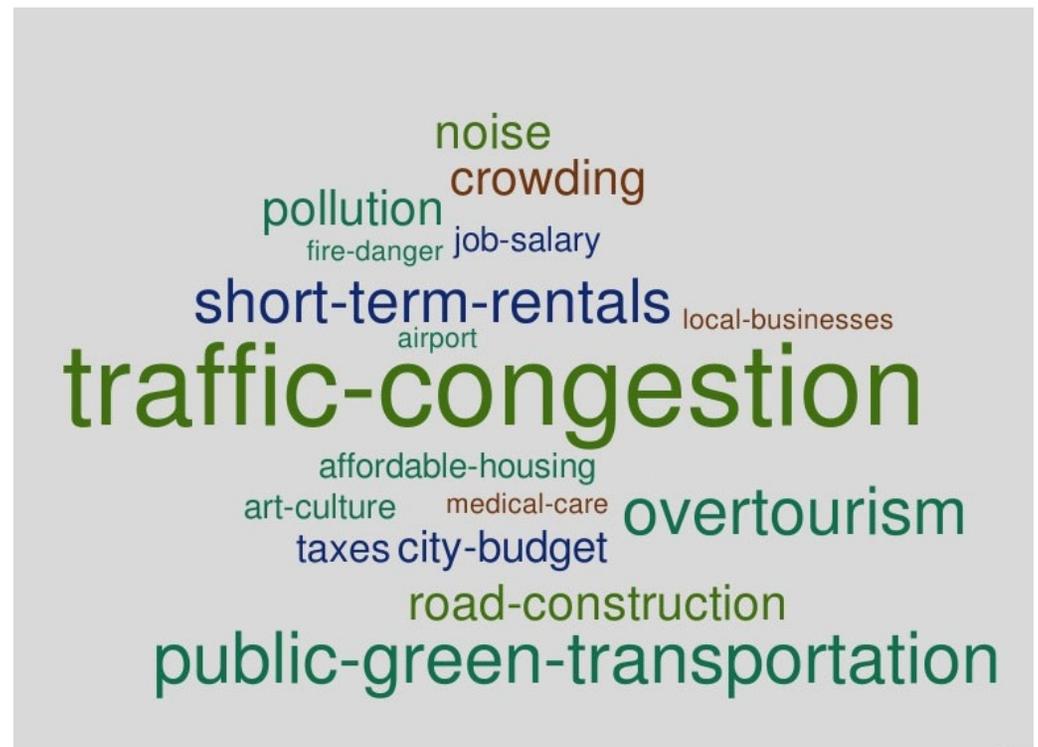
# Resident Survey – Sustainability – Carrying Capacity



## Residents' comments

"I don't mind the tourists as long as there are proper roads and transportation system, parking, better variety of restaurants, support control of AirBnB."

"The main issue is not tourism, it is traffic flow. I believe that if traffic issue was resolved Sedona residents would welcome even more tourists."



# Business Survey



## *Business Survey – Business Profile*

- Long duration - average of 18 years of operations
- Tourism dominant - 56% considered as tourism businesses, 84% benefit from tourism
- Small business focus
  - 75% 10 or fewer full-time employees
  - 91% add seasonal employees
- Dispersed geographically
  - Approximately 40% of employees live outside the Sedona area
  - 57% of business respondents live within Sedona; they park near the business in a private lot; very few use alternative transportation
- Big challenge include affordable housing for employees, local residents' perception of tourism, recruiting and retaining employees

## *Business Survey – Opinions Economic Base*

- Tourism's role in Sedona's economy - over half "about right"
  - 22% less, 57% same, 21% greater role
- Prioritized areas of potential economic activities: 1)tourism/outdoor rec., 2)professional services, 3)higher education, 4)medical/health, 5) retail
- Knowledgeable about the role of tourism in Sedona's economy (tax revenue, job creation, community amenities)

## *Business Survey – Sustainability Attitudes*

- Few customers use alternative transportation, most park near the business
- Highest importance on parks that promote “Leave No Trace,” locally owned businesses, locally owned tours/attractions with low environmental impact
- Sustainability related criteria
  - Most important are hiring local staff, reducing waste and recycling, reducing water and energy use
  - Least important are obtaining sustainability certification, encouraging staff to take alternative transportation and educating people about indigenous communities
- Most are engaged in at least some sustainability activities and face few barriers to implementation

## *Businesses' comments*

“Another important area for long term sustainability is affordable housing so that we can have a work force.”

“The traffic issue is of utmost importance and must be resolved if Sedona is to continue to grow.”

“Visitors and new residents come to Sedona to experience nature, peace and quiet. Keeping the city clean, dark skies and the streets from traffic jams is important for Sedona's attractiveness.”



# Visitor Survey



## Visitor Survey – Visitor Profile

- People from throughout U.S
  - Mainly AZ (35%) and CA (14%)
  - About 10% from other countries (mainly Canada)
- Average of 3.5 people/travel party with large groups included;
  - 87% pleasure/vacation,
  - 63% on an overnight trip – 37% day-trippers
  - 45% repeat visitor; **55% first time visitor**
  - Average of 3.5 nights out of 8.6-night total ( Sedona captures 40% of total trip)
- They are hiking (73%), shopping (69%), sightseeing (69%), dining (66%), visiting galleries/museums (26%), land touring (20%)
- Top attractions (over half visited): Uptown, Oak Creek Canyon, Chapel of the Holy Cross, Red Rock Scenic Byway, Red Rock State Park, Tlaquepaque, Slide Rock State Park

## *Visitor Survey – Sustainability Attitudes*

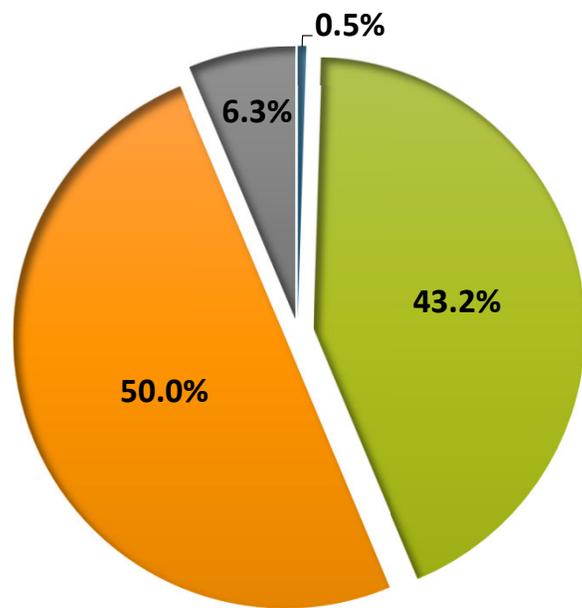
- Sustainability is important - highest importance on parks that promote “Leave No Trace” and locally owned tours/attractions with low environmental impact
- Crowding and lack of parking had minimal impact on visitation at attractions except Slide Rock, though between 3% and 6% of visit were timed for slower periods – visitor flow management could enhance

# Cross-comparison



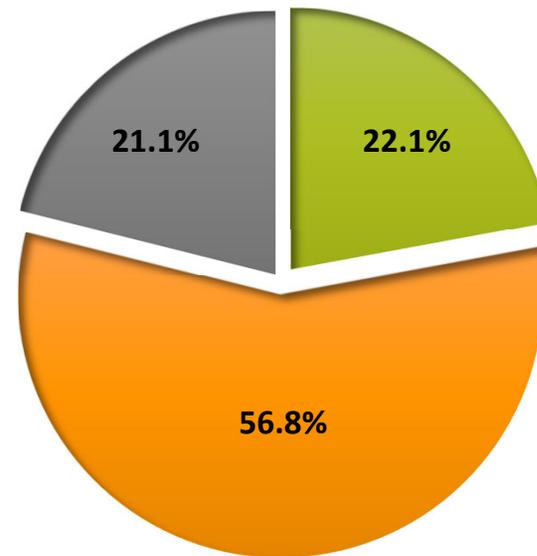
# Role of Tourism

Primary question: Compared to other industries, how important a role do you think tourism should have in Sedona's economy?



Resident Survey

- No role at all
- Less of a role than now
- Same role as now
- A greater role than now



Business Survey

# Economic Development

Ranking of top 7 economic activities from resident and business surveys

Resident Survey	Economic Activities	Business Survey
1	Medical/Health 	4
2	Higher Education 	3
3	Craft Beverages 	6
4	Professional Services 	2
5	Retail & Other Services 	5
6	Technology 	7
7	Tourism & Outdoor Recreation 	1

# Carrying Capacity

Survey	Prefer less	Keep as is or Slight change	Prefer more
<b>Visitor survey</b>	Amount of traffic Number of tourists Noise Built environment	Restaurants Directional signs Variety of attractions Lighting at night Roads Disabilities access Walking space in town	Trails Public restrooms Public transportation Parking lots
<b>Resident survey*</b>	Amount of traffic Number of tourists Noise Lighting at night	Restaurants Directional signs Variety of attractions	Trails Public restrooms Public transportation Parking lots Disabilities access Built environment Roads Overall community walkability

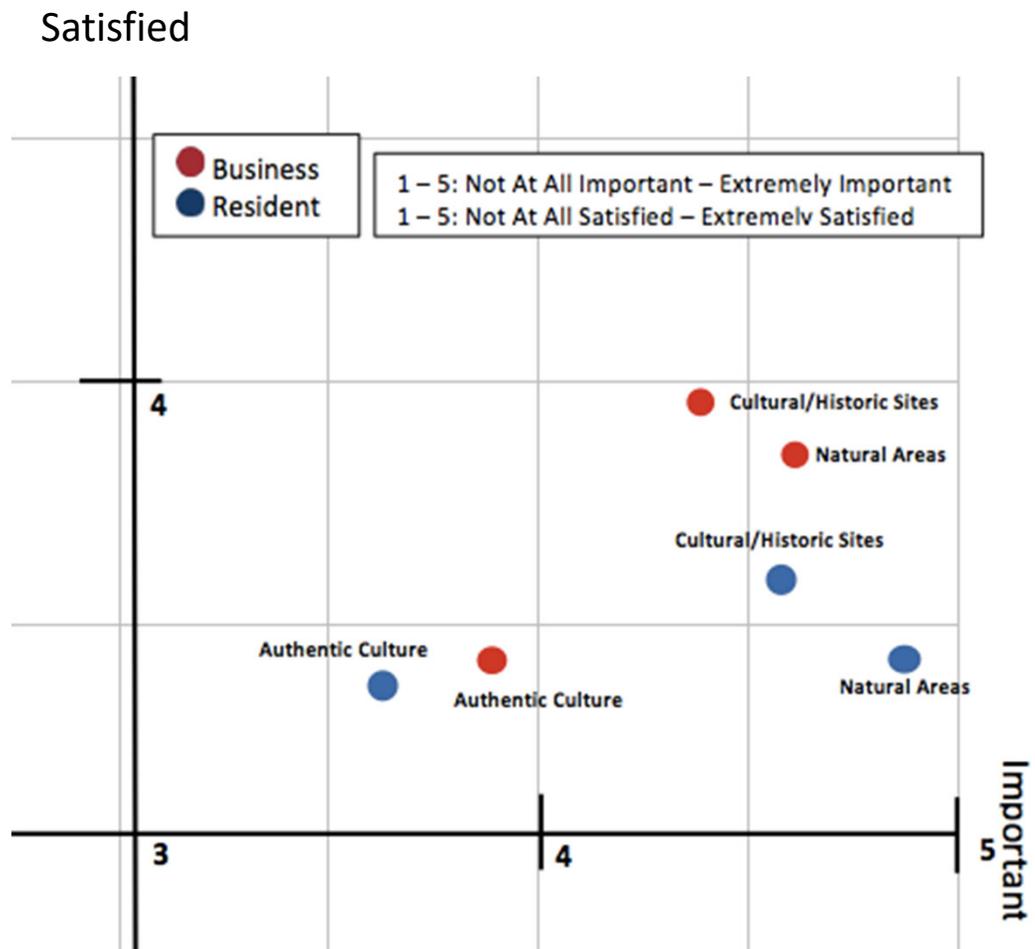
*\* Residents prefer more drastic change than visitors*

# Sustainable Initiatives

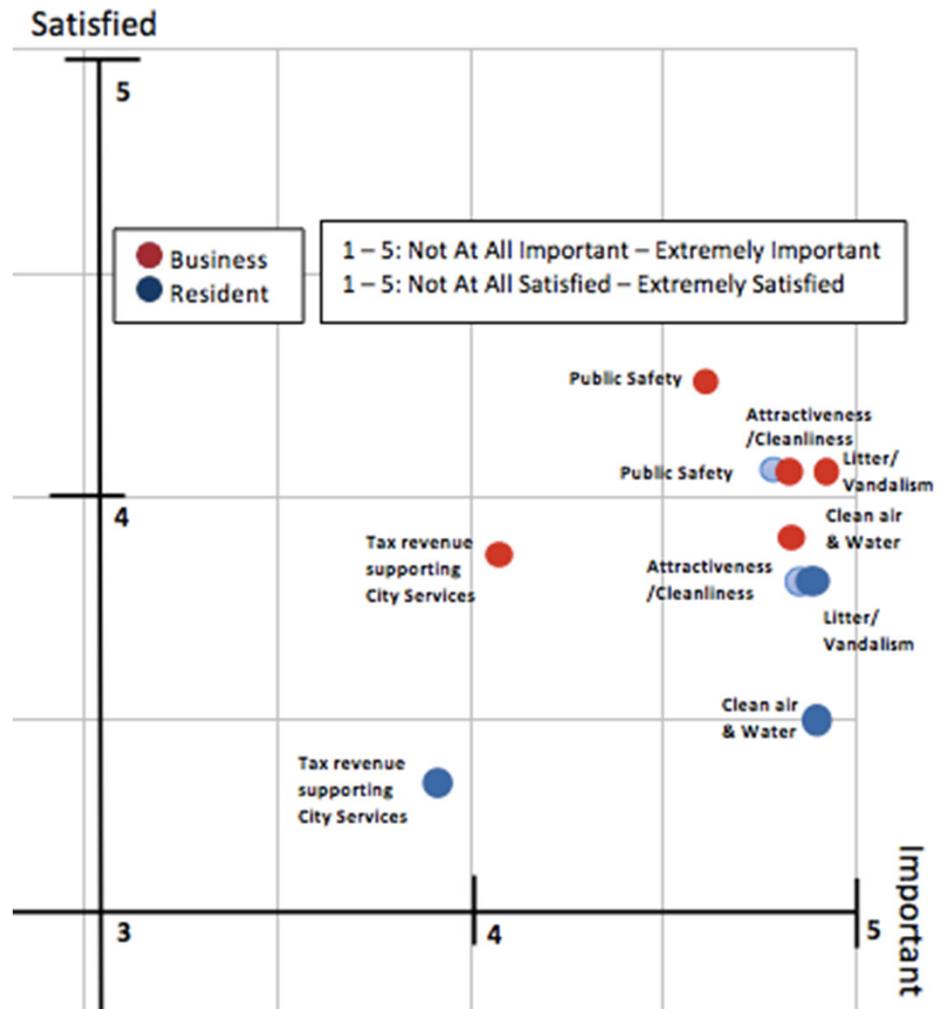
Sustainable Initiatives	Rank of Importance		
	Visitor Survey	Business Survey	Resident Survey
Parks that promote “Leave no Trace” principles	1	1	1
Locally owned and operated tours or attractions that do not put stress on the surrounding environment	2	3	2
Businesses that implement environmental practices	3	4	4
Low impact transportation options such as public transportation, bike share or pedestrian walkways	4	6	5
Businesses where spending is retained locally	5	2	6
Businesses that have sustainability certification	6	7	7
Recognitions such as that by the International Dark Sky Association	7	5	3

\* Scale: (1) Not Important; (3) Moderately Important; (5) Very Important

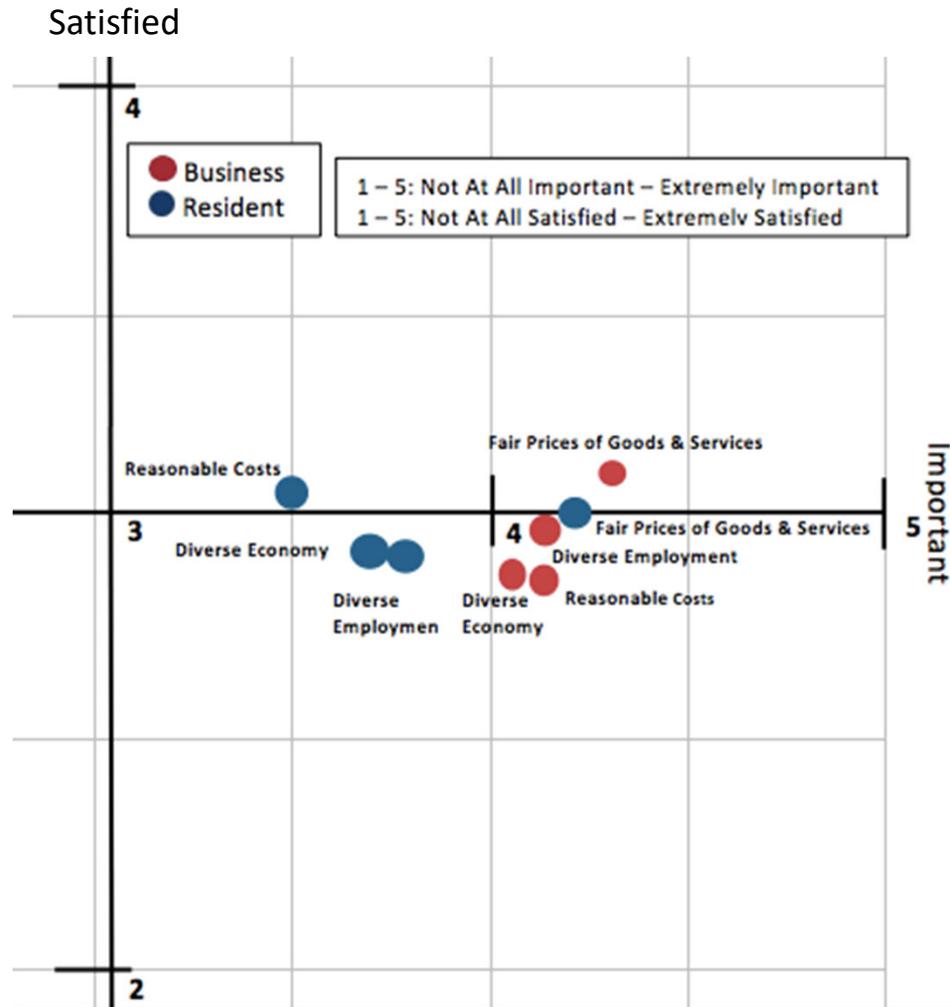
# Conservation



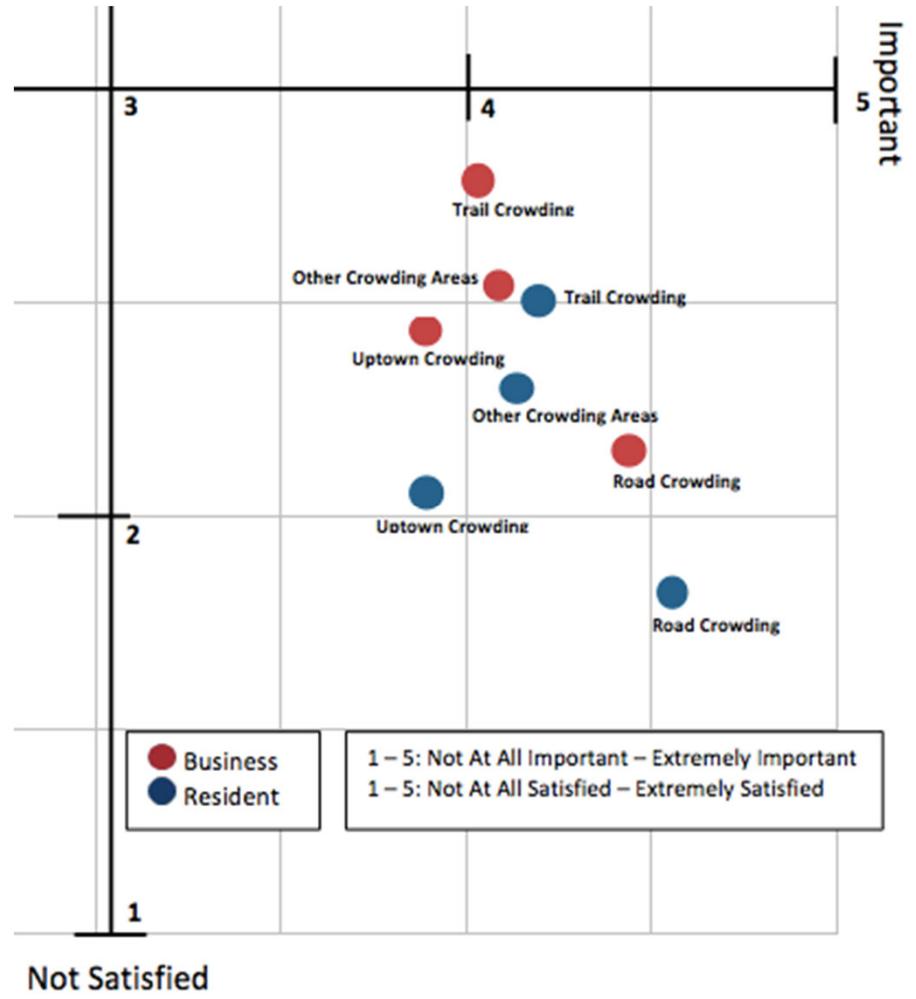
# City/Government Services



# Economy



# Crowding



# Land Management/Non-Profits



## *Stakeholder Sessions - Participation*

Two focus groups in Summer 2018 - 1.5 hours sessions

1. Public Land Management Agencies-9 participants representing local, state, tribal and federal management agencies.
2. Nonprofits-10 participants representing various nonprofit organizations working in Sedona.

Primary question: What are the major challenges of managing tourism and recreation resources sustainably in Sedona and the region?

# *Stakeholder Sessions- Public Land Management*

## Challenges

- Balancing visitor use and protection of natural and cultural resources
- User behavior
- Gaining public support (diverse needs and priorities)
- Lack of long-term planning

## Solutions

- Managing visitors (distribution to low concentration areas)
- Education and interpretation (both communities and visitors)
- Collaboration among agencies and communities (for funding, data, educating public and visitors, long-term planning, consistent policies)

# *Stakeholder Sessions- Non-profit*

## Challenges

- Increased visitors (new flow, unaware tourists, tourists behavior)
- Transportation (traffic -both trail and road, parking)
- Housing affordability- unregulated lodging
- Environmental quality (water, air, light, wildlife, garbage)

## Solutions

- Education and outreach (residents, businesses and tourists)
- Residents- festivals, events, workshops on sustainability issues (water use, gardening, native plants)
- Tourists- fire, wildlife, trash, LNT ethics
- Businesses- dark sky, redistributing visitors, passing information to tourist related to fire
- Collaboration – communities, non-profit, businesses, chamber
- Involve and fund non-profit- facilitate tourists to donate to nonprofits

# Accommodation Trends



## Current Hotel/B&B Inventory

### 1. Current Inventory

➤ Rooms in City of Sedona	1605
➤ Rooms in Sedona Region	867
➤ Total Rooms	2472

### 2. 184 Units in The Last Decade (7.5% of total )

### 3. Comparisons (since 2011)

➤ Napa Valley	+18%
➤ Coconino County	+13%

***Limited growth  
in Hotel/B&B  
inventory over  
last decade***

Source: NTG, SCC&TB and STR Global

## *Timeshare Base*

- Timeshare units make up approximately 38% of overnight hotel/timeshare room base.
- There is no direct tracking of Sedona's timeshare inventory occupancy, but nationally 2017's average occupancy rate was 81% according to the American Resort Development Association.



# Timeshare Units

## 1472 units

No new development since 2007

Source: NTG, SCC&TB and ARDA

# AirDNA Listings

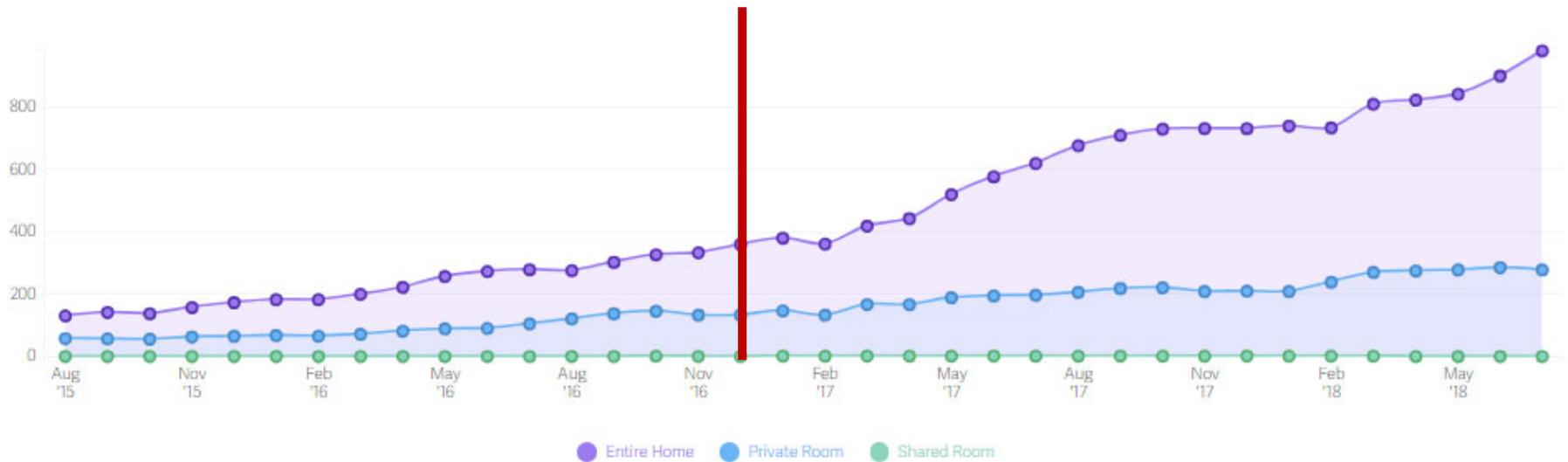
Active Listings

1256 Active Listings

Bedrooms: All

Accommodates: All

Apply

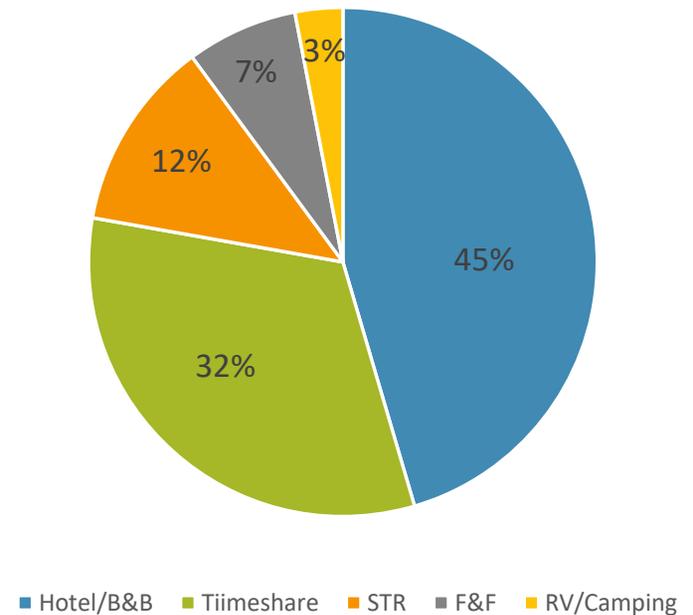


Source: AirDNA

# Sedona Visitation Change

	2015-2017 Overnight Demand Change
Overnight	
Hotel/B&B	8,121
Timeshare	5,490
Short Term Rentals	143,268

Composition of Overnight Demand



# Public Visioning Sessions



## *Visioning Sessions*

- Approximately 100 people participated in two sessions held at Sedona Rouge
- Additional input via website

# *Visioning Themes*

- Accommodations and Visitation
  - New construction – environmental requirements, Short term rentals, Environmental programs for hoteliers
- Tourism Bureau Roles
  - Marketing priorities (dispersion, off season, etc. , management initiatives, product development/community reinvestment)
- Transportation
  - Implementation of Sedona in Motion, new approaches to influence visitor flow management
- Product Development/Enhancement
  - New concepts, ways to expand regionalization, ways to use tourism to restore environment
- Environmental
  - Air/water quality, Dark Skies, noise

# Mission and Themes



## *Sustainable Tourism Strategic Plan*

### *Mission Statement*

*To direct and lead the Sedona Tourism Industry in embracing sustainability practices and principles that ensure the long-term health and vibrancy of Sedona – its physical and natural **environment**, a strong **resident quality of life**, long-term **economic vibrancy** for the community and a memorable **visitor experience**.*

# *Overarching Themes*

## **1. Environmental Theme**

Integrate the collective tourism industry in its understanding and implementation of sustainability principals, positioning Sedona as a national and international leader in destination stewardship.

## **2. Accommodations Theme**

Manage both existing and future additions to Sedona's range of accommodations to ensure the supply of overnight lodging options are in balance with the region's ability to support.

## **3. Economics & Management Theme**

Utilize key organizations in the visitor industry to educate, inform, manage and direct Sedona visitors, better ensuring they are part of the Sedona's sustainability solution – while ensuring tourism continues to support a healthy, vibrant economic foundation.

## **4. Transportation Theme**

Work to support broader community transportation solutions, ensuring visitors are active participants in embracing options to moderate transportation impacts.

## **5. Sedona Experiences Theme**

Consider both existing and new products and experiences in the Sedona region that enhance the long-term sustainability of the destination and correlate with brand pillars, including sustainability.

# *Tactical Alternatives*

Tactics take the form of one of three primary areas:

1. **Policies** – formal positions and policies that help direct and guide the industry
2. **Education/promotion** – connect and engage with both the industry and visitors, changing their awareness and interest to direct them in desired ways
3. **Infrastructure** – new infrastructure and product development undertaken to help support long-term sustainability

# Objectives and Tactics



## *Environmental Theme*

**Integrate the collective tourism industry in its understanding and implementation of sustainability principles, positioning Sedona as a national and international leader in destination stewardship.**

**WASTE**

**WATER**

**ENERGY**

**LANDS**

<b>Objective 1</b>	<b>Implement new waste prevention, reduction and diversion strategies, particularly focused towards visitors and their impacts in the Sedona region</b>
Tactic 1	Build visitor industry understanding of local recycling capabilities and ways to embrace
Tactic 2	Work to expand capacities of local organizations to deepen the range of waste prevention
Tactic 3	Deploy wider range of recycling resources/containers in high visitation areas – use effective branding to enhance recognition and utilization
Tactic 4	Expand Sustainability Alliance business certification program – team with active promotional program for participating businesses
Tactic 5	Launch programs that decrease use of single use plastics
Tactic 6	Encourage and incentivize all meetings and events to strive for zero waste
<b>Objective 2</b>	<b>Expand programs to enhance water use sensitivity and long-term sustainability</b>
Tactic 1	Work with hotel and food & beverage operations to reinforce conservation attitudes in their guests
Tactic 2	Expand range of water refilling stations and minimize disposal options
Tactic 3	Develop voluntourism opportunities in restoration and enhancement of area waterways
Tactic 4	Develop systems to monitor, reduce and report visitor water utilization – ensure best practice examples are actively promoted

<b>Objective 3</b>	<b>Create new programs to moderate energy use and utilize alternative forms of energy</b>
Tactic 1	Work with industry to expand educational outreach on how visitors can moderate their energy use
Tactic 2	Launch programs that recognize visitor related businesses that are using innovative approaches to moderate energy consumption – show how others can duplicate
Tactic 3	Develop carbon offset buyback programs – demonstrate how visitors can support
<b>Objective 4</b>	<b>Launch initiatives that lessen impacts to lands (including noise, air and light pollution) and better ensure long term sustainability</b>
Tactic 1	Craft programs that limit negative impacts of OHVs including noise and neighborhood disruption
Tactic 2	Develop initiatives that moderate noise levels and intrusion of sightseeing helicopter tours
Tactic 3	Benchmark trail utilization and implement programs that enhance potential for appropriate levels of usage
Tactic 4	Build industry collaboration for the development of resources for trail development and maintenance
Tactic 5	Investigate approaches to limit impacts of trailhead parking in Sedona neighborhoods and craft overflow alternatives
Tactic 6	Launch programs that demonstrate how to “Leave No Trace”
Tactic 7	Encourage businesses and residents to implement dark sky compliant lighting
Tactic 8	Encourage businesses and residents to eliminate the use of pesticides and other chemical products that may negatively impact the environment

## *Accommodations Theme*

**Manage both existing and future additions to Sedona's range of accommodations to ensure the supply of overnight lodging options are in-line with the region's ability to support.**



<b>Objective 1</b>	<b>Develop positions on future accommodations development, considering both zoned and unzoned lands, that foster implementation of sustainable practices and are clearly understood by residents</b>
Tactic 1	Formalize plans and conditions on future rezoning to lodging uses – increase clarity to residents on position (education)
Tactic 2	Require construction disposal processes on new and rehab permits
<b>Objective 2</b>	<b>Regulate and integrate short term rental units (STRs) and their owners to moderate impacts to neighborhoods and limit the overall scale of overnight accommodations</b>
Tactic 1	Pursue new state legislative authority to regulate STRs
Tactic 2	Integrate STR owners to bring collaborative solutions and support of sustainable practices (public input)
Tactic 3	Investigate opportunities to incorporate certification in STR listings
<b>Objective 3</b>	<b>Launch new accommodations driven visitor education program that demonstrates how visitors can contribute to sustainable practices, both while on property and in the broader Sedona region</b>
Tactic 1	Develop consistent visitor sustainability educational elements – implement at varying locations on property
<b>Objective 4</b>	<b>Build participation in the Sustainability Alliance Business Certification Program that outlines and stimulates participation in sustainability practices</b>
Tactic 1	Build participation of accommodations in Sustainability Alliance Business Certification Program, with meaningful incentives for those participating entities

# Economics & Management Theme

**Utilize key organizations in the visitor industry to attract, educate, inform, manage and direct Sedona visitors, better ensuring they are part of the Sedona's sustainability solution – also galvanize businesses to participate in stewardship programs.**

**FOCUS ON NEED PERIODS**

**EDUCATE VISITORS**

**FOSTER INTERAGENCY COLLABORATION**

**CONNECTIONS WITH RESIDENTS**

**DMO FUNDING AND DEPLOYMENTS**

**EMPLOYEE HOUSING & TRAINING**

**DIVERSIFICATION**

<b>Objective 1</b>	<b>Refine initiatives to grow/sustain tourism spending in need periods and disperse visitation to moderate congestion</b>
Tactic 1	Refine marketing and promotion initiatives to build off season demand
Tactic 2	Utilize mix of performance metrics to ensure Sedona’s overall visitor industry maintains a healthy economic foundation
Tactic 3	Work in conjunction with Land Management groups and others in building new approaches to distribute visitors throughout the region
Tactic 4	Develop range of dynamic indicators to monitor and evaluate overtourism factors (traffic flows, trail volumes, Uptown foot traffic, etc.)
<b>Objective 2</b>	<b>Take leadership role in educating and engaging visitors about sustainability and being a sensitive guest while in the destination</b>
Tactic 1	Build on visitor’s interest in Leave No Trace – help them understand how to embrace
Tactic 2	Reinforce visitor’s support of local business, particularly those embracing sustainable practices
Tactic 3	Develop Sedona Sensitive Visitor Pledge to help connect and engage visitors
<b>Objective 3</b>	<b>Expand interagency collaboration to maximize collective capabilities among diverse range of Sedona related organizations</b>
Tactic 1	Develop collaboration among industry participants to ensure common message is communicated
Tactic 2	Increase SCC&TB’s role as the key collaborator bringing land management, non-profits, and industry participants together to develop collaborative solutions
<b>Objective 4</b>	<b>Deepen engagement with Sedona residents, expanding their knowledge of the industry and efforts to manage the industry to an effective balance</b>
Tactic 1	Expand communication with Sedona residents, focusing both on the benefits of the tourism industry and the industry’s efforts to balance impacts

<b>Objective 5</b>	<b>Review DMO funding and deployment of resources</b>
Tactic 1	Consider current funding levels ensuring they align with national norms
Tactic 2	Evaluate deployment of resources considering both economic and sustainability goals of DMO
Tactic 3	Consider DMO RFP process to ensure management practices are maximized
<b>Objective 6</b>	<b>Pursue innovative approaches to employee housing and training</b>
Tactic 1	Continue to investigate new approaches to ensure range of affordable housing for Sedona employees
Tactic 2	Launch new training programs to expand skill sets of prospective employees
<b>Objective 7</b>	<b>Use Sedona's tourism advantages to foster new economic diversifications</b>
Tactic 1	Investigate supply chain opportunities to foster new economic clusters

# Transportation Objectives

**Work to support broader community transportation solutions, ensuring visitors and the tourism industry are active participants in embracing options to moderate transportation impacts.**

**MASS  
TRANSIT  
UTILIZATION**

**INFRASTRUCTURE  
&  
MULTI-MODAL**

**ALTERNATE  
ARRIVAL ROUTES**

**TECHNOLOGY**

<b>Objective 1</b>	<b>Expand use of shuttle systems to reduce vehicular use and enhance regional access</b>
Tactic 1	Stimulate active participation in the current Sedona Transit Study, particularly focusing on both employee access and visitor utilization
Tactic 2	As specific Sedona Transit Study implementation steps move forward, build tourism industry support and participation to help ensure effectiveness
<b>Objective 2</b>	<b>Implement new infrastructure and multi-model solutions to facilitate visitor traffic flows</b>
Tactic 1	Build collaborative support within the industry, particularly around SIM implementation steps and the Phase One initiatives
Tactic 2	Develop programs and resources that enhance the walkability of Sedona and encourages visitors to leave their cars
Tactic 3	Consider and promote full range of multi-modal transportation options, actively promoting their use among visitors (consider meaningful incentives to utilize)
Tactic 4	Investigate non-motorized forms of travel that would be particularly relevant to visitors
Tactic 5	Work to expand range of Sedona bike paths and encourage use by visitors
Tactic 6	Encourage new parking facilities where appropriate, while moderating parking demand at overused areas (expansion of parking might not be a good thing - just creates new demand)
<b>Objective 3</b>	<b>Promote alternative visitor arrival routes to moderate areas of greatest congestion</b>
Tactic 1	Develop systems that monitor flows on major access routes to Sedona and communicate information real time to visitors
<b>Objective 4</b>	<b>Expand use of technology to help solve transportation challenges</b>
Tactic 1	Utilize new technologies to help visitors understand options of getting around Sedona
Tactic 2	Develop apps that identify targeted areas to park and the availability of spaces

# Sedona Experiences Objectives

**Consider both existing and new products and experiences in the Sedona region that enhance the long-term sustainability and quality of life of the destination and correlate with brand pillars, including sustainability.**



<b>Objective 1</b>	<b>Work to deepen understanding of existing products, how best to access them, and how to apply sustainable practices while visiting</b>
Tactic 1	Identify and promote products and experiences that are synergistic with Sedona’s Dark Sky designation (Business, focus groups)
Tactic 2	Craft programs that bring greater recognition to Sedona waterways, how to recreate sustainability and how they can give back
Tactic 3	Develop series of videos and downloadable content that provides the “back story” to products and experiences, while weaving sustainable practices into the content
<b>Objective 2</b>	<b>Work to disperse visitors across the broader Verde Valley region to help moderate congestion at key Sedona products</b>
Tactic 1	Build on the success of Sedona Secret 7 and the Sedona/Verde Valley MapGuide to build visitor interest and demand in a broad regional market
Tactic 2	Continue to expand collaboration with the Verde Front deepening connections with land management organizations to link and integrate synergistic experiences
<b>Objective 3</b>	<b>Develop new products and experiences that resonate with Sedona visitors, while enhancing their understanding of sustainable practices</b>
Tactic 1	Incorporate the Sedona Reinvestment Committee to ensure future efforts incorporate sustainable thinking in all future initiatives
Tactic 2	Pursue more products and experiences in which both visitors and residents are attracted – promote shared spaces, increase integration (Resident, public input, focus groups)
Tactic 3	Focus new development efforts towards those that are authentic to Sedona, support community values, and align with key brand themes
Tactic 4	Expand range of trail facilities providing ADA compliant access

# Sustainable Tourism Strategy Q & A



## Sustainable Tourism Development Strategy Plan

### Inception Report – Provided on 11/6/17

On October 19, 2017, representatives from Nichols Tourism Group and Arizona State University (the Study Team) met with Jennifer Wesselhoff and Michelle Conway from the Sedona Chamber of Commerce and Tourism Bureau (SCC&TB), along with Justin Clifton and Karen Osburn from the City of Sedona. A PowerPoint presentation gives further details on each component, particularly for component 3 – the research studies and what to measure.

The purpose of the meeting was to review broad goals for the study itself, discuss the six main components of the strategy process as outlined by the Study Team in their July 21, 2017 RFP submittal and identify any refinements to the scope. This Inception Report summarizes key feedback received by the Study Team and clarifies areas that will be incorporated in the scope of services associated with the assignment. These refinements are presented in a bulleted fashion to facilitate understanding by all parties.

#### Component 1 - Overall Study Goals and Inception Report

- Overall goals as outlined in the proposal are accurate – sustainable tourism is important to maintain Sedona’s character--want to make sure “Planning” is in alignment with conclusions regarding “How much is too much.”
- Want to make sure the SCC&TB is communicating economic impacts effectively – might have been too conservative in the past.
- Tourism brings unintended consequences, but it contributes approximately 66% of sales taxes. Make sure we understand what the tradeoffs are that need to be considered?
- In general, the community wants to remain vibrant, but how much change can residents handle. We want to be on the same page with the residents and the city in terms of tourism development. What are the trade-offs?

We want to understand the residents’ feelings/sentiments and consider if these are similar to other similar destinations or different. Some of the issues we have heard are helicopter noise, off road vehicle issues, destruction of cultural heritage sites, and the obvious crowding and parking in Uptown areas and select outdoor areas.

- There has been some research related to tourism and public lands recreation in and around Sedona, but how to bring them together?

#### Component 2 – Situation Analysis

- Want to make sure the analysis of visitation trends incorporates trends in development – have bricks and mortar expansions influenced growth?
- Should consider Senate Bill 1350 – short term rentals in analysis.
- New Transportation Study will be an important element to consider – main elements completed – full report should be finalized shortly.
- Should incorporate National Citizen Sentiment Survey in analysis process – results may be available in December – will forward the survey instrument in the meantime. Sent
- Consider incorporating employee housing and available workforce in support infrastructure analysis. Also, incorporate affordable housing issue and work force on business survey.
- Review the existing promotional initiatives in marketing plan and sustainable tourism practices in GSTC audit documents.
- Also consider what types of businesses have developed to respond to changing visitor demand.
- Consider how current regulations are influencing the development of future business or tourism opportunities – e.g., no organized yoga and motor coach parking on Forest Service lands.
- Consider opportunities in growing/evolving markets (e.g., China). What are the future trends in tourism?

- Review existing visitor data (Forest Service, State Parks). Is the public land agencies data accurate? Check the data collection process to see the same visitor is counted multiple times.
- Consider different strategy to increase capacity, such as dispersion strategy.
- Consider SWOT Analysis (with stakeholders, including tour operators- motor coach).

### **Component 3 – Survey Research**

#### **Resident Survey**

- For residents’ survey, will likely focus on City of Sedona residents only, but will have additional discussions before final determination.
- ASU will draft and share the survey and ask for feedback from the Chamber. Survey cover letter- on ASU letter head but mention City and Chamber to show the collaboration and credibility.

#### **Visitor Survey**

- Survey sites: survey at diverse locations; survey not only at trail heads, but also other places to capture diversity of visitors. For example, overflow parking visitors.
- The chamber has a good foundation of visitor survey. Look at what we already have in terms of understanding visitors. Where is the gap?

#### **Stakeholder/Business Survey**

- Online survey
- Labor pool, housing issue –ask this group.
- Include both general and specific detailed questions.
- What is their business revenue growth profile? Are their revenue growth projections in line with reasonable / sustainable growth?

#### **Public Sector Focus Group**

Two focus groups

- 1- Policy makers (public lands)- additional questions: about plan, compatibility with new activities, such as Yoga etc., motor coach, parking. Include person from airport.
- 2- Others- Nonprofits including Red Rock Trail Fund, OHV Task Force, Sustainability Alliance, Oak Creek Water Council

### **Component 4 – Visitor Management**

- Ensure what is “valued” by different segments (resident, business and visitor) is understood – noting similarities and differences.

### **Component 5 – Tourism Visioning**

- No refinements from that presented in proposal.
- Go back to the public to report the findings. How are we putting this together? What are the scenarios of different alternatives?
- What do they value most – access or parking. Less congested open space or open public lands. Issue of tradeoffs. Choice modelling type of questions.

### **Component 6 – Sustainable Tourism Strategy**

- Ensure there are metrics to track and consider progress—measurable indicators and define what is success
- Ensure to identify who has roles and responsibilities in future implementation of plan.
- Continuation of the steering committee (Or similar group) for longer term to implement the plan and monitor the progress.
- Ensure broad range of both business and resident interests are reflected in the Steering Committee makeup to show balance of economic, social and environmental community values.
- Include new people, including Keep Sedona Beautiful, Red Rock Trail Fund, Darcy, and remove some board members.

### **Project Timing**

- By the end of the year we will have critical issues known through the situation analysis. We will share those with the City and Chamber, so you will have some ideas for the January 17<sup>th</sup> Council Meeting.
- Meet with the steering committee- after the SWOT analysis is done.

### **What is next:**

- Situation Analysis
- Develop instruments for surveys
- Obtain research instruments, datasets, and report from SCC&TB
- Determine composition of steering committee

## Sedona 2018 Resident Survey Report

Report date: October 9, 2018

### Overview

In an effort to develop a sustainable tourism plan for the community of Sedona including residents and businesses in partnership with the Chamber and Tourism Bureau, new insights from visitors, residents and businesses were needed to construct a plan for today's situation and a desired future state. This report provides primary data on Sedona's residents collected during June and July of 2018. An eight-page mail survey was sent to a sample of 1,000 residents by ASU researchers with 376 returned for a response rate of 38%. Seventy-three (73%) percent of address were in Sedona and another 8 percent in Arizona.

### Key Findings

The data results from the study are organized into the following themes – methods, demographics and residency of respondents, involvement in tourism, knowledge and opinions about tourism, residents' opinions about quality of life, and segmentation analyses.

#### Methods

- 1,000 questionnaires were sent by mail to a randomly selected sample of residents with two follow-ups sent to non-respondents; 376 surveys were completed for a 38% response rate.

#### Demographics

- Average age of the respondents was 67 years old. The largest age segment was the baby-boomers, 54-72 years old (65%). Women (52%) were slightly more common than men (48%) as respondents. Most respondents were highly educated (76% with a college degree) and financially well-off (41% with incomes of \$100,000 or more). *Figure 1; Tables 1-3.*

#### Residency

- Most respondents noted they were full-time residents of Sedona (74%) and had lived there for an average of 15 years. Very few current residents grew up in Sedona (2%). Most visited either as a tourist (85%) and/or for business (24%) before moving to the community. That experience as a visitor was highly influential on their decision to move to Sedona with 58% indicating that it influenced their decision either quite a bit or a lot. *Figure 2; Tables 4-6.*
- On open-ended questions respondents were able to indicate why they first moved to Sedona and why they continued to live there. For both, scenic beauty was the most common answer, followed by climate, outdoor activities and quietness. The answers then diverged somewhat in that the small-town nature of Sedona appealed to those moving to the community as did its cleanliness and family connections. Friends and the community, however, emerged as primary reasons to stay. *Figures 3 and 4.*

#### Involvement in Tourism

- Because involvement in tourism is often associated with the way people feel about tourism in their communities, residents were asked about their involvement in tourism in Sedona. Few residents indicated they give input on tourism decision making with 38% reporting very little involvement and 33% reporting no involvement. Only 4% reported a lot of involvement. *Table 7.*

- Most residents have contact with tourists with only 12% noting they have no contact with tourists at all and 45% indicating they have a moderate to a lot of contact with tourists. A small number of respondents, however, reported that they are directly (9%) or indirectly (9%) employed in tourism. *Tables 8 and 9; Figure 5.*
- Many residents (61%) had out-of-town guests stay with them in 2017; over 60% with an average of 6.5 guests. As well, 8% indicated they had paying customers stay with an average of 4.8 guests. *Tables 10 and 11.*

### *Residents' Knowledge about Tourism*

- Residents were asked several questions to gauge their knowledge about the role of tourism in Sedona. A fairly large percentage of respondents (50%) felt that tourism should have less of a role than it currently does, with another 43% expressing the opinion it should have the same role as now (43%). Few were of the opinion that it should have either a greater role (6%) or no role (1%). *Figures 6 and 7.*
- Residents appeared to be fairly knowledgeable about the economic implications of tourism. When asked to estimate the percentage of jobs in Sedona attributed to tourism, 48% of respondents believed that 61-80% of Sedona's jobs are tourism related, while 26% believed 41-60% of jobs are tourism related. They also believed similarly about the percent of the city's operating budget funded by visitors with 42% of the opinion that 61-80% of the budget came from visitor spending, and 29% thinking that 41-60% came from visitors. *Tables 12 and 13.*
- Residents were also aware of the influence tourism can have on community amenities. They were asked to provide their opinion on the extent to which tourism impacts the mix of quality community amenities. A large percentage of residents indicated tourism had a great impact on five amenities: variety of restaurants (91%), variety of festivals and events (80%), variety of retail/shopping (71%), variety of nearby outdoor recreation opportunities (71%), and variety of museums/arts/cultural venues and activities (61%). *Table 14.*

### *Residents' Opinions about Tourism*

- Residents were asked about the acceptability of further expansion of several types of tourism development. These items were asked on a five-point scale so the closer the average response is to five, the higher the acceptability of the kind of tourism experience or service. The most acceptable type of tourism products leaned toward outdoor experiences and included: state/national parks and heritage sites (4.3), non-motorized trails (4.2), archeological sites (4.0), outdoor recreation (4.0), and public transportation (4.0). The least acceptable types of tourism products leaned toward additional accommodations and included: motorized trails (2.2), Airbnb (2.4), hotels/motels (2.8) and resorts (2.9). *Table 15.*
- Residents were also asked about the acceptability of several kinds of overarching economic development options similarly measured on a five-point scale. The most acceptable options included: medical and health (4.4), higher education (4.2), craft beverages (4.0) and professional services (4.0). The least acceptable options included light manufacturing (2.6) and construction (2.9). Tourism and outdoor recreation were toward the high end of moderately acceptable (3.7). *Table 16.*
- To understand limits of acceptability of changes in tourism demand or behaviors, residents were asked a series of questions about the current situation in Sedona and desired future conditions. On average, all of the features of Sedona for a current assessment were in the range of 2.0 to 4.6 where "3" meant about right, "1" meant too little/few and "5" meant too much/many. The items that fell into the too much/many categories were amount of traffic and number of tourists and residents were fairly strong in wanting less in the future. They tended to feel the same about noise and lighting at night though less strongly. On the other hand, items residents pointed out as having too little and wanting more included public transportation and overall community walkability. Items that appeared to be about where residents think they should be include variety of attractions, restaurants, and directional signage. *Table 17.*
- To determine the tradeoffs residents may be willing to accept, they were asked about several simple scenarios relating to changing amounts of tourism activity. People tended to agree that they would support current levels

of tourism if traffic flows were improved (60% agreed or strongly agreed). They leaned toward supporting the current levels of tourism if a sustainable approach to tourism management is taken (46% agreed or strongly agreed). Residents were not supportive of either less city services or assessment of a city property tax if it meant less tourism (25% and 21% agreed or strongly agreed, respectively), nor were they supportive of more tourism if it resulted in a broader range of community amenities (20% agreed or strongly agreed). *Table 18.*

- Residents were asked about the importance of various sustainability practices in Sedona (general context). The most important practices were “leave no trace principles in parks and on public lands” (4.6 mean on a 5-point scale where 5 is “very important.”). Locally owned and operated tours and attractions that are gentle to the environment was next in importance to Sedona residents (4.3 mean). One of the lesser in importance was sustainability certification by businesses (3.7 mean). *Table 19.*
- In order to gain insight into the kinds of visitors Sedona residents prefer, they were asked to rate a variety of tourist types according to the benefits and costs they think specific kinds of tourists have on the community and their preference for these types of tourists. Respondents had the most positive perceptions of travelers visiting friends and relatives (84% positive), cultural/heritage travelers (77% positive), leisure visitors during low season (77% positive), arts aficionados (74% positive), and non-motorized outdoor recreationists (66% positive). They had the least favorable opinion about motorized recreationists (51% negative). *Tables 20 and 21.*

#### *Importance and Satisfaction with Quality of Life*

- Tourism can have positive and negative impacts on quality of life. Residents were asked to rate the importance and their satisfaction with several quality of life indicators that are related to tourism. The largest gap between importance and satisfaction was with crowding of roads noted as very important (4.6 on a 5-pt scale where 5 is very important), with low satisfaction (1.7 on a 5-pt scale with 5 as very satisfied). Other kinds of crowding have the next largest difference between importance and satisfaction including crowding of other areas in Sedona (4.2 and 2.3, respectively), crowding in Uptown (3.8 and 2.1, respectively), and crowding on trails (4.3 and 2.5 respectively). *Table 22.*

#### *Other Comments*

- Residents were able to include additional comments on the survey form. Themes that were often mentioned included traffic and congestion, transportation, overtourism, short-term rentals, and public and green spaces. *Figure 8.*

#### *Segmentation*

- To gain additional insight into residents’ opinions about tourism, some segmentation analysis was conducted. Part-time residents as well as those who have lived in Sedona for a shorter amount of time tended to be more positive about the role of tourism in the community’s economy. A higher percentage of part-time residents (64%) indicated that the role of tourism in Sedona’s economy should be the same as it is now with 22% indicating it should be less, while 45% of full-time residents were of the opinion tourism should have the same role as now and 51% indicated it should have less of a role. There is a negative relationship between opinions about tourism’s role in the economy and length of residence with a higher percent of those who have lived in Sedona for less time feeling that the role of tourism should be the same as it is now and those with longer residency being more inclined to think it should have less of a role. *Tables 23 and 24.*
- To investigate resident characteristics that might also be related to opinions about tourism’s role in the community some further analysis was done.
- Respondents in households more dependent on tourism for income more often reported tourism should have the same role as now (direct employment=67%; indirect employment=50%; no employment=47%). Those indirectly employed in tourism were the most likely to feel tourism should have a greater role (16%). *Table 25.*

- Residents more involved in giving input about tourism decisions had an inverse relationship to opinions about tourism's role in the economy with the more involved the less likely to think tourism should have the same or a greater role (not at all involved=68%; very little involvement=56%; some involvement=45%; a lot of involvement=23%). *Table 25.*
- Residents who have either a little bit or a large amount of contact with tourists tended to be more positive than those with no contact or a moderate amount of contact. *Table 25.*

*Submitted by ASU 10/9/18 by Dr. Kathleen Andereck and Kim Pham*

## Sedona Focus Groups

October 9, 2018

In an effort to better get input from multiple stakeholders involved in tourism, two

90-minute focus group sessions were organized with 1) public lands managers and 2) non-profit leaders. The participants for the focus groups were selected with the help of Sedona Chamber of Commerce & Tourism Bureau. The sessions were held on one day at a hotel conference room in Sedona. Three ASU faculty conducted the sessions and using various techniques documented comments. This report is a summary of each session. The focus groups sessions were guided by two major questions: what are the major challenges of managing tourism and recreation resources sustainably in Sedona and the region? And what are the possible solutions to mitigate these challenges?

### Public Lands Managers

Nine participants representing local, state, tribal and federal management agencies working in Sedona and the region attended the first focus group session. The agencies included: City of Sedona, Yavapai County, Red Rock State Park, Arizona Parks and Trails, Arizona Game and Fish Department, Yavapai Apache Nation, National Park Service -River and Trails, US Fish and Wildlife Service, and Coconino National Forest.

### Challenges of Managing Tourism and Recreation Resources

Each participant was asked to identify and discuss three major challenges their organization are facing to manage tourism and recreation resources. These challenges were thematically presented below.

#### ***Balancing visitor use and protection of natural and cultural resources***

Finding the balance between the needs of increasing number of visitors and resource protection, both natural and cultural, has been identified as one of the serious challenges. Some areas are already overused. There are too many people on limited perennial water. These issues are even greater during peak seasons as demand exceeds the capacity. To meet the demand of visitors, some of the parks have undergone more development than needed, which is not sustainable in the long-run. Agencies are also facing problems with conflicting philosophies between balancing environmental sustainability and revenue generation from tourism. One of the participants mentioned “we want people to love public lands, but we also want the forest to be there in the future.”

#### ***User behavior***

Land managers reported that it is not only the influx of visitors, but their inappropriate behaviors, that have been a major challenge in managing resources. They listed various unsustainable use of resources, such as energy and water, their impacts on wildlife, wildfire, and vandalism of artifacts. They also indicated that visitors lack of education is contributing to the impacts on natural and cultural resources.

#### ***Meeting the needs of diverse population and gaining public support***

Public land managers are mandated to serve the public and their diverse needs and priorities, but these are often times conflicting each other. Remaining relevant to future generations and relevant to a diversity of user groups, including youth, minority, and other ethnic groups, is important but challenging. For example, some people want a great deal of management of public lands and others want none at all, that is until there are negative impacts. Dealing with these polar opposites perspectives is also a challenge.

#### ***Lack of resources and long-term planning***

Given limited resources (human, financial), they “these public or municipal resource managers” are unable to monitor/regulate overuse and educate and provide information to visitors and public. Because of limited resources, they lack long-term plans that are needed for sustainability. Land managers expressed the need of more resources to collect data to assess visitor impacts.

## **Possible Solutions**

### ***Managing visitors***

Some areas are overused, and others are underused. A proper distribution and management of visitors can be a solution to this issue. Managers suggested spreading summer visitors throughout nearby areas with more information and education. For example, visitors may not know about Jerome and surrounding areas to achieve a strong regional tourism economy. Sedona can distribute information about other destinations to reduce impacts on overused areas in Sedona is important.

### ***Education and interpretation***

Educating both visitor and residents about appropriate behavior in terms of fire, wildlife, forest, water, sensitive ecosystem, traffic, and parking can be a potential solution.

### ***Collaboration***

The participants emphasized the need of collaboration with communities and chambers for funding, data collection, educating residents and visitors, long-term planning, and developing consistent policies. Land management agencies want to work by drawing on an inter-agency collaboration approach to assess impacts to date and to determine acceptable impacts and activities and how to shift practices appropriately. A good example of a regional-level cross agency collaboration is String of Pearls in Colorado. Another example of interagency communication is Verde Front. Collaboration among agencies, communities and private businesses can be helpful to develop applications and disseminate information. No agency has a big advertising budget, so integrating and connecting with other agencies and their existing technological tools is important and likely to be very effective. For example, REI has developed a mountain biking app. Ebird is another app used internationally by birders. Others could be Powder Hoop app for anglers. Many agencies tend to focus on short-term planning and some focus on long-term planning, so interagency collaboration could leverage unique, as well as shared, agency assets.

## Focus Group with Nonprofit Leaders

The second focus group workshop was attended by 10 participants from the following organizations: Traffic Matters, Verde Valley Cyclists Association, Oak Creek Watershed Council, Friends of the Verde River, Verde Valley Nature Organization, Keep Sedona Beautiful, and Sedona Red Rock Trails Fund.

### Challenges of Managing Tourism and Recreation Resources

#### *Increased visitors*

New flow of tourists and their lack of awareness on the impacts on the environment is a challenge. Many users have no clue about the environment and surround areas. Because of increasing tourism, people's attitude toward tourism is changing. There a new issue caused by tourists, "them versus us attitude" (resident versus residents and owners versus nonowners) that was not there previously.

#### *Transportation (traffic -both trail and road, parking)*

The amount of traffic in Oak Creek canyon is a major problem. It cannot be widened, and it should not be. Congestion is not limited to roads, but also trail heads. There are many people hiking, biking and horseback riding. The crowds make a person lose the serenity and tranquility that they are seeking in nature.

#### *Housing affordability*

Housing affordability and availability is tied to unregulated lodging. Unregulated lodging is a major issue in Sedona. For example, one participant shared that there is a house close to his house which rented out for \$750 per night. He stopped a fire there once because they did not know that it was a no burn day/area.

#### *Environmental quality*

Participants discussed the impacts of tourists on water quality, wildlife, fire, and trash. They were concerned of water quality effected by tourists (particularly swimming in Oak Creek), and also the quantity of water needed for residential and commercial development and growing population and its impacts on underground reservoir. The river is currently far below the threshold for outstanding water quality. Social trails are negatively impacting wildlife habitat; and inappropriate defecations and soil erosion are other major problems. There is a lot of trash and food matter and fecal matter introduced into the creek by visitors.

### Solutions

#### *Education and outreach*

- Educate residents through festivals, events, and workshops on sustainability issues, such as water use, gardening, native plants, etc. Some organizations, such as KSB, organize speaker series related to sustainability to educate residents, including workshops on landscaping using native plants, no insecticide, and protect bees for pollination, to make residents to be better environmental stewards.
- Most tourists are first-time visitors, so education is key. Educate tourists about fire, wildlife, trash, and Leave No Trace Ethics. Similar to round-about pamphlets and website, the Chamber should expand this to educate tourists about fire. Targeting Phoenix may be a proactive approach to take given that many visitors come from Phoenix. Adding educational information to the Sedona Film Festival may be a good approach to communicating with tourists.

- Educate businesses about dark sky, redistributing visitors, and passing information to tourist related to fire. Realtors can be a resource for to mention that one of the things that makes Sedona great is the dark skies. Hotels can also be helpful to educate tourists providing tourists information rather than just marketing of various activities.

### ***Collaboration***

Nobody can solve any issues by themselves. Collaboration with communities, other non-profits, businesses, public land management agencies and chambers for education, outreach, and funding is important. The Verde Front is an example of a regional collaboration. They work with mayors for various things, including recreation master plan, hosting bird festivals, and educating tourists about environmental health of the area. Collaborate with Arizona Department of Transportation for transit. Parking outside the city where people can use vans locally to reduce air and noise pollution, but it allows visitors to congregate in certain areas. There will be a need to look at other routes in and out of Sedona, such as neighborhood routes, and a bridge at Schnebly. Also, data to inform a capacity innovation approach is needed.

### ***Involvement and fund non-profits***

The Chamber and businesses can facilitate tourists to donate to nonprofits so that nonprofits can do their jobs to protect the environment. Businesses should also give back to the communities. Involve college students through voluntourism and this may help nonprofits who are short on the human resources. Involve and fund nonprofit organizations in educating public and protecting rivers and resources through a mechanism where they get certain percentage of taxes. Also, businesses can connect to an app with the goal of information provision to users, but also give users an opportunity to donate to maintain the natural landscape. The participants provided examples of other communities like Steam Boat Springs, Colorado. They have many best practices; their hiking season is four months long. They installed a bed tax and they get \$500,000 a year that goes directly to trail management. Getting more dollars from tourists via the city government is an innovative approach. This was done through a referendum. Most places in Colorado have five different categories of taxes that go towards their environmental initiatives. Sedona can follow that example.

*Submitted by ASU. Drs. Gyan Nyaupane, Christine Vogt, and Christine Buzinde*

## Sedona Business Survey Report

October 9, 2018

### Overview

In an effort to develop a sustainable tourism plan for the community of Sedona including residents and businesses in partnership with the Chamber and Tourism Bureau, new insights from visitors, residents and businesses were needed to construct a plan for today's situation and a desired future state. This report provides primary data on Sedona's businesses from a modified list of business owners or managers and their email addresses which were provided by the Sedona Chamber of Commerce & Tourism Bureau. A non-chamber member subset was considered, but the other available list was business licenses from the City of Sedona and the nature of the files were very different. After several attempts to merge the files, we decided on a chamber list only. The survey was conducted in June 2018. The survey was nine-pages and 33 questions and was programmed into Qualtrics (the instrument is included at the end of the report). Of the 730 unique business contacts, 262 completed the survey after three reminders timed over several weeks.

### Key Findings

The data results from the study are organized into the following themes –business profile and workforce, transportation practices, knowledge and opinion about tourism, opinions about business environment and sustainability, sustainability self-assessment, and segmentation.

#### *Business Profile and Workforce*

- Over half (56%) of the respondents consider themselves as a tourism business, while 84% benefit from the tourism industry. *Figures 1 and 2.*
- On average, businesses have been in operation in Sedona for 18 years with a range going up to 74 years. Businesses were also asked if they have operations outside of Sedona. Just under half (47%) do not. *Tables 1 and 2.*
- There was almost an equal split between those who own their building/location (48%) versus lease (47%) with another 5% who indicated leasing but wanting to purchase. The type of business that responded was diverse. Retail (13%), accommodations (12%) and spiritual/personal enrichment (12%) were the most common business categories. Respondents were asked where they live. Over half (57%) live within the City of Sedona, 24% live in the general Sedona area, and 19% live outside the area. *Figure 3 and Tables 3 and 4.*
- Most businesses (57%) sell/service only consumers and another 37% indicated selling to businesses and consumers. Only 6% of the respondents were only B-to-B. The cohort that these Sedona business respondents consider to be their primary customers are Generation X (41%) and Baby Boomers (53%). Businesses affiliate widely in the community. Over a quarter (26%) of the respondents affiliate with some type of general community support association, 18% affiliate with recycling associations, and 12% affiliate with an educational organization. *Figure 4 and Tables 5 and 6.*
- Businesses largely employ 10 or less full-time employees (76%), 10 or less part-time employees (87%), and 10 or less seasonal employees (91%). Business owners/managers indicated that all of their employees reside in Sedona (37%), followed by 50 to 99% employees live in Sedona (27%), and 1 to 49% (26%). Ten percent of respondents indicated that none of their employees live in Sedona. *Tables 7 to 10.*

#### *Transportation Practices*

- Transportation has been a significant focus in the community and for the City and Chamber in the current year. Businesses were asked questions to help understand employees' and customers' transportation behaviors and future needs.

- Employees largely use the businesses' private lot (69%) with designated public parking lots (18%) and free street parking (13%) as other options. Most employees (81% of businesses) parked near the entry of a business. Businesses that responded estimated whether employees walk or bike to work. Over three-quarters (78%) indicated no one walks or bikes. Two out of ten respondents (21%) indicated somewhere between 1 and 10 employees walk or bike to work. Similar results were found with the use of public transportation by employees. *Figure 5 and Tables 11 to 13.*
- Customers largely use the businesses' private lot for parking (67%) according to business owners. Thirty percent use public lots or free parking on the streets and three percent use meters. Customers are able to park near the business according to 86% of business owners. Six percent of customers walk or bike to the business; 2 percent use public transportation to access the business. *Figure 6 and Tables 14 to 16.*

#### *Businesses' Knowledge and Opinions about Tourism*

- Eight out of ten business respondents expressed that tourism plays a significant role in the city having no residential property tax. Slightly more than one-third (37%) of the businesses selected that the city's annual operating budget is funded by visitors somewhere in the 61% to 80% of the budget. Over fifty percent (51%) place the number of tourism jobs as 61% to 80% of the total jobs in the region. *Figure 7 and Tables 17 and 18.*
- A high proportion of business owners selected that a variety of amenities in Sedona exist because of tourism. These include: restaurants and food and beverage (94% great impact), festivals and events (84%), retail/shopping (83%), outdoor recreation (80%), and museums and cultural venues and activities (72%). *Table 19.*
- Business owners/managers were asked if tourism should play a different role than currently in Sedona. Over half (57%) of businesses said "a similar role," and 21% a greater a role and 22% less of a role. No business said "no role." *Figure 8.*
- Half of the businesses rate Sedona as an "above average" travel destination and 39% rate it as "excellent." *Figure 9.*

#### *Businesses' Opinions about Business Environment and Sustainability*

- Tourism and outdoor recreation are viewed as a top economic activity for the Sedona area by businesses, followed by higher education, medical and health, and professional services. Government offices, construction and light manufacturing are placed as the lowest rating (but with an average equivalent to "moderately acceptable"). *Table 20.*
- Challenges that rose to a significant level include: affordability of nearby housing for employees, perceptions held by residents toward tourism, and difficulties in recruiting and retaining employees. *Table 21.*
- Business owners were moderately satisfied (3.7 on a 5-point scale with very satisfied as a 5) with the marketing strategies of the Chamber & Tourism Bureau. The lowest scored satisfaction was the City's approach to sustainability (2.8). *Table 22.*
- Businesses rated safety/lack of crime and limited litter & vandalism being the most important factors to influence quality of life in Sedona. Businesses also gave high marks as being satisfied with these types of city services. Businesses were least satisfied with crowding on roads, trails, the Uptown area, and other areas (i.e., Oak Creek Canyon). *Table 23.*
- Sustainability initiatives were rated for their importance. Businesses rated "leave no trace" principles in parks and "local spending and retention" as the two most important initiatives. Sustainability certification received the lowest importance rating. *Table 24.*
- In an open-ended comment about sustainability ideas, the following were most common: mandatory recycling/more recycling bins in town, outlaw nylon and plastic bags, straws and bottle, environmental education, and more signs to encourage eco-tourist behavior. *Table 25.*

- Businesses indicated support of sustainability initiatives and support two approaches: the first is embedded in business practices with no formal program, and the second is few activities and no formal program. *Table 26.*
- On an importance-performance set of questions, businesses rated “hiring local staff” to be most important and also highly rated their performance of hiring local staff. Businesses rated reducing waste and maintaining recycling as very important and their actions in this area as well performed. *Table 27.*
- Barriers to implementing any sustainability initiatives were rated at a “minor” barrier level – these included insufficient resources to implement or insufficient data provided supporting consumer preferences for sustainable businesses. *Table 28.*
- When asked for additional comments, the top responses followed themes of traffic-transportation, environmental-issues, and Chamber programs that prioritize and support local businesses. *Figure 10.*

### *Segmentation*

- As expected, those in accommodations see themselves 100% in the tourism industry, whereas arts and culture see themselves mostly in tourism (72% of 18 respondents) or restaurants and catering (69% of 13 respondents). *Table 29.*
- A self-identified tourism business is more likely (50%) to own their offices than a non-tourism business (43%). *Table 30.*
- A self-identified tourism business is more likely (25%) to want to see tourism play a larger role in the Sedona economy than a non-tourism business (3%). *Table 31.*
- As a group, non-tourism businesses, rate Sedona as a destination slightly higher than tourism businesses. *Table 32.*
- Tourism businesses are slightly more “bullish” on the business climate in Sedona compared to non-tourism businesses. Tourism businesses are significantly more likely to be satisfied (42% are very satisfied) with the distribution of visitors throughout the region compared to non-tourism businesses (23%). *Table 33.*

*Submitted by ASU 10/9/18. Dr. Christine Vogt, Kim Pham, and Dr. Christine Buzinde*

## Sedona 2018 Visitor Survey Report

Report date: October 9, 2018

### Overview

In an effort to develop a sustainable tourism plan for the community of Sedona including residents and businesses in partnership with the Sedona Chamber of Commerce & Tourism Bureau, new insights from visitors, residents and businesses were needed to construct a plan for today's situation and a desired future state. This report provides primary data on Sedona's visitors for the time period January 2018 to July 2018. A two-page on-site survey (included at the end of this report) was conducted by ASU researchers at six locations that represent a range of visitor types in town and at popular attractions and trailheads. One thousand completed surveys were achieved over 14 randomly selected weekdays and weekends in 215 hours of field surveying during the seven-month period.

### Key Findings

The data results from the study are organized into the following themes – methods, demographics of respondents, travel party description and trip characteristics, sustainability, and segmentation of select variables.

#### Methods

- 1,001 surveys were completed with 1,657 attempts for a 60% response rate (40% refusal rate). A similar quota per hour was established at each survey location. Chapel of Holy Cross produced the most completed surveys (n=214) and West Fork Trail (n=122) the lowest based on visitor levels. *Tables 1 and 2.*

#### Demographics

- Average age of the respondent was 47 years old. The largest age segments were 50-64 years old (30%) and 18-34 years old (28%). Women (53%) were slightly more common than men (47%) as respondents. *Figures 1 and 2.*
- Nine out of ten visitors (91%) were from the U.S. and 9% were international with Canada comprising 69% of the international visitor segment. Arizona residents (35%) comprise one-third of the U.S. market. California residents (14%) were the second largest U.S. segment. *Figures 3 and 4; Tables 3 and 4.*

#### Travel Party Description and Trip Characteristics

- Average travel party size is 3.6 persons from groups that were 1 person to as large as 50 people. The most common party group size is two persons. Groups were more likely to include women (50%), then men (38%) and children (12%). Groups were comprised mostly of family members only (57%), friends only (22%), a mix of family and friends (14%). Organized group tours (1%) were less common in our sample even though they were approached for participation. *Tables 5-7.*
- Average number of past trips was 4 trips from a range of 1 to 104 visits over a lifetime. Over half (55%) were visiting the Sedona area for the first time. *Figure 5.*
- Most visitors (63%) in this study stayed overnight in the Sedona area with the remaining as day visitors (37%). For those who stayed overnight, the average length was 3.5 nights though the most common length was 2 nights. Arizona residents were more likely to be on a day trip (58%) in comparison to an out-of-state travel party (27% day trip). Accommodation choices were most likely to be a full-service hotel (22%), followed by a resort (20%), rented vacation home -Airbnb, HomeAway, VRBO (15%), limited service hotel (11%), timeshare (10%), campground (9%), B and B (8%) and staying with friends or relatives (7%). *Figure 6 and Table 8.*
- The primary purpose of the visit in Sedona was for pleasure or a vacation (87%). Visiting friends and relatives (9%), business (2%) and a variety of specific activities (2%) describe the remaining trip types. *Table 9.*

- Hiking (72%) was the most popular activity with this sample (which included three outdoor recreation sampling sites). Shopping (68%), sightseeing (68%), and dining (66%) comprised the remaining activities where over 50% of the respondents participated in the activity. *Table 10.*
- Over half (55%) of the respondents rated Sedona as “excellent.” Forty-two percent rated the destination as “above average.” Very few (3%) rated as average and no one gave the destination a below average rating. *Fig 7.*

### *Sustainability*

- Visitors were asked about the importance of various sustainability practices in destinations they vacation in (general context). The most important practice is “leave no trace principles in parks and on public lands” (4.3 mean on a 5-point scale where 5 is “very important.” Locally owned and operated tours and attractions that are gentle to the environment was next in importance to Sedona visitors (4.0 mean). Two of the lesser in importance practices are sustainability certification by businesses (3.5 mean) and communities recognized by the International Dark Sky Association (with which Sedona is recognized) (3.4 mean). *Table 11.*
- To understand limits of acceptability of changes in tourism demand or behaviors, visitors were asked a series of questions about the current situation in Sedona and desired future conditions. On average, all of the features of Sedona for a current assessment were in range of 2.6 to 3.5 where “3” meant about right. On average, some of the features for future conditions (suggesting areas to change/improve), several items were skewed toward “want less” including amount of traffic and number of tourists. Several items were skewed toward “want more” including parking lots, public transportation and restrooms. *Table 12.*
- Sustainability is closely tied to visitor behavior. In the survey, visitors were asked what places they were aware of, where they visited, and if they visited a place at a less crowded time. The most visited place was Uptown (79% visited) (a place we surveyed) and Oak Creek Canyon (74%). Visitors were least aware of the visitor information center operated by SCC&TB (73% unaware or not interested to visit), Palatki and Hononki sites (80%), and a few trails (Soldier Pass and Devil’s Bridge trails). From one to three percent of visitors attempted to visit a place in Sedona and couldn’t find parking including developed areas like Uptown or Tlaquepaque. A few more (2%-6%) visitors avoided a place because of crowds. And a 3% to 6% of visitors indicated intentionally visiting a place during a slow time period. *Tables 13a and 13b.*

### *Segmentation*

- Where visitors came from (in-state, out-of-state or foreign) did not influence satisfaction ratings, nor did age categories. Instead, overnight visitors gave significantly higher satisfaction scores with 59% of overnight visitors selecting “excellent” in comparison to 48% of day trip visitors. *Tables 14 to 16.*
- In-state visitors were twice as likely to be visiting Sedona as a repeat visitor compared to out-of-state or foreign visitors. Out-of-state and foreign visitors were equally likely to be a first-time visitor with six of ten visitors indicating a first trip to Sedona. *Table 17.*
- Out-of-state (73%) and foreign (70%) visitors were almost twice as likely, than in-state residents (42%), to stay overnight in Sedona. *Table 18.*
- Activities in Sedona did not vary widely between in-state, out-of-state or foreign visitors. In-state residents were slightly more likely to hike than the other groups.
- Group size for a single traveler or a two-person party were similar across in-state, out-of-state or foreign visitors. In-state groups were more likely to be three-person groups. Foreign visitors were more likely to be four-person groups. *Table 19.*
- A final segmentation analyzed key crowding measures over the seven-month period. The sampling locations were the same over this time, but the visitors were not. A rise in perceptions of the number of tourists and traffic occurs in April and visitors express desiring fewer tourists and less traffic, however, satisfaction is not impacted. *Table 20.*