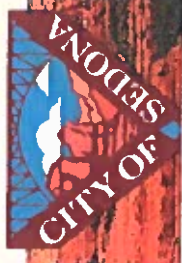


# Schneebly Grove Drainage Improvements (SD-12)

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Sandy Phillips, PE

Asst. Public Works Director/Asst. City Engineer



## 2021 Stormwater Master Plan

- Projects were proposed based on resident complaints & modeling.
  - This area is identified as an Area of Mitigation Interest (AOMI) #13.
- Older, dense neighborhood with little drainage considerations.

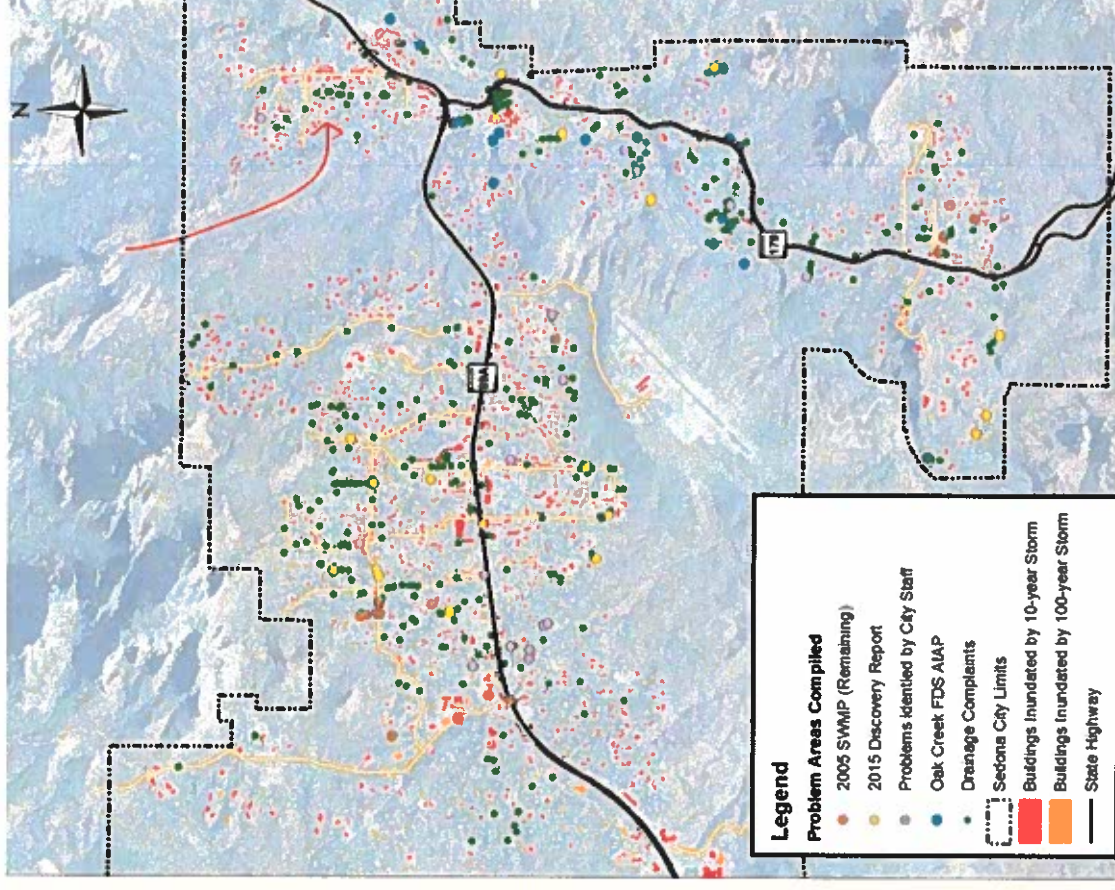
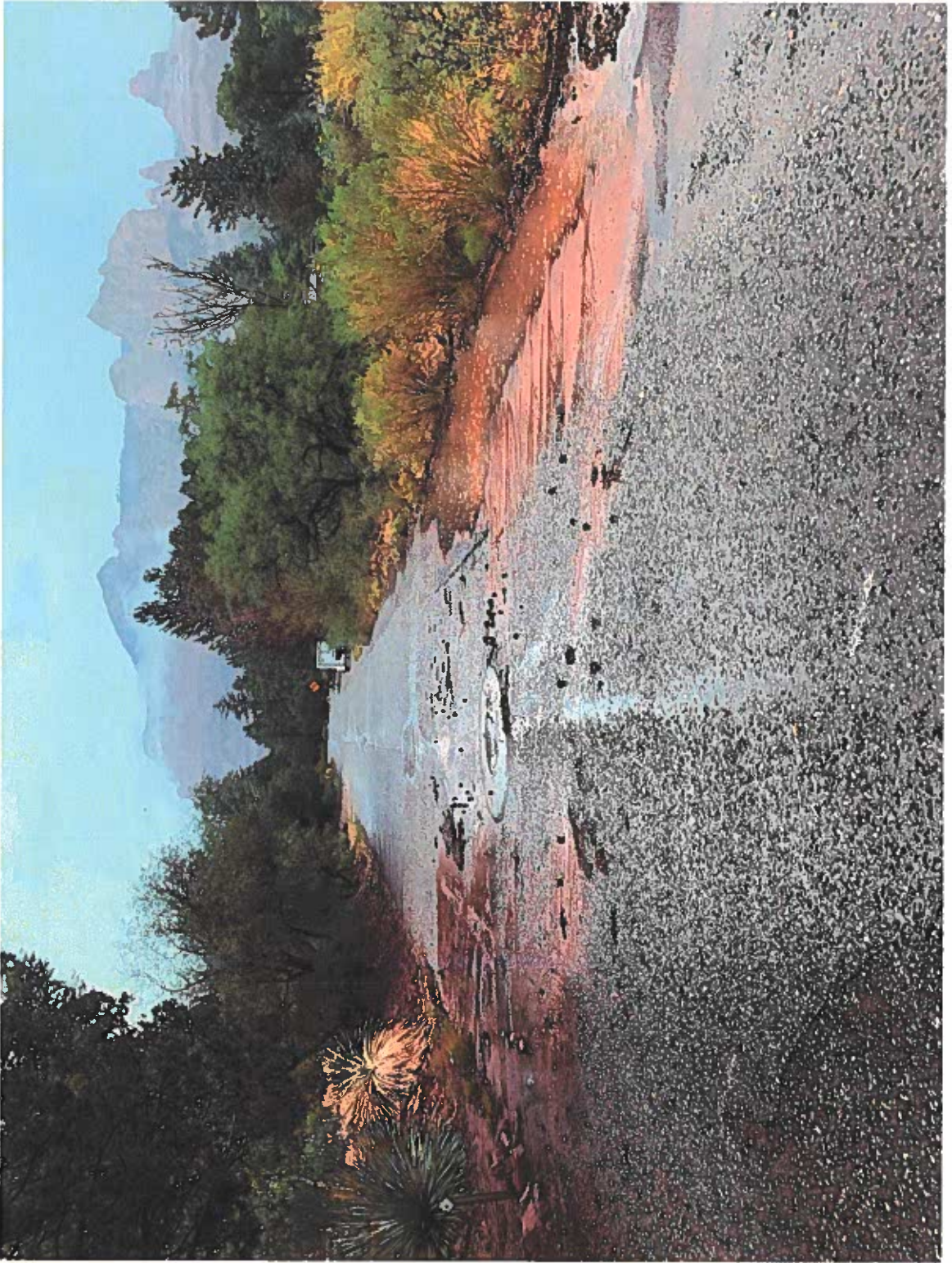
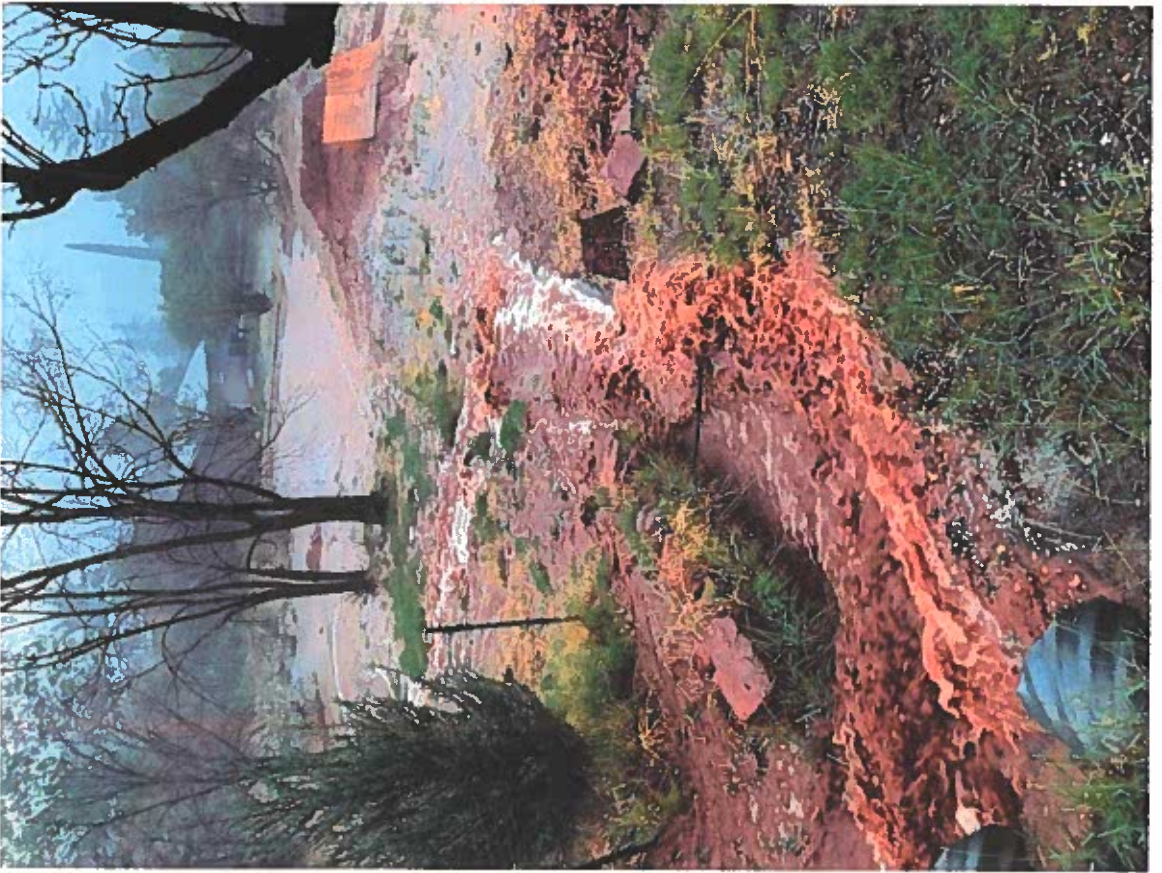


Figure 3-1 Data Sources for Identifying Areas of Mitigation Interest







## Construction

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- Lowest bidder was Asphalt Paving & Supply, Inc.
- \$332,764
- Located in Prescott Valley



Thank you!

Questions?



# December 2023 Sales & Bed Tax Revenues

City Council Meeting  
February 27, 2024





# Comparison to Prior Year and Budget

## City Sales Tax Revenues

Month	FY 2023 Actuals	FY 2024 Actuals	Actual Variance	FY 2024 Budget	Budget Variance
July	\$ 2,149,138	\$ 2,248,015	5%	2,198,080	2%
August	2,197,897	2,088,510	-5%	2,172,310	-4%
September	2,492,094	2,775,781	11%	2,440,450	14%
October	3,021,987	3,077,781	2%	2,578,710	19%
November	2,631,897	2,747,711	4%	2,484,350	11%
December	2,361,041	2,595,213	10%	2,325,920	12%
January	2,205,919	-	-	2,073,720	-
February	2,490,337	-	-	2,246,900	-
March	3,190,884	-	-	3,035,630	-
April	3,473,299	-	-	3,160,390	-
May	2,854,072	-	-	2,941,420	-
June	2,703,306	-	-	2,726,100	-
<b>Totals</b>	<b>\$ 31,771,871</b>	<b>\$ 15,533,009</b>	<b>5%</b>	<b>\$ 30,383,980</b>	<b>9%</b>

## Bed Tax Revenues

Month	FY 2023 Actuals	FY 2024 Actuals	Actual Variance	FY 2024 Budget	Budget Variance
July	\$ 499,299	\$ 522,779	5%	478,550	9%
August	498,556	492,948	-1%	514,590	-4%
September	633,082	768,445	21%	604,730	27%
October	844,792	963,131	14%	763,750	26%
November	724,025	762,630	5%	661,020	15%
December	571,961	647,971	13%	541,360	20%
January	633,341	-	-	486,810	-
February	748,220	-	-	598,580	-
March	959,154	-	-	879,630	-
April	982,381	-	-	966,860	-
May	779,126	-	-	847,140	-
June	714,052	-	-	681,970	-
<b>Totals</b>	<b>\$ 8,587,989</b>	<b>\$ 4,157,903</b>	<b>10%</b>	<b>\$ 8,024,990</b>	<b>17%</b>



# Comparison to Pre-COVID

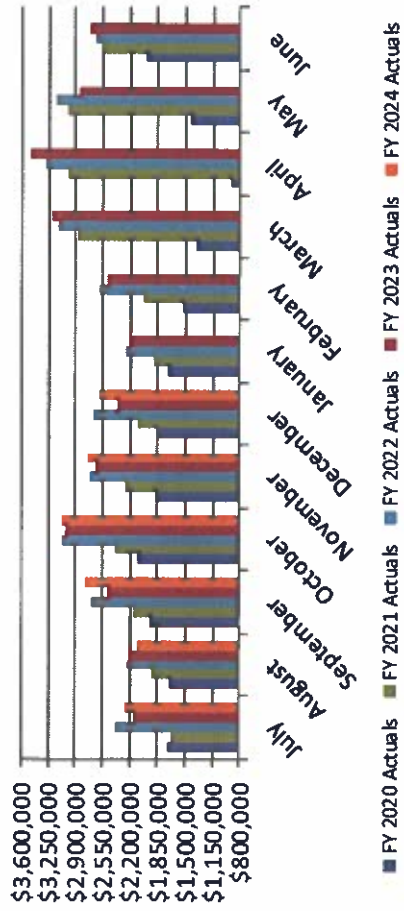
	Dec 2019	Dec 2023	% Change	FY2020 YTD	FY2024 YTD	% Change
Sales Tax	\$1,840,064	\$2,595,213	41%	\$11,181,300	\$15,533,009	39%
Bed Tax	\$360,997	\$647,971	79%	\$2,501,248	\$4,157,903	66%

NOTE: Western Region CPI increase from Dec 2019 to Dec 2023 was 20%.

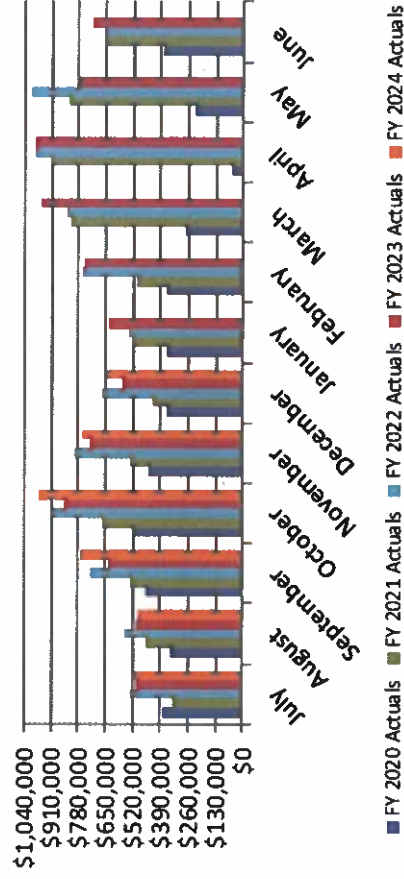


# Historical Trends

## City Sales Tax Revenues Historical Trends



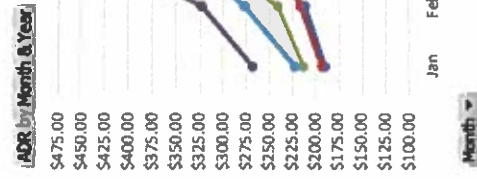
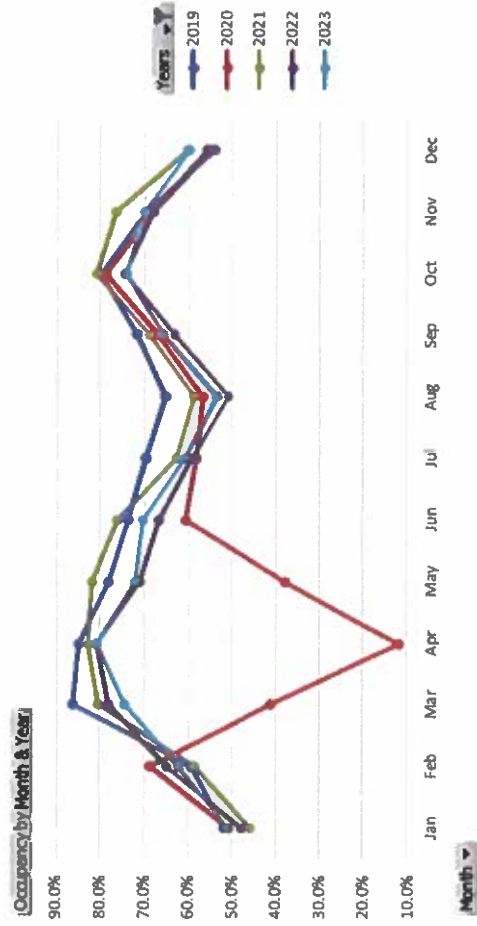
## Bed Tax Revenues Historical Trends



YTD Dec 2023 sales tax is 1% less than the YTD Dec 2021 peak. YTD Dec 2023 bed tax was 6% less than the YTD Dec 2021 peak. YTD Dec 2023 sales tax was 10% less than the YTD Dec 2021 peak. YTD Dec 2023 bed tax was 10% less than the YTD Dec 2021 peak.



# Traditional Hotel Occupancy & ADR



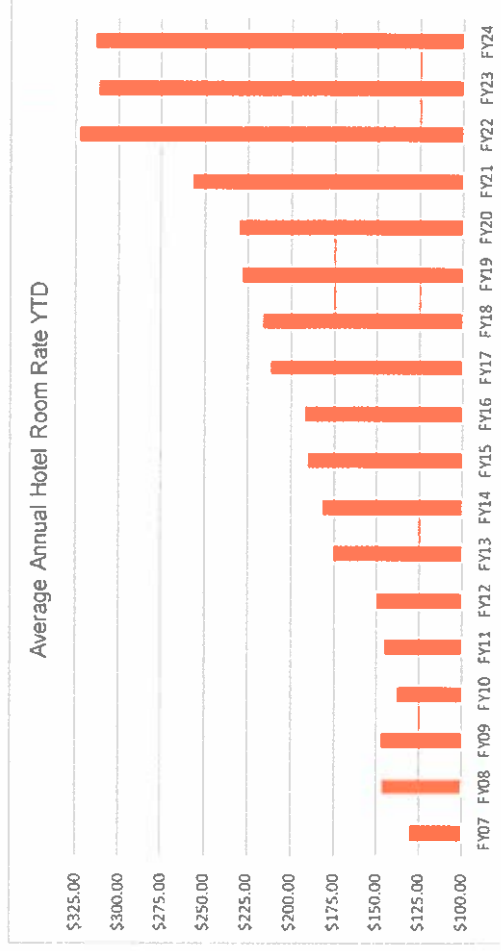
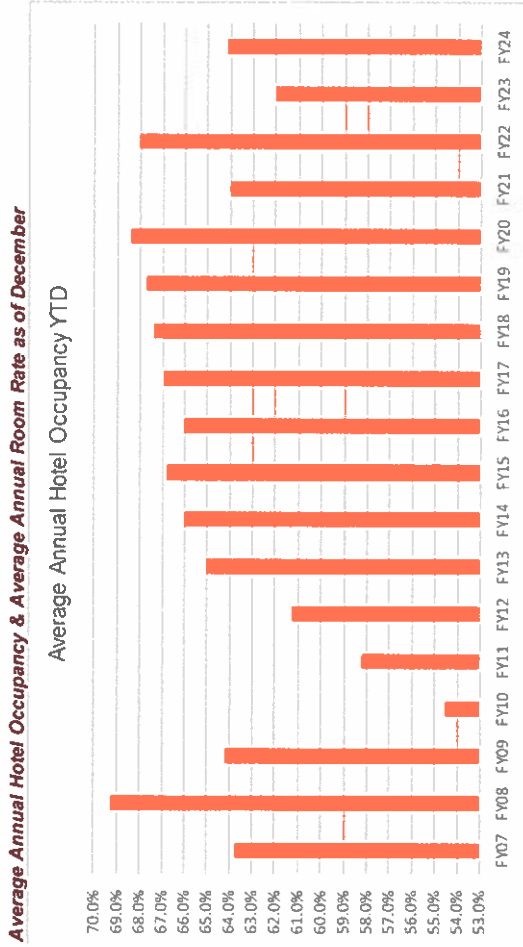
## SCTC Section 8-100. General Definitions.

"Hotel" means any public or private hotel, inn, hostelry, tourist home, house, motel, rooming house, apartment house, trailer, or other lodging place within the City offering lodging, wherein the owner thereof, for compensation, furnishes lodging to any transient, except foster homes, rest homes, sheltered care homes, nursing homes, or primary health care facilities.

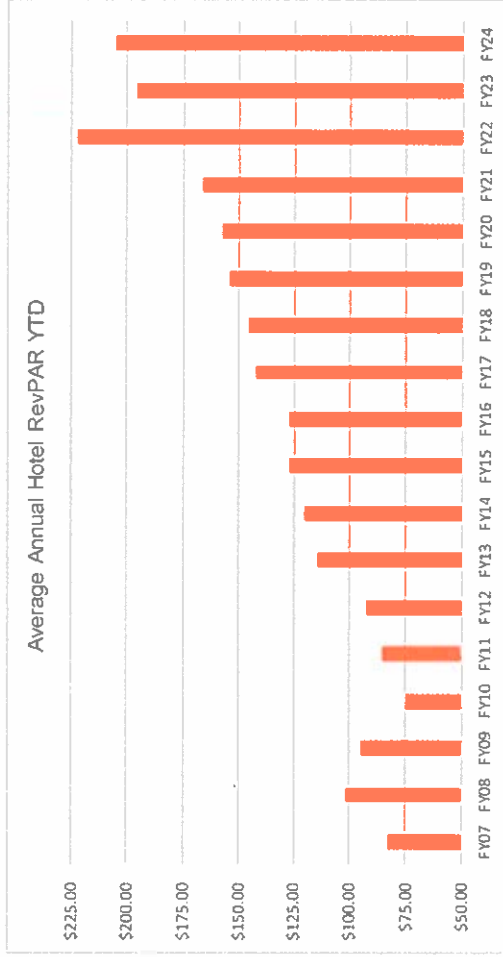
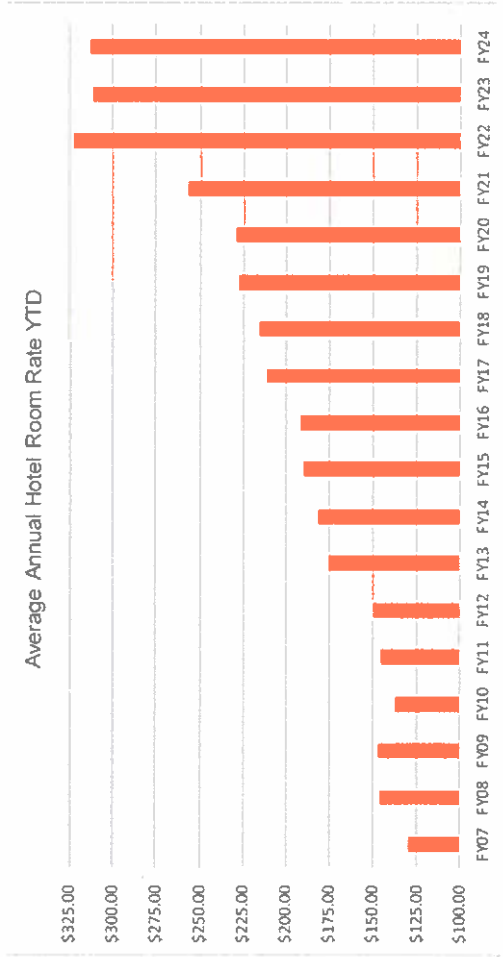
"Lodging (Lodging Space)" means any room or apartment in a hotel or any other provider of rooms, trailer spaces, or other residential dwelling spaces; or the furnishings or services and accommodations accompanying the use and possession of said dwelling space, including storage or parking space for the property of said tenant.



# Average Annual Traditional Hotel Occupancy & ADR



# Average Annual Traditional Hotel ADR & RevPAR



# December 2023 Revenues by Period End Date

Period End Date	Amount	Period End Date	Amount
1990	2.00	2022	8,022.62
1992	0.44	<b>2023:</b>	
1999	0.28	Jan	190.53
2000	0.14	Feb	7,137.55
2001	1.72	Mar	1,451.04
2002	0.42	Apr	(6,110.56)
2003	3.33	May	(5,492.81)
2007	0.43	Jun	(12,693.69)
2010	28.99	Jul	2,528.87
2015	12.57	Aug	7,328.38
2016	360.43	Sep	7,996.85
2017	5.00	Oct	31,540.43
2018	2,974.18	Nov	92,859.38
2019	2,296.18	Dec	3,052,291.23
2020	4,189.51	2024	44,561.03
2021	1,697.56	<b>Grand Total</b>	<b>\$3,243,184.03</b>



Taxes due by 20<sup>th</sup> of following month

ADOR closes month by early to middle of following month

Data based on how taxpayer reported





Month	Retail	Restaurant & Bar	Hotel/Motel	Construction	Leasing	Communi- cations & Utilities	Amusements & Other	Totals
<b>City Sales Tax Revenues by Category and by Month</b>								
July 2022	759,167	\$ 406,269	\$ 517,128	\$ 139,987	\$ 155,542	\$ 48,705	\$ 122,342	\$ 2,149,140
August 2022	797,223	369,186	502,766	195,095	156,688	96,617	80,318	2,197,893
September 2022	874,790	486,767	650,976	131,089	173,564	69,253	105,658	2,492,097
October 2022	1,053,822	582,764	868,383	161,238	177,348	39,266	139,165	3,021,986
November 2022	914,839	492,347	744,020	138,314	152,930	83,081	106,366	2,631,897
<b>December 2022</b>	<b>896,682</b>	<b>424,843</b>	<b>586,451</b>	<b>134,064</b>	<b>168,411</b>	<b>67,347</b>	<b>83,243</b>	<b>2,361,041</b>
January 2023	764,648	378,813	644,950	124,431	149,910	70,888	72,280	2,205,920
February 2023	792,929	463,351	765,546	138,808	163,484	68,826	97,392	2,490,336
March 2023	990,262	595,699	984,599	200,709	175,427	75,155	169,033	3,190,884
April 2023	1,113,347	691,082	1,011,113	216,734	174,942	58,701	207,381	3,473,300
May 2023	966,539	592,166	803,577	130,357	172,080	61,165	128,187	2,854,071
June 2023	881,068	534,000	730,408	183,666	166,143	76,532	131,490	2,703,307
<b>Total FY 2023</b>	<b>\$ 10,805,316</b>	<b>\$ 6,017,287</b>	<b>\$ 8,809,917</b>	<b>\$ 1,894,492</b>	<b>\$ 1,986,469</b>	<b>\$ 815,536</b>	<b>\$ 1,442,855</b>	<b>\$ 31,771,872</b>
July 2023	\$ 778,962	\$ 461,212	\$ 540,153	\$ 134,293	\$ 151,190	\$ 79,464	\$ 102,741	\$ 2,248,015
August 2023	752,174	374,561	504,575	141,699	150,880	78,798	85,823	2,088,510
September 2023	901,032	526,505	784,683	171,326	205,232	76,586	110,416	2,775,780
October 2023	942,031	620,926	990,233	144,570	186,966	66,800	126,256	3,077,782
November 2023	897,812	540,928	782,416	154,516	182,257	64,037	125,745	2,747,711
<b>December 2023</b>	<b>929,241</b>	<b>473,635</b>	<b>666,630</b>	<b>186,078</b>	<b>183,248</b>	<b>55,747</b>	<b>100,634</b>	<b>2,595,213</b>
January 2024	-	-	-	-	-	-	-	-
February 2024	-	-	-	-	-	-	-	-
March 2024	-	-	-	-	-	-	-	-
April 2024	-	-	-	-	-	-	-	-
May 2024	-	-	-	-	-	-	-	-
June 2024	-	-	-	-	-	-	-	-
<b>Total Year-to-Date FY 2024</b>	<b>\$ 5,201,252</b>	<b>\$ 2,997,767</b>	<b>\$ 4,268,690</b>	<b>\$ 932,482</b>	<b>\$ 1,059,773</b>	<b>\$ 421,432</b>	<b>\$ 651,615</b>	<b>\$ 15,533,011</b>

**Current Month Comparison to Same Month Last Year**

December 2023 vs. December 2024	\$ 32,559	\$ 48,792	\$ 80,179	\$ 52,014	\$ 14,837	\$ (11,600)	\$ 17,391	\$ 234,172
Change from December to December	4%	11%	14%	39%	9%	-17%	21%	10%

**Year-to-Date Comparison to Year-to-Date Last Year**

Difference in YTD	\$ (95,271)	\$ 235,591	\$ 398,966	\$ 32,695	\$ 75,290	\$ 17,163	\$ 14,523	\$ 678,957
% Change from Prior YTD	-2%	9%	10%	4%	8%	4%	2%	5%

In Dec 2023, Amusements & Other included significant delinquencies. Excluding delinquent collections, it is estimated that Dec 2023 would have been 2% less than Dec 2022.



# Comparison to Pre-COVID by Category

	Dec 2023	Dec 2019	% Change
Retail	\$929,241	\$725,119	28%
Restaurant & Bar	\$473,635	\$310,857	52%
Hotel/Motel	\$666,630	\$369,481	80%
Construction	\$186,078	\$168,222	11%
Leasing	\$183,248	\$143,855	27%
Communications & Utilities	\$55,747	\$55,259	1%
Amusements & Other	\$100,634	\$67,271	50%



# Increase/(Decrease) in Revenues

	Over (Under) Prior Year	Over (Under) Budget <sup>(1)</sup>
Sales Tax	\$ 678,954	\$1,333,189
Bed Tax	386,189	593,903
<b>Total</b>	<b>\$1,065,143</b>	<b>\$1,927,092</b>

<sup>(1)</sup> FY2024 sales and bed tax projections were based on conservative estimates in case of a recession occurring during the fiscal year. While the occurrence of a potential recession remains to be seen, current estimated General Fund surplus for FY2024 is \$10M.



# Questions?





# REPORT

Office of the Sedona City Attorney

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TO: Mayor and City Council

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CC: Karen Osburn, City Manager

FROM: Kurt Christianson, City Attorney

DATE: February 27, 2024

SUBJECT: Arizona Legislative Update

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## **Deadlines:**

Friday 3/22: Last Day to Hear SBs in House Committees and HBs in Senate Committees

Friday 4/12: Last Day for Conference Committees

Tuesday 4/16: 100th Day of Session

## **LEAGUE RESOLUTIONS:**

### **HB2132 - Municipal land sales; public notice SUPPORT**

#### **Sponsor**

Rep. Gail Griffin (R)

#### **Legislative History**

Passed House 55-0. Assigned to the Senate Government Committee on 2/20/24.

#### **Summary**

Places restrictions on a town or city selling property worth more than \$1,500,000 and less than \$15,000,000, including mandating at least one public hearing after publishing an invitation for bids at least 30 days before scheduled approval of a purchase agreement.

### **HB2162 - Municipal general plan; adoption SUPPORT**

#### **Sponsor**

Rep. Selina Bliss (R)

#### **Legislative History**

Passed House Government Committee (9-0). Passed House 58-0. Assigned to the Senate Government Committee on 2/20/24.

#### **Summary**

Permits a governing body of a municipality that has more than 2,500 but less than 10,000 people whose population rate did not exceed an average of two percent for the ten-year period prior to the most recent United States decennial census and whose previous general plan was ratified by voters to submit general plan to voters for ratification at the next regularly scheduled election or special election.

## **BILLS OF INTEREST:**

Removed HB 2156(STR online marketplace), 2488(STR percentage cap), 2219(STR spacing limit), 2220(STR Population cap), 2236(repeal SB1487), SCR1103, HCR2014, HCR2033, HB2489/SB1205 - Short-term rentals; ordinance; limits.

### **HB2382 - TPT; sourcing; validation SUPPORT**

#### **Sponsor**

Rep. Neal Carter (R)

#### **Legislative History**

Assigned to the House Ways & Means Committee DP (8-1); Passed House 55-0. Transmitted to Senate, no committee assignment, yet.

#### **Summary**

Provides that retail sales of tangible personal property be sourced to the seller's business location if the seller receives the order at a business location in Arizona (A.R.S. § 42-5040). Requires the Department of Revenue (DOR) to establish and maintain a taxpayer assistance team (Team) to ensure taxpayers are sourcing the transaction to the correct jurisdiction, levying the correct transaction privilege tax (TPT) rate.

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Removed HB2125(annexation require 60%); 2120(law enforcement defunding); 2261(minimum parking requirements); 2303/2701 middle housing; 2593(public records); HCR2023/SCR1006(property tax refund);

### **HB2275 - Settlement agreements; report; approval OPPOSE**

#### **Sponsor**

Rep. David Marshall, Sr. (R)

#### **Legislative History**

Assigned to House Government Committee; DPA (5-4) with one amendment; waiting House 3rd Read.

#### **Summary**

Requires a county, city or town to submit a "settlement agreement report" (defined) to the legislature and Attorney General describing the settlement terms when the agreement costs more than \$500,000 to implement at least 90 days before entering into the agreement. Requires a city or town to submit a "settlement agreement" (define) larger than \$1,000,000 to the Governor for approval before the agreement is considered legally binding, and, if the Governor approves the agreement, the city or town must submit the agreement to the Joint Legislative Audit Committee, which may recommend that the agreement be finalized or amended. Requires a city or town to notify the General Counsel of the Senate and House of Representatives upon initiation of any settlement agreement negotiations and update the General Counsels of developments in the negotiation process. Require the Attorney General to submit

a settlement agreement report to the legislature describing the terms of the settlement at ~~least 90~~ 30 days before entering into the agreement.

### **HB2570/SB1112 - Planning; home design; restrictions; prohibition OPPOSE**

#### **Sponsor**

Rep. Leo Biasiucci (R); Sen. Sonny Borrelli (R)

#### **Legislative History**

Passed House 33-26 on 2-22-24. Assigned to Senate Finance and Commerce Committee DP(5-2); SB1112 is being considered 2-26-24 in Senate with amendments to SB1112 to mirror HB2570, so they are going to swap the bills for a potential 3rd read in Senate as soon as 2-26-24.

#### **Summary**

Prohibits a municipality from interfering with a home builder's right to choose the features, amenities, structure, floor plan and interior and exterior design of a home or to require screening, walls, or fences. Further prohibits municipalities of more than 50,000 from establishing minimum lot sizes, square footage, lot coverage, setbacks greater than 5 feet and design or aesthetic elements for single-family homes.

### **SB1005 - Public monies; ideology training; prohibition OPPOSE**

#### **Sponsor**

Sen. Jake Hoffman (R)

#### **Legislative History**

Passed Senate (16-13); transmitted to the House 2/1/24. Assigned to House Government Committee on 2/19/24.

#### **Summary**

Prohibits a public entity from requiring an employee to participate in "diversity, equity and inclusion" (DEI) programs (defined), spending public funds on DEI contracts, programs, technology, supplies, services, or employment, and promoting any DEI oriented theories as that public entity's official position. Allows for employees forced to do any of the above to bring an action against the public entity.

### **SB1052 - All-terrain vehicles; definition OPPOSE**

#### **Sponsor**

Sen. Carroll (R)

#### **Legislative History**

Assigned to Senate Transportation & Technology Committee; Passed 6-1 on 1/22/24. Still no COW or 3rd read yet in Senate.

#### **Summary**

Increases the weight of OHVs from 2,500lbs to 3,500lbs.

### **SB1056 - Municipalities; counties; fee increases; vote OPPOSE**

#### **Sponsor**

Sen. Warren Petersen (R)

#### **Legislative History**

Initially failed on 2/15/24 with 15-11-4 vote count; later passed 16-11-3 on 2/19/24.

#### **Summary**

Prohibits a common council of a municipality from levying or imposing an increase in any assessment, tax or fee without approval by two-thirds vote of the common council of the municipality. Prohibits the Board of Supervisors of a County from levying or imposing an increase in any assessment, tax or fee without approval by two-thirds vote of the Board of Supervisors of the county. Essentially applies the 1992 Prop 108 that applies to Arizona Legislature to cities and counties.

### **HB2279 - Municipalities; counties; fee increases; vote OPPOSE**

#### **Sponsor**

Sen. Warren Petersen (R)

#### **Legislative History**

Passed House 53-4. Transmitted to Senate 2/20/24

#### **Summary**

Prohibits a common council of a municipality from levying or imposing an increase in any assessment, tax or fee without approval by two-thirds vote of the common council of the municipality. Prohibits the Board of Supervisors of a County from levying or imposing an increase in any assessment, tax or fee without approval by two-thirds vote of the Board of Supervisors of the county. Essentially applies the 1992 Prop 108 that applies to Arizona Legislature to cities and counties.

### **HB2584 - Residential building materials; requirements; prohibition OPPOSE**

#### **Sponsor**

Rep. John Gillette (R)

#### **Legislative History**

Passed House 46-11. Assigned to the Senate Government Committee.

#### **Summary**

Prohibits a municipality from adopting or enforcing any code, ordinance, standard, stipulation or other legal requirement that limits the use of a building product or material in the construction or alteration of a residential building if the building product or material is approved by a national model code applicable to the building's construction or alteration. This means no Sedona specific exceptions to the IBC or IRC would be allowed, like:

1. The deletion of the allowances for stone rubble foundations and wood foundations, the former as it is an inferior method that is no longer used outside of historic house rehabs and the latter due to our environment and termite issues.
2. Prohibition on cedar or wood shake roofs or walls and exposed plywood or particleboard for fire safety reasons.

### **HB2720/SB1415 – Accessory dwelling units; requirements OPPOSE**

#### **Sponsor**

Rep. Michael Carbone (R) / Sen. Ann Hernandez (D)

#### **Legislative History**

Passed House Government Committee 6-3; no House COW. Passed Senate Finance and Commerce Committee 6-1; no Senate COW.

#### **Summary**

Requires municipalities with more than 75,000 persons to allow ADUs up to 75% the size of the single-family house. Prohibits cities from having setbacks greater than 5 feet, requiring the ADU match the single-family house, prohibit or require kitchen facilities, require any type of restrictive covenant. This bill is nearly identical to a law that passed in Montana last year. That bill is currently under a court

injunction after a group of property owners in cities in Montana filed suit against the state to block the implementation of that legislation.

Please contact me if you have any questions or if you are aware of proposed legislation that should be added to this list.