

AGENDA



4:30 P.M.

CITY COUNCIL MEETING

TUESDAY, NOVEMBER 12, 2024

NOTES:

- Public Forum: Comments are generally limited to **3 minutes**.
- Consent Items: Items listed under Consent Items have been distributed to Council Members in advance for study and will be enacted by one motion. Any member of the Council, staff or the public may remove an item from the Consent Items for discussion. For additional information on pulling a Consent Item, please contact the City Clerk's Office staff, preferably in advance of the Call to Order. Items removed from the Consent Items may be acted upon before proceeding to the next agenda item.
- 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

THE MEETING CAN BE VIEWED LIVE ON THE CITY'S WEBSITE AT WWW.SEDONAAZ.GOV OR ON CABLE CHANNEL 4.

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.
- No disruptive behavior or profane language will be allowed.

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/MOMENT OF ART

3. CONSENT ITEMS - APPROVE

LINK TO DOCUMENT =

- Minutes - October 8, 2024 City Council Regular Meeting.
- Minutes - October 9, 2024 City Council Special Meeting.
- Minutes - October 22, 2024 City Council Regular Meeting.
- Approval of Proclamation, Sedona Kindness Day, November 13, 2024.
- AB 3142 Approval of a recommendation regarding an application for a Series 12 Restaurant Liquor License for Mraada Cuisine of India located at 1910 w HWY 89A #102, Sedona, AZ, 86336 (File #23707213).
- AB 3143 Approval of a recommendation regarding an application for a Series 10 Beer and Wine Store for Circle K Store #9547 located at 2820 AZ89A, Sedona, AZ, 86336 (File #F0065980).
- AB 3137 Approval of a contract amendment with engineering consultant, Paradigm Design, to complete the design of Andante Shared Use Path and Drainage Improvements (SIM11N) in the amount of \$44,500.
- AB 3138 Approval to redirect funding from Yavapai County Flood Control District (YCFCD) to higher priority drainage projects.
- AB 3140 Approval of public utility easement for future use along city-owned parcel located at 780 Forest Road. (APN: 401-38-006F)
- AB 3141 Approval of a Resolution establishing a salary equivalent for purposes of computing workers' compensation insurance premium and workers' compensation benefits for volunteers.
- AB 3136 Approval of a City Lobbyist for the City of Sedona and the Sedona City Council 2025 Arizona Legislative Session subject to approval of an agreement by the City Manager and City Attorney.
- AB 3097 Approval of a Resolution establishing a 15mph speed limit for OHVs and ATVs on Morgan Road.
- AB 3130 Approval of the use of City resources to support the Sister Cities efforts.

4. APPOINTMENTS

- AB 3139 **Discussion/possible action** regarding the appointment/reappointment of Planning & Zoning Commissioners.

5. SUMMARY OF CURRENT EVENTS BY MAYOR/COUNCILORS/CITY MANAGER & COUNCIL ASSIGNMENTS

6. PUBLIC FORUM

(This is the time for the public to comment on any issue within the jurisdiction of City Council not listed on the agenda. The City Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.)

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.



Note: Pursuant to A.R.S. § 38-431.02 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 materials 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. 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.

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Sedona makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Sedona City Council meetings are recorded and may be viewed on the City of Sedona website. If you permit your child to attend/participate in a televised City Council meeting, a recording will be made. You may exercise your right not to consent by not allowing your child to attend/participate in the meeting.

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7. PROCLAMATIONS, RECOGNITIONS & AWARDS

- a. Proclamation, Sedona Kindness Day, November 13, 2024.
- b. Citizen's Academy participants, certificate presentation.

8. REGULAR BUSINESS

- a. AB 3125 **Public hearing/discussion/possible action** regarding proposed revisions to the Sedona Land Development Code. The proposed revisions include allowances for Accessory Dwelling Units (ADUs), updates to reflect State legislation regarding time frames for processing residential rezoning applications, and updates to definitions to more accurately define terms. Case Number: PZ24-00010 (LDC) Applicant: City of Sedona.
- b. AB 3071 **Public Hearing/discussion/possible direction** regarding Development Impact Fees and the proposed Development Fee Report.
- c. AB 3107 **Discussion/possible action** regarding approval of a Resolution authorizing the execution of an Intergovernmental Agreement (IGA) between the City of Sedona and the Arizona Department of Transportation (ADOT) regarding the construction of Shelby Drive Shared Use Path Phase II (SIM11Q).
- d. AB 3124 **Discussion/possible action** regarding the award of construction contract for the PR-03C Improvements for the Build-Out of Ranger Station Park – Restroom to Danson Construction, LLC in the amount of \$487,760.00.
- e. AB 3129 **Presentation/discussion/possible direction** regarding a tourism update including results of summer marketing campaign, branding concepts, and winter marketing campaign concepts and strategy.
- f. AB 3147 **Discussion/possible action** regarding approval of a contract amendment for Day Vengley & Associates dba DVA to extend the term, amend the scope, and increase compensation in an amount not-to-exceed \$516,000 for marketing services.
- g. AB 3066 **Discussion/possible action** regarding future meeting/agenda items.

9. EXECUTIVE SESSION

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. **Discussion and consultation** with the City Attorney for legal advice and to consider the City's position and instruct its attorneys regarding pending litigation regarding Olson Real Estate Group, Inc. v. City of Sedona Yavapai County Superior Court Case No. CV2024000694. This matter is brought in executive session pursuant to A.R.S. § 38-431.03(A)(3) & (4).
- b. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- c. Return to open session. **Discussion/possible action** on executive session items.

10. ADJOURNMENT

Posted: 10/29/2024

By: JC

JoAnne Cook, CMC, City Clerk

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.

Action Minutes
Regular City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Tuesday, October 8, 2024, 4:30 p.m.

1. Call to Order/Pledge of Allegiance/Moment of Silence

Mayor Jablow called the meeting to order at 4:30 p.m.

Council Present: Mayor Scott Jablow, Vice Mayor Holli Ploog, Councilor Melissa Dunn, Councilor Brian Fultz, Councilor Pete Furman, Councilor Kathy Kinsella, and Councilor Jessica Williamson.

Staff Present: City Manager Anette Spickard, Deputy City Manager Andy Dickey, City Attorney Kurt Christianson, Director of Public Works/City Engineer Kurt Harris, Director of Community Development Steve Mertes, Arts & Culture Specialist Nancy Lattanzi, Director of Financial Services Barbara Whitehorn, Interim Housing Manager Jeanne Frieder, Associate Engineer Hanako Ueda, Tourism Manager Andrew Grossman, Communications and Tourism Director Lauren Browne, and City Clerk JoAnne Cook.

2. Roll call/Moment of Art

Nancy Lattanzi announced the Mayor's Arts Awards will be taking place Saturday, November 2, 2024, from 6:00 p.m. – 8:00 p.m. at the Mary Fisher Theatre. The recipient for Individual is Winnie Meunch, the recipient for Business Organization is the Sedona Visual Artists Coalition, the Education recipient is the Chamber Music, Sedona for their Youth Orchestra, and the Lifetime Achievement recipient is Susan Kliever. Nancy introduced Singer Lyndsay Cross. Lyndsay performed, *Black Velvet* by Alana Miles and *Valarie* by Amy Winehouse.

3. Consent Items

- a. **Approval of September 24, 2024 - Special Meeting Executive Session Minutes.**
- b. **Approval of September 24, 2024 - Regular Meeting Minutes.**
- c. **AB 3126 Approval of a professional services contract with Southwest Environmental Consultants, Inc., in an amount of \$96,064 for the design of Shelby Drive II Shared-Use Path.**
- d. **AB 3123 Approval of a Resolution approving a Settlement Agreement with 741 Forest Road, LLC to settle claims arising out Forest Road Connection Project and to resolve ongoing litigation in the eminent domain matter of City of Sedona vs. 741 Forest Road, LLC, et al., Coconino County Superior Court Case No. CV202200090. Item 3h was pulled off Consent Items by staff.**

Motion: Councilor Williamson moved to consent items 3a-3d. Seconded by Councilor Dunn. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

4. Appointments - None.

5. Summary of Current Events by Mayor/Councilors/City Manager

Councilor Williamson advised the Sedona Library will be holding their annual fundraiser and will be offering, An Evening with Kevin Fedarko at the Sedona Performing Arts Center on Saturday, October 19, 2024, at 6:30 p.m., VIP tickets are \$100, single tickets are \$45, and two tickets may be purchased for \$75. Councilor Kinsella stated the Sedona Community Center needs drivers to support their Meals On Wheels Program and encouraged all interested to reach out to the Center. Mayor Jablow advised COVID tests are no longer available at City Hall, and stated the Planning and Zoning Commission is seeking applications for one seat.

6. Public Forum – None.

7. Proclamations, Recognitions & Awards – None.

8. Regular Business

a. AB 3092 Presentation/discussion with Northern Arizona Healthcare (NAH) Chief Operating Officer Bo Cofield and VP, Construction and Real Estate Development Steve Eiss

Northern Arizona Healthcare (NAH) Chief Operating Officer, Bo Cofield and VP of Construction and Real Estate Development, Steve Eiss.

Questions and comments from Council.

For presentation and discussion only.

Item 8f AB 3099 was moved up prior to item 8b.

b. AB 3071 Public Hearing/discussion/possible action regarding adoption of Draft Land Use Assumptions, Infrastructure Improvement Plan (IIP), and Development Fees.

Presentation by Anette Spickard.

Questions and comments from Council.

Opened the Public Hearing at 6:11 p.m.

No public comments heard

Closed the Public Hearing at 6:11 p.m.

Motion: Councilor Williamson adopt the Land Use Assumptions and Infrastructure Improvement Plan for the Development Impact Fees and direct staff to publish the draft Development Fee Report. Seconded by Councilor Dunn. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

c. AB 2953 Presentation/discussion regarding the June 2024 Sales and Bed Tax Report.

Presentation by Director of Financial Services Barbara Whitehorn, Andrew Grossman, and Lauren Browne.

Comments and questions from Council.

For presentation and discussion only.

- d. **AB 3120 Discussion/possible action regarding an Ordinance amending Sedona City Code Title 13 (Public Service and Utilities) Division I Wastewater, amending Chapter 13.05 Definitions, Sewer Availability, and other miscellaneous amendments. (First Meeting)**

Presentation by Andy Dickey. No action taken.

- e. **AB 3097 Discussion/possible action regarding an Ordinance amending the Sedona City Code Title 10 (Vehicles and Traffic), Section 10.15.040 (Speed Limits); and the voluntary agreement with local OHV rental companies and the improper motor vehicle equipment ordinance. (Second Meeting)**

Presentation by Kurt Christianson.

Questions and comments from Council.

Motion: Vice Mayor Ploog moved to approve an Ordinance No. 2024-07 amending the Sedona City Code Title 10.15.040 (Vehicles and Traffic) by adding Chapter 10.30 (Improper Motor Vehicle Equipment). Seconded by Councilor Williamson. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

- f. **AB 3099 Discussion/possible action regarding the future of the Historical Preservation Commission**

Presentation by Steve Mertes and Nate Meyers, Executive Director of the Sedona Heritage Museum and Chair of the Historic Preservation Commission.

Questions and comments from Council.

Opened to the public at 6:04 p.m.

Kathy Levin, Sedona, spoke in favor of the Historic Preservation Commission and advised the Historic Resource Survey has potential landmarking property list.

Brought back to Council at 6:08 p.m.

Questions and comments from Council.

By majority consensus, Council agreed to continue the Historic Preservation Commission through 2025 and re-evaluate role/duties prior to Historic Museum contract renewal in 2026.

- g. **AB 3066 Discussion/possible action regarding future meeting/agenda items.**

Councilor Fultz proposed a discussion regarding priorities for internal communications to US Forest Service, and a separate meeting with the US Forest Service District Ranger. Mayor Jablow, Councilor Furman and Vice Mayor Ploog supported. City Manager aware, added to the 10/22 Council meeting. Anette asked council members to reach out to the City Clerk regarding their availability to meet with the SFD in December and for a tour of the water system at AZ Water. She advised them of a couple agenda items added to the October 22, 2024 agenda, 1) an item regarding Sedona Sister Cities, 2) Selection of a

lobbyist firm. Mayor Jablow advised tomorrow's meeting begins at 3:00 p.m.

9. Executive Session

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 on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).**
- b. Return to open session. Discussion/possible action on executive session items.**

10. Adjournment

Mayor Jablow adjourned the meeting at 7:55 p.m. without objection.

I certify that the above are the true and correct actions of the Regular City Council Meeting held on October 8, 2024.

JoAnne Cook, CMC, City Clerk

Date

Action Minutes
Special City Council Meeting
City Council Chambers, Sedona City Hall
102 Roadrunner Drive, Sedona, Arizona
Wednesday, October 9, 2024, 3:00 p.m.

1. Call to Order

Mayor Jablow called the meeting to order at 3:00 p.m.

2. Roll Call

Roll Call: Mayor Scott Jablow, Vice Mayor Holli Ploog, Councilor Melissa Dunn, Councilor Brian Fultz, Councilor Pete Furman, Councilor Kathy Kinsella, and Councilor Jessica Williamson.

Staff in attendance: City Manager Anette Spickard, Deputy City Manager Andy Dickey, City Attorney Kurt Christianson, Director of Community Development Steve Mertes, Planning Manager Cari Meyer, Development Services Assistant Laura Stewart and Deputy City Clerk Marcy Garner.

3. Special Business

- a. AB 3054 Presentation/discussion with Yavapai College, Dr. Marylou Mercado, YC Vice-President of Workforce Development & Health Sciences and Dr. Doug Berry, the YC Provost, regarding a general update on activities and plans of the College.**

Yavapai College was not in attendance.

Mayor Jablow presented an image of plans for potential housing for the Verde Valley Campus and a video with plans for housing for the Prescott and Prescott Valley Campuses.

Question and comments by council.

- b. AB 3127 Discussion/possible direction regarding potential Land Development Code changes to address the construction of sport courts on private property.**

Presentation by Cari Meyer.

Questions and comments by Council.

Public Comment at 4:07 p.m.

Becky Hofer, Sedona and Craig Swanson, Sedona, spoke in opposition to this item.

Public Comment closed at 4:14 p.m.

Brought back to council.

Comments by Council.

- c. Discussion/possible action regarding ideas for future meetings/agenda items.**

None.

4. Executive Session

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 on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- b. Return to open session. Discussion/possible action on executive session items.

No executive session held.

5. Adjournment

Mayor Jablow adjourned the meeting at 4:49 p.m. without objection.

I certify that the above are the true and correct actions of the Special City Council Meeting held on October 9, 2024.

Marcy Garner, Deputy City Clerk

Date

Action Minutes
Regular City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Tuesday, October 22, 2024, 4:30 p.m.

1. Call to Order/Pledge of Allegiance/Moment of Silence

Mayor Jablow called the meeting to order at 4:30 p.m.

Council Present: Mayor Scott Jablow, Vice Mayor Holli Ploog, Councilor Melissa Dunn, Councilor Brian Fultz, Councilor Kathy Kinsella, and Councilor Jessica Williamson. Councilor Pete Furman was excused absent.

Staff Present: City Manager Anette Spickard, Deputy City Manager Andy Dickey, City Attorney Kurt Christianson, Director of Public Works/City Engineer Kurt Harris, Director of Community Development Steve Mertes, Police Chief Stephanie Foley, Director of Wastewater Roxanne Holland, Parks & Recreation Manager Josh Frewin, Community Services Aide Jack Ross, and City Clerk JoAnne Cook.

2. Roll Call

3. Consent Items

- a. **Minutes - September 25, 2024 City Council Joint Meeting with SFD.**
- b. **Minutes - September 25, 2024 City Council Special Meeting.**
- c. **AB 3120 Approval of an Ordinance amending Sedona City Code Title 13 (Public Service and Utilities) Division I Wastewater, amending Chapter 13.05 Definitions, Sewer Availability, and other miscellaneous amendments. (Second Meeting)**

Motion: Councilor Williamson moved to approve consent items 3a-3c. Seconded by Councilor Kinsella. Vote: Motion passed with six (6) in favor (Jablow, Ploog, Dunn, Fultz, Kinsella, Williamson) and zero (0) opposed.

4. Appointments - None.

5. Summary of Current Events by Mayor/Councilors/City Manager & Council Assignments

Vice Mayor Ploog invited all to attend *The Dead Quilter Society* theatre production by Chandra Jefferson and Dev Ross at the Sedona Heritage Museum, November 1st-3rd, starting at 4:30 p.m. each day; and, a cheese and wine reception will be offered, starting at 4:00 p.m., tickets may be purchased online at sedonamuseum.org/event/the-dead-quilters-society. Councilor Fultz stated the draft copy of Northern Arizona Council of Governments' Comprehensive Economic Development Strategy is available for review. Councilor Dunn advised the Verde Valley Caregivers Coalition's Black & White Gala, A La 60s, will take place on Friday, November 22, 2024, from 5:00-9:00p.m. at Enchantment, tickets can be purchased www.vvcaregivers.org. Mayor Jablow advised he attended the ribbon cutting for the new pickleball courts at Posse Grounds Park today.

6. Public Forum – None.

7. Proclamations, Recognitions & Awards – None.

8. Regular Business

- a. AB 3134 Discussion/presentation by Coconino County Manager, Andy Bertelsen regarding Proposition #482 Coconino County Expenditure Limit.**

Presentation by Coconino County Manager Andy Bertelsen, and Coconino County District 3 Supervisor Adam Hess.

Questions from Council.

- b. AB 3130 Discussion/possible action regarding a presentation by Sedona Sister Cities' Board of Directors Chuck Marr on their activities and accomplishments; and use of City resources to support the Sister Cities efforts.**

Presentation by Sedona Sister Cities' Board of Directors Chuck Marr, and members Don Groves and Edyta Wiczorek.

Questions and comments from Council.

By majority consensus, Council directed staff to bring a list of examples of city resources back to Council on the November 12th meeting under Consent Items.

- c. AB 3119 Discussion/possible action regarding approval of a Construction Manager at Risk contract with KEAR Civil Corporation for the construction of the WWRP UV Replacement Project, in an amount not-to-exceed \$4,096,710, and approval of a Professional Services Agreement for the Construction Administration and Post-Design Services to Sunrise Engineering, LLC in the amount of \$73,300.**

Presentation by Roxanne Holland.

Questions and comments from Council.

Motion: Councilor Williamson moved to approve the award for the Construction Manager at Risk Construction Services Contract to KEAR Civil Corporation for the construction of the WWRP UV Replacement Project, in an amount not-to-exceed \$4,096,710, subject to approval of a written contract by the City Attorney's office. Seconded by Councilor Kinsella. Vote: Motion passed with six (6) in favor (Jablow, Ploog, Dunn, Fultz, Kinsella, Williamson) and zero (0) opposed.

Motion: Councilor Williamson moved to approve the award for the Professional Services Agreement to Sunrise Engineering, LLC for Construction Administration and Post-Design Services for the WWRP UV Replacement Project in an amount not-to-exceed \$73,300, subject to approval of a written contract by the City Attorney's office. Seconded by Councilor Kinsella. Vote: Motion passed with six (6) in favor (Jablow, Ploog, Dunn, Fultz, Kinsella, Williamson) and zero (0) opposed.

- d. AB 3122 Discussion/possible action regarding the installation of a Flagpole at the Posse Grounds Pavilion to exceed City Code Height.**

Presentation by Sedona Area Veteran & Community Outreach (SAVCO) member Jack

Ross, and Josh Frewin.

Questions and comments from Council.

Motion: Councilor Kinsella moved to continue this item to another meeting. Seconded by Councilor Williamson. Vote: Motion passed with four (4) in favor (Jablow, Dunn, Kinsella, Williamson) and two (2) opposed (Fultz, Ploog).

Break at 6:17 p.m. Reconvened at 6:40 p.m.

- e. AB 3086 Discussion/possible direction regarding traffic testing and monitoring with data collection using various traffic control strategies to update traffic modeling in the high congestion corridors, with a focus at the Y Roundabout and SR 179 crosswalk near Oak Creek.**

Presentation by Kurt Harris, Kimley Horn Project Manager, Andrew Baird and Civil Engineer, Taylor Dunkle.

Questions and comments from Council.

No direction given.

- f. AB 3066 Discussion/possible action regarding future meeting/agenda items.**

Mayor Jablow advised there will be an executive session for the selection of a lobbyist at 1:00 p.m. in the Vultee Conference Room.

9. Executive Session

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 on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).**
- b. Return to open session. Discussion/possible action on executive session items.**

10. Adjournment

Mayor Jablow adjourned the meeting at 8:02 p.m. without objection.

I certify that the above are the true and correct actions of the Regular City Council Meeting held on October 22, 2024.

JoAnne Cook, CMC, City Clerk

Date



City of Sedona Proclamation Request Form

Full Name of Contact Person	Jawn McKinley
Contact Phone Number	928-282-2690
Contact Mailing Address	49 Pinon Court
Contact Email Address	jawnmckinley@gmail.com
Group, Organization, Activity or Event Being Recognized (Please make sure you provide complete and current information about the group or event)	SedonaKind
Website Address (if applicable)	SedonaKind.org
Name of the sponsor(s) of the Proclamation (2 Council members or the City Manager)	Holli Phloog Kathy Kinsella
What is the proclaimed day, days, week or month? (e.g. 10/11/12, October 11-17, 2012, October 2012)	Kindness Day (also World Kindness Day) November 13th 2024
Would you like to attend a Council meeting for formal presentation of the Proclamation or would you like to pick it up?	Presentation at Meeting Pick up Proclamation
If you would like the Proclamation presented at a Council meeting, please provide the full name and contact information (phone number and email address) of the party who will accept it on behalf of the group.	Jawn Mckinley 928-282-2690 jawnmckinley@gmail.com

Provide information about the organization/event including a mission statement, founding date, location and achievements.

SedonaKind began as an organization and project of Cornucopia Community Advocates in November 2015, and received our own NPO status in 2020. Our mission statement has always been "to encourage acts of kindness large and small, locally and around the world." We continue to create and distribute free Kindness Charms, to date more than 7000 to all 50 states and to 68 countries around the world. We have partnered with over 25 local nonprofits and organizations to create kindness events, programs, and to support various community needs. Our Kindness in Schools signature project is in it's 8th year, providing reading and activities to grades K-3 at West Sedona School on a regular basis, and expanding to Oak Creek School as well. During the Pandemic, when unable to go into the schools, we partnered with the Sedona Library and created projects every month for children to take home. Members also volunteer at the school library, the Wildcat After School Program and special events. We support our teachers with recognitions and special events. We began by filling supply closets to ease burdens on the teachers, then joined with Manzanita Outreach to do the same, then to fill that void this year, donated our award from 100 Women Who Care to West Sedona School to furnish school supplies for every child, so no parent would have to provide them. We have knitted and gifted hundreds of warm knitted hats to every school child in Sedona every year. We have also provided clothing and supplies to area homeless and foster school children. We support homeless Veterans with Blessing Bags every November, host a Veterans Breakfast at the Sedona Library every May, and donate 100 handmade Lapghans to Veterans at the hospital in Prescott during Kindness Season. One year our movie fund-raiser proceeds funded the entire year at the local VFW post in Cottonwood. We created and donated 16 Kindness Benches to the City of Sedona in 2018, and in 2019 provided grocery cards to every furloughed Forest Service Worker during the Government shutdown. Each year we recognize local unsung heroes, caregivers at Accord Hospice, and are newly partnering with the Sedona Library to create quarterly projects that will engage both the adult and children patrons, for example the Kindness Challenge that took place over the summer. We have projects that support and honor the elderly in our community, parties at Sedona Winds and for Verde Valley Caregiver Neighbors, cards and gifts included in the Food Boxes we donate at the Sedona Food Bank and on trays to be delivered with Meals on Wheels. And we partner with the Sedona Humane Society on various projects, including Every Dog Matters, which offers free dog and cat supplies at an event at the Sedona Food Bank.

Please explain why this Proclamation and any events accompanying it are important to the Community and are consistent with the City's vision statement and Community Plan goals. What is the clear reason for the Proclamation and why are you requesting this honor? What activities/events are planned around this Proclamation and how do you plan to promote this to the community?

We would be honored to have the City of Sedona once again proclaim November 13th as Sedona Kindness Day. After this contentious election season, an official Kindness Day can be a valuable and necessary way to unite our community and move forward in kindness. SedonaKind began having a Kindness Day, then moved to a Kindness Week, and now we call it our Season of Kindness. During this time, our Gratitude Trees will again appear all over town, hats will be delivered to our school children to warm little heads during the winter, Blessing Bags will be delivered to homeless Veterans, lapghans will be gifted to Veterans at the hospital in Prescott, Kindness Charms will be distributed on a special day all over town, and SedonaKind will have it's yearly movie partnership with the Sedona International Film Festival, which will be "Sensation Shorts" this year. This is the only fund-raiser the organization has, and we are blessed with an anonymous donor who will match all monies raised. These funds will allow SedonaKind to continue all our various projects and events, since we are an organization with no membership dues, just the generosity of our community. All our events will be publicized in local media and throughout email blasts with our partner organizations. A proclamation from our City Council makes our events and activities resonate and be even more meaningful to our whole community. It speaks to the commitment of our local government to being known as a City of Kindness, with values that truly echo in the beauty of our red rocks.

Please include a draft of the proposed Proclamation with this request, preferably a Word file in electronic format.

*Office of the Mayor
City of Sedona, Arizona*



**Proclamation
Sedona Kindness Day
November 13, 2024**

WHEREAS, "Kindness gives birth to kindness"- Sophocles; and

WHEREAS, "Kindness is the language the deaf can hear and the blind can see"- Mark Twain; and

WHEREAS, "Deeds of kindness are equal in weight to all the commandments"- The Talmud; and

WHEREAS, kindness is a fundamental part of the human condition which bridges the divides of race, religion, politics, and gender; and

WHEREAS, in 1998, World Kindness Day was introduced by the World Kindness Movement, to highlight good deeds in all communities, focusing on the positive power and the common thread of kindness that binds us; and

WHEREAS, a group of Sedona citizens formed SedonaKind to help spread kindness and encourage acts of kindness locally and around the world, and to urge all citizens to create their own acts of kindness, to pay it forward, and to match the magic and transformative powers of our Red Rocks with the kindness of all the citizens who live here.

NOW, THEREFORE, I, SCOTT JABLOW, MAYOR OF THE CITY OF SEDONA, ARIZONA, ON BEHALF OF THE SEDONA CITY COUNCIL, in recognition of the historical value and the international commitment to observing a day to celebrate kindness, do hereby proclaim Wednesday, November 13, 2024 as Sedona Kindness Day and encourage all citizens of Sedona to acknowledge and take to heart the statement by Seneca "Wherever there is a human being, there is an opportunity to be kind".

Issued this 12th day of November, 2024.

Scott M. Jablow, Mayor

ATTEST:

JoAnne Cook, CMC, City Clerk



**CITY COUNCIL
AGENDA BILL**

**AB 3142
November 12, 2024
Consent Items**

Agenda Item: 3e

Proposed Action & Subject: Approval of a recommendation regarding an application for a Series 12 Restaurant Liquor License for Mraada Cuisine of India, located at 1910 W HWY 89A #102, Sedona, AZ, 86336 (File #23707213).

Department	City Clerk/ JoAnne Cook and Marcy Garner
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	N/A
Exhibits	Liquor license application is available for view in the City Clerk's Department.

Finance Approval	Reviewed 10/21/24 BGW	Expenditure Required	
City Attorney Approval	Reviewed 10/22/24 KWC		\$ 0
City Manager's Recommendation	Recommend approval ABS 10/23/24		Amount Budgeted
		\$ 0	
		Account No. (Description)	

SUMMARY STATEMENT

Background: State liquor laws require Sedona's City Council to forward a recommendation for approval or denial of applications for liquor licenses.

The City has received an application for a new Series 12 Restaurant Liquor License Interim Permit for Mraada Cuisine of India, located at 1910 W HWY 89A #102, Sedona, AZ, 86336 (File# 23707213). The liquor license application is available for review and inspection in the City Clerk's office or by email.

A Series 12 Liquor License is a non-transferable, on-sale retail privileges liquor license that allows the holder of a restaurant license to sell and serve all types of spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. Failure to meet the 40% food requirement may result in revocation of the license.

Community Development, Finance, the City Clerk's Office, the Sedona Police Department (SPD), and Sedona Fire District (SFD) have conducted a review of the application. No objections regarding its approval were noted.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Recommend denial of a new Series 12 Restaurant Liquor License for Mraada Cuisine of India, located at 1910 W HWY 89A #102, Sedona, AZ, 86336 (File #23707213). Reasons for a recommendation of denial would need to be specified.

MOTION

I move to: recommend approval of a new Series 12 Restaurant Liquor License for Mraada Cuisine of India, located at 1910 W HWY 89A #102, Sedona, AZ, 86336 (File #23707213).



**CITY COUNCIL
AGENDA BILL**

**AB 3143
November 12, 2024
Consent Items**

Agenda Item: 3f

Proposed Action & Subject: Approval of a recommendation regarding a new application for a Series 10 Beer and Wine Store for Circle K Store #9547, located at 2820 AZ 89A, Sedona, AZ, 86336 (File #F00065980).

Department	City Clerk/ JoAnne Cook and Marcy Garner
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	N/A
Exhibits	Liquor license application is available for view in the City Clerk's Department.

Finance Approval	Reviewed 10/21/24 BGW	Expenditure Required	
City Attorney Approval	Reviewed 10/22/24 KWC		\$ 0
City Manager's Recommendation	Recommend approval ABS 10/23/24		Amount Budgeted
		\$ 0	
		Account No. (Description)	

SUMMARY STATEMENT

Background: State liquor laws require Sedona's City Council to forward a recommendation for approval or denial of applications for liquor licenses.

The City has received an new application for a Series 10 Beer and Wine Store liquor license for a future Circle K Store #9547, location 2820 AZ 89A, Sedona, AZ, 86336 (File #F00065980). The liquor license application is available for review and inspection in the City Clerk's office or by email.

A Series 10 Liquor License (Beer and Wine) is a non-transferable, off-sale retail privileges liquor license that allows a retail store to sell beer and wine (no other spirituous liquors), only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery.

Finance, the City Clerk's Office, the Sedona Police Department (SPD), and Sedona Fire District (SFD) have conducted a review of the application. No objections regarding its approval were noted.

Community Development advised that the proposed Circle K, located at 2820 AZ 89A, Sedona, AZ has not submitted a building permit. Circle K Licensing Analyst, Susan Krill advised of the following, *“Before we break ground or start construction we have to ensure we can get a Beer/Wine license. If we cannot obtain this license the whole project is cancelled, and the store is not built”*.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Recommend denial of a new Series 10 Beer and Wine Store, Liquor License for a future Circle K Store #9547, location 2820 AZ 89A, Sedona, AZ, 86336 (File #F00065980). Reasons for a recommendation of denial would need to be specified.

MOTION

I move to: recommend approval of a new Series 10 Beer and Wine Store, Liquor License for the Circle K Store #9547, location 2820 AZ 89A, Sedona, AZ, 86336 (File #F00065980).



**CITY COUNCIL
AGENDA BILL**

**AB 3137
November 12, 2024
Consent Items**

Agenda Item: 3g
Proposed Action & Subject: Approval of a contract amendment with engineering consultant, Paradigm Design, to complete the design of Andante Shared Use Path and Drainage Improvements (SIM11N) in the amount of \$44,500.

Department	Public Works/Sandy Phillips
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	Previous SIM updates, future construction contract in Spring of 2025
Exhibits	A. Contract Amendment B. Proposal

Finance Approval	Reviewed 10/21/24 BGW	
City Attorney Approval	Reviewed 10/22/24 KWC	Expenditure Required
		\$ 44,500
City Manager's Recommendation	Recommend approval ABS 10/25/24	Amount Budgeted
		\$ 1,540,000
		Account No. 22-5320-89-68C3 Shared Use Path & Drainage Improvements

SUMMARY STATEMENT

The original Paradigm contract included developing engineering plans to a 60% design level, which staff used as exhibits to meet with individual residents along the planned shared use path alignment. This amendment adds scope to the contract, to have the design plans fully complete. We are currently potholing utilities, to identify any conflicts with the project improvements. Construction is anticipated to start before the end of the fiscal year, in early summer 2025.

Background:

Andante Drive currently has no dedicated pedestrian/bicycle facilities, which makes walking to bus stops, convenience stores, medical facilities, etc., on SR 89A dangerous. Andante Drive has access to a traffic signal, and connects to attractions like the Stupa, trailheads, and Thunder Mountain Road. Andante Drive experiences higher traffic volumes and speeds than adjacent streets. For this reason, and to address concerns from residents, this project was prioritized in the FY25 budget.

The initial feasibility study and 60% design have been completed. Now that staff have met with residents to further define scope, we are moving ahead with final design. This proposed contract amendment will allow the design to be fully complete, as well as provide support services through bidding & construction. If the contract amendment is approved, the total engineering contract amount will be \$158,300. Biddable documents are expected to be complete in early January, and the project will be advertised for bidding at that time. The construction contract is expected to be ready for council approval in Spring 2025, and construction would start soon after.

Project Features:

The pathway will be 8 to 10 feet wide and be made from colored concrete (“Red Rock Sedona”). The project will also include storm drain improvements in portions of the project below the path and roadway.

Project Area Outreach Efforts:

Over the past few years, staff have sent 58 letters to residents, held an open house, and met with 18 property owners to discuss site specific concerns to refine the final design.

Two small easements will need to be obtained from 105 and 280 Andante Dr. We have met with these property owners and have verbal approval to proceed. These easements still need to be acquired and recorded.



Figure 1: Existing Andante Drive

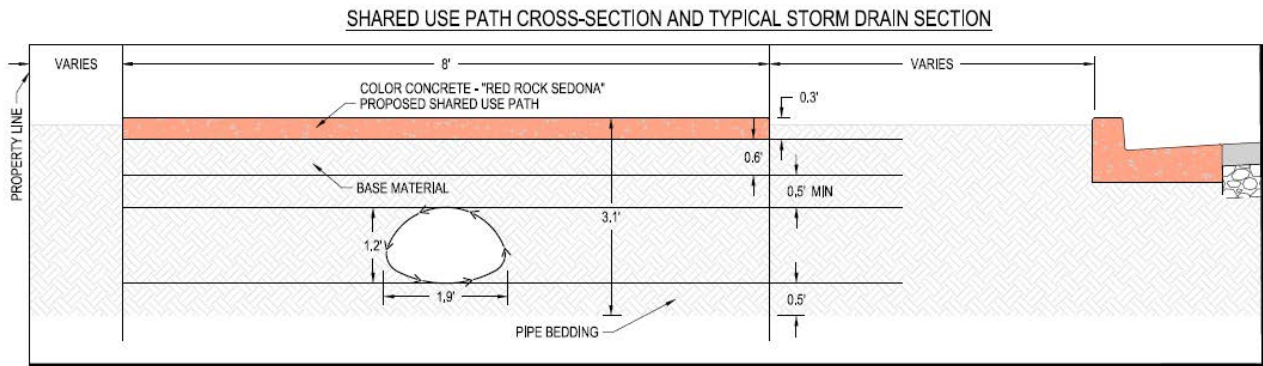


Figure 2: Typical Cross Section

Schedule and Access:

Biddable plans are anticipated in early 2025, with a construction contract ready for approval by Spring 2025. Construction would start soon after contract approval. We expect construction to take 6 to 8 months, with a completion by Winter 2025/2026. One side of the street will be closed for construction, and the other side will remain open for through traffic. However, resident access to individual homes will be maintained throughout the project, except for short periods during which individual driveways are being rebuilt. This will be coordinated with each residence during construction.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

One of the Climate Action Plan’s implementation strategies is to accelerate the development of ST&PS pathways and to implement the GO! Sedona Pathways Plan.

The GO! Sedona Pathways Plan specifically calls out Andante as one of the “High Priority Sidewalks” from comments received by the community, and because it is a through street which connects neighborhoods and commercial areas.

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Council could choose to not move forward with this contract amendment. However, this would prevent finalizing the design of the shared-use path and its construction.

MOTION

I move to: approve a contract amendment with Paradigm Design regarding the design of Andante Shared Use Path in the amount of \$44,500.

**AMENDMENT # 1
TO PROFESSIONAL SERVICES AGREEMENT**

This Amendment to the Professional Services Agreement (“Agreement”) by and between the City of Sedona, an Arizona municipal corporation (“CITY”) and Paradigm Design, P.C. (“CONSULTANT”) is made and entered into on this ____ day of _____, 20 ____ (“Effective Date”).

RECITALS

- A. WHEREAS, CITY and CONSULTANT previously entered into an Agreement for CONSULTANT to perform certain professional consulting and coordinating services for CITY, in connection with SIM11N – Andante Shared-Use Path (the “Project”) on or about the December 5th, 2023; and
- B. WHEREAS, CITY and CONSULTANT now desire to amend that Agreement to revise the scope of work to include final engineering design through 100% construction plans, increase the not-to-exceed amount to \$128,500.00, and extend the term through FY25.

AMENDMENT

The parties agree to amend the following section(s) of the Agreement as follows:

1. SCOPE OF WORK.

A. Scope of Work.

The “Scope of Work” attached as Exhibit A to the Agreement amends the contract to include final design through 100% plans and assistance throughout the bidding process.

Exhibit A, Applicable Sections as Amended, is attached hereto and incorporated by this reference.

2. COMPENSATION; BILLING.

A. Compensation.

The not to exceed amount of compensation the City agreed to pay the CONSULTANT is amended from \$84,000.00 to \$128,500.00.

Exhibit A, Compensation as Amended, is attached hereto and incorporated by this reference.

3. TERM; TERMINATION.

A. Term.

The termination date of the Agreement is extended from 11/15/2024 to June 30th, 2025. The Agreement is being extended to accommodate the additional scope and assistance through the bidding process.

ALL OTHER CONTRACT PRICES, TERMS, AND CONDITIONS REMAIN THE SAME.

CITY OF SEDONA, ARIZONA

PARADIGM DESIGN, PC

Anette Spickard, City Manager

By: _____

Title: _____

ATTEST:

I hereby affirm that I am authorized to enter into and sign this Agreement on behalf of CONSULTANT

JoAnne Cook, CMC, City Clerk

APPROVED AS TO LEGAL FORM:

Kurt W. Christianson, City Attorney



EXHIBIT B

PARADIGM DESIGN

creating success

October 16, 2024

Sandra Phillips
Assistant Public Works Director
Public Works Department
City of Sedona
102 Roadrunner Drive
Sedona, AZ 86336
sphillips@sedonaaz.gov

Re: Contract Amendment Proposal for Civil Engineering Services
Andante Shared Use Path Design Services to 100% Design
Sedona, AZ
Paradigm Project No. 2312183PH

Dear Sandy:

On behalf of **Paradigm Design**, I am pleased to provide this proposal to amend our contract for the Andante Shared Use Path Project, located in Sedona, Arizona. The project includes the construction of a shared use pathway (SUP) along Andante Drive, between SR-89A and Thunder Mountain Road. The project design will be based on the conceptual alignment prepared by our firm. We have evaluated the information that was provided, our concept development work on this Project, and have identified the following scope of services and associated fee that will be necessary for this project.

SCOPE OF SERVICES

90% Construction Documents

- Finalize driveway match with SUP construction.
- Finalize private property drainage improvement needs.
- Finalize roadway drainage improvements.
- Finalize signing and striping plans.
- Finalize traffic handling plan (typical application).
- Finalize SUP signage.
- Finalize Special Provisions
- Finalize Bid Schedule.

100% Construction Documents

- Prepare plan set for bidding purposes.
- Finalize specifications, general conditions, and special provisions for bidding purposes.
- Finalize Bid Schedule.

BID /CONSTRUCTION PHASE SERVICES (T&M)

- Assist bidding questions and RFI's during bidding and award of construction contract.
- Review shop drawings & construction RFI's, as needed.



EXHIBIT B

PARADIGM DESIGN

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DESIGN TASK CONTINGENCY (T&M)

- As directed by the city, address any items not covered in the scope of work that may arise during the course of the design.

EXPENSE ALLOWANCE

- Travel and Mileage
- Printing, postage, & courier services

FEE SUMMARY

Construction Plans 90%	\$24,000
Construction Plans 100%	\$10,000
Bidding and Construction Assistance (T&M) Max	\$ 5,000
Miscellaneous Tasks (T&M) Max	\$ 5,000
Expenses Reimbursable Items Allowance	\$ 500
<hr/>	
Fee Total	\$44,500

EXPENSES – REIMBURSABLE ITEMS

- Mileage (current Federal Rate)
- Printing (Cost + 10%)

EXCLUDED SERVICES

- Wetland evaluation, identification, delineation, mitigation, or permitting
- Archeological Studies or Historical preservation
- Endangered/Threatened species
- Traffic Impact Study(s)
- Easement documentation or exhibit preparation
- Rezoning, property split(s) or consolidation(s)
- Addressing or administering variances/waivers
- Dry utility service design (gas, electric, etc.)
- Downstream storm-water/adequate outfall analysis
- Public utility extensions or other public utility improvements
- Landscape or irrigation plan
- Roadway lighting plan
- Construction testing or staking services
- Site Observations
- Record Drawings & As-Built Certifications
- Attendance at Public Meetings

Please note that the above services are excluded from our proposal at this time. We can add them to our scope of work should they either be necessary or not provided to us, after city approval of the contract modification.



EXHIBIT B

PARADIGM DESIGN

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CLOSURE

I look forward to working with you on this project. If adjustments to my proposed scope of services are required, please contact me and I can make the necessary changes in scope and fee. If no changes are desired, please send us the city's agreement and we will send it back to you.

Should you have any questions, please feel free to contact me at (602) 767-4606.

Sincerely,

PARADIGM DESIGN

Stephen A Orosz, PE, PTOE, CFM
Regional Civil and Transportation Manager

Bill M. Hadlock, PE
Principal



**CITY COUNCIL
AGENDA BILL**

**AB 3138
November 12, 2024
Consent Items**

Agenda Item: 3h
Proposed Action & Subject: Approval to redirect funding from Yavapai County Flood Control District (YCFCD) to higher priority drainage projects.

Department	Public Works, Sandy Phillips
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	September 24, 2024 (IGA) February 13 th , 2024(IGA), November 8, 2022 (IGA), July 27, 2021 (IGA) June 22, 2021 (SW Master Plan Update - Phase 3 Contract) October 27, 2020 (IGA)
Exhibits	None.

Finance Approval	Reviewed 10/21/24 BGW	
City Attorney Approval	Reviewed 10/22/24 KWC	Expenditure Required
		\$ N/A
City Manager's Recommendation	Recommend approval ABS 10/25/24	Amount Budgeted
		\$ 0
		Account No.

SUMMARY STATEMENT

A portion of tax money collected by the Yavapai County Flood Control District (YCFCD) and allocated for flood control is contributed to the City for flood control related projects. The City successfully leverages County flood control funds to complete flood control improvement projects. Per the YCFCD IGA, during FY 2024-2025, the YCFCD funds will be used for the design and construction of general drainage improvement projects.

Background: Since the mid 1990's, the YCFCD has provided the City funds for flood control studies and projects located in the Yavapai County portion of the City on an annual basis, as requested.

Consideration:

- During the FY25 budget development process, the Saddlerock Area Drainage Improvements was identified as the project within Yavapai County that could utilize the anticipated YCFCD funding. This project is also identified in the Stormwater Master Plan Study.
- The IGA, approved by Council on September 24, 2024, details each party's responsibilities related to the use of funding, including the amount of the funding, fiscal year restrictions for its use, and the necessity for projects to be located within Yavapai County for flood mitigation meeting FEMA regulations.
- The resolution and IGA previously approved by Council provides the mechanism for the City to be reimbursed in an amount not to exceed \$300,000 by the YCFCD for design and construction of general drainage improvement projects.
- Since budget and IGA approval, we have identified projects, requested by the community, with higher priority.

FY 2024-2025 Projects:

- One of the general drainage improvement projects we will be completing the design and construction of, is at the intersection of Rodeo Road and Thunder Mountain Road as shown on the Site Map in Exhibit C. This project will mitigate ponding occurring within the public right-of-way. During monsoon storms, ponding at this intersection occurs. (Estimated design cost \$20,000. Survey work performed by in-house forces. Construction costs estimated to be \$70,000.)



Rodeo Road, just south of Thunder Mountain Road

- Investigate drainage system from Kachina Drive to Dry Creek Road, verify system capacity and mitigate overtopping of system, impacting the Charter School. (Estimated design cost \$10,000. Survey work to be performed in-house. Construction costs estimated \$50,000.)



Kachina Drive following June 2024 storm event

- In the El Camino Grande area (shown below), drainage improvements are needed to enable shared use pathway construction in the drainage improvement alignment, which is a segment identified in the GO! Sedona Pathways Plan. (Estimated design cost \$30,000. Construction costs estimated \$120,000.)



**CITY COUNCIL
AGENDA BILL**

**AB 3140
November 12, 2024
Consent Items**

Agenda Item: 3i
Proposed Action & Subject: Approval of public utility easement for future use along city-owned parcel located at 780 Forest Road. (APN: 401-38-006F)

Department	PW/Engineering/Bob Welch
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	October 22, 2019; September 14, 2021; February 22, 2022; April 26, 2022; June 28, 2022; August 09, 2022; July 9, 2024; and November 12, 2024
Exhibits	A. Public Utility Easement Legal Description, Map

Finance Approval	Reviewed 10/21/24 BGW	Expenditure Required	
City Attorney Approval	Reviewed 10/22/24 KWC		\$ 0
City Manager's Recommendation	Recommend approval ABS 10/25/24		Amount Budgeted
		\$ N/A	
		Account No. (Description)	

SUMMARY STATEMENT

Staff is requesting City Council approval of a 20-foot wide Public Utility Easement (PUE) for use across a city-owned parcel located at 780 Forest Road. (APN: 401-38-006F)

Background: The PUE will initially serve to support current planned relocation of APS electric facilities associated with the Forest Road Connection Project and future city public sanitary sewer facilities. The easement space will also support the future needs of other public utilities to serve area residents. The easement is located at the southernmost property line of the parcel with an area of 2,150 Sq. Ft. and is 20 feet wide.



Figure 1: Parcel Location on Forest Road Highlighted in yellow



Figure 2: Visual approximation of Easement from GIS See Exhibit A for legal description and location

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Council may choose to not approve the PUE. However, if it is not approved planned and future utility extensions in this area may not be possible.

MOTION

I move to: approve a Public Utility Easement across the city owned parcel located at 780 Forest Road. (APN: 401-38-006F)

Recorded at the request of:
CITY OF SEDONA

After recording, please return to:
SEDONA CITY CLERK'S OFFICE
102 ROADRUNNER DRIVE
SEDONA, AZ 86336

Document to be recorded:
Public Utility Easement

Parties:
City of Sedona

and:
Public Utilities

Assessor's Parcel Number:
401-38-006F

County:
Coconino

When Recorded Return to:

Sedona City Clerk's Office
102 Roadrunner Drive
Sedona, AZ 86336

APN: 401-38-006F

Exempt from Affidavit under
A.R.S. § 11-1134(A)(2)

PUBLIC UTILITY EASEMENT

For value received and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City of Sedona ("Grantor") does hereby grant and convey a non-exclusive Public Utility Easement ("Easement") of twenty feet in width to public utilities ("Grantees") upon, across, over, and under the surface of that property situated in the City of Sedona, Coconino County, Arizona, particularly described in Exhibit "A" attached hereto and incorporated by this reference.

Grantees, their agents, employees, contractors, and assigns, are hereby granted the right to construct, install, operate, alter, repair, replace, access and maintain public utility facilities pursuant to this Easement, and to enter upon the Easement at all appropriate times and places in connection with the normal operations of the public utility for the construction, use, installation, and maintenance of such public utility facilities, provided that such access does not unreasonably interfere with Grantor's use of the Easement. Grantees utilizing this easement agree to exercise reasonable care to avoid damage to the premises and all property of Grantor at any time located thereon and to restore the same in a reasonable manner and condition consistent with the customary operations of a public utility. Following any installation, excavation, maintenance, repair, or other work by the public utility within the Easement, the affected area will be restored by the Grantee to as close to original condition as is reasonably practicable, at the expense of the Grantee. Grantee agrees to indemnify, defend, and hold harmless Grantor from and against any and all claims, demands, liabilities, damages, or expenses, including reasonable attorneys' fees, arising out of or in connection with Grantee's use of the Easement, except to the extent caused by the negligence or willful misconduct of Grantor.

Grantor shall not erect or construct, or permit to be erected or constructed, any building or other structure within the limits of the described Easement; nor shall Grantor undertake any excavation or drill any well, or plant or permit to be planted any trees within the limits of such Easement without providing prior notice to Grantees. Grantor may, however, construct and erect fences within the limits of the Easement in a manner which will not unreasonably interfere with the access by the Grantees to the public utilities installed in accordance herewith.

This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

IN WITNESS WHEREOF, this Easement has been executed and delivered by the undersigned Grantor, the receipt and sufficiency of which is hereby acknowledged.

Dated: _____

GRANTOR: **City of Sedona**

Scott Jablow, Mayor

ATTEST:

JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:

Kurt W. Christianson, City Attorney

Exhibit A
[legal description, see attached]

Exhibit A, Legal Description
Public Utility Easement
APN: 401-38-006F
SWI Job #223225
August 26, 2024

The following is a description of a strip of land, 20 feet in width, lying in Section 7, Township 17 North, Range 6 East, Gila and Salt River Meridian, City of Sedona, Coconino County, Arizona; being a portion of APN: 401-38-006F described as "Parcel 2" in Reception Number 3948136 in the Coconino County Recorder's official records (referred to hereafter as R1), more particularly described as follows.

Commencing at the center of said Section 7;

Thence North 89°16'32" East, 321.06 feet to the southwest corner of Manzanita Hills II as recorded in Case 3, Map 82 (R1 and Basis of Bearings for this description);

Thence North 89°16'32" East, 643.91 feet to the southeast corner of said Manzanita Hills II;

Thence South 21°49'58" West, 105.26 feet to a point on the north line of said (R1);

Thence South 35°00'40" East, 107.43 feet to a point on the north line of said (R1);

Thence South 11°26'38" West, 116.83 feet to a point on the east line of said (R1);

Thence South 0°59'42" East, 17.66 feet along the east line of said (R1) to the True Point of Beginning;

Thence South 0°59'42" East, 21.42 feet to the southeast corner of said (R1);

Thence North 70°02'14" West, 110.89 feet to the southwest corner of said (R1) and the beginning of a non-tangent curve concave westerly, said curve has a radius of 150.00 feet, to which a radial line bears South 70°00'00" East;

Thence northerly along said curve through a central angle of 7°39'43" an arc distance of 20.06 feet to a point on the west line of said (R1);

Thence South 70°02'14" East, 104.56 feet to the True Point of Beginning;

Containing 2,150 square feet, more or less (0.04936 acres), more or less.

This legal description was prepared without the benefit of a boundary survey.



MANZANITA LANE

MANZANITA HILLS II
CASE 3, MAP 82

401-38-006E
780 FOREST RD.

401-38-015
760 FOREST RD.



401-38-003Q
790 FOREST RD.

FOREST ROAD

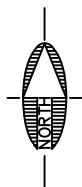
401-38-006F
3948136

TRUE POINT
OF BEGINNING

401-38-006D
820 FOREST RD.

AREA OF EASEMENT
2,150 SQ. FT. (0.04936 AC.)±

401-38-011E
805 FOREST RD.



SCALE: 1"=60'



Shephard Wesnitzer, Inc.

75 Kallof Place
Sedona, AZ 86336
928.282.1061
928.282.2058 fax
www.swiaz.com

JOB NO.	223225
DATE	AUG. 2024
SCALE	AS SHOWN
DRAWN	AMR
DESIGN	
CHECKED	AMR

CITY OF SEDONA

SEDONA
ARIZONA

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION
PROPOSED PUBLIC UTILITY EASEMENT
APN: 401-38-006F
Packet Page 39

SHEET

2

OF 2



**CITY COUNCIL
AGENDA BILL**

**AB 3141
November 12, 2024
Consent Items**

Agenda Item: 3j
Proposed Action & Subject: Approval of a Resolution establishing a salary equivalent for purposes of computing workers' compensation insurance premium and workers' compensation benefits for volunteers.

Department	City Attorney / City Manager
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	October 10, 2023
Exhibits	A. Resolution

Finance Approval	Reviewed 10/21/24 BGW	Expenditure Required
City Attorney Approval	Reviewed 10/22/24	
City Manager's Recommendation	Recommend approval ABS 10/23/24	
		Amount Budgeted
		\$ 213.60/annually
		\$
		Account No. Workers Comp is budgeted in each division within Community Development.

SUMMARY STATEMENT

Background: It has been the City's longstanding practice to provide workers' compensation insurance benefits for its volunteers. This protection is being provided in exchange for their contribution to the organization and the community, and intended to keep these individuals whole should they suffer an injury while performing volunteer service. State statute requires that the City Council take official action to sanction this practice.

This Resolution is proposed to add Community Development Volunteers at up to five per month. The workers' compensation rate for volunteers is currently \$ 3.56 per volunteer/per month. The workers' compensation insurance premium expense will increase from \$2,777 annually to \$2,990. The Resolution accounts for up to 70 volunteers in a month.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Not approve the additional volunteers for the Community Development Department.

MOTION

I move to: approve Resolution 2024-__, establishing a salary equivalent for purposes of computing workers' compensation insurance premium and workers' compensation benefits for volunteers.

RESOLUTION NO. 2024-__

A RESOLUTION OF THE SEDONA CITY COUNCIL ESTABLISHING A SALARY EQUIVALENT FOR PURPOSES OF COMPUTING WORKERS' COMPENSATION INSURANCE PREMIUM AND COMPENSATION BENEFITS FOR VOLUNTEERS.

RECITALS:

WHEREAS, Section 23-901.6 of the Arizona Revised Statutes states volunteer workers of a city may be deemed to be employees and entitled to workers' compensation benefits upon the passage of a resolution or ordinance by city defining the nature and type of volunteer work and the number of workers to be entitled to such benefits; and

WHEREAS, the basis for computing compensation benefits and premium payments shall be four hundred dollars per month for the City of Sedona, Arizona.

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA AS FOLLOWS:

SECTION 1. That the salary equivalent for volunteers under A.R.S. 23-901.06 for the City of Sedona is FOUR HUNDRED DOLLARS (\$400.00) per month for the purposes of premium payments and compensation benefits under the workers' compensation provision of the Arizona Revised Statutes, to be effective the 12th day of November, 2024.

SECTION 2. That the number volunteers eligible for coverage under the workers' compensation coverage is Seventy (70) and the nature and type of work is: Parks and Recreation Department volunteers, Parks and Recreation Rangers, Planning and Zoning Commission members, Historic Preservation Commission members, Tourism Advisory Board members, Public Safety Personnel Retirement System local board members, Bicycle Coordinators, Sustainability volunteers, Police volunteers (nonprofessional), and Community Development Volunteers.

APPROVED AND ADOPTED by the Mayor and City Council of the City of Sedona, Arizona this 12th day of November, 2024.

Scott M. Jablow, Mayor

ATTEST:

JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:

Kurt W. Christianson, City Attorney



**CITY COUNCIL
AGENDA BILL**

**AB 3136
November 12, 2024
Consent Items**

Agenda Item: 3k
Proposed Action & Subject: Approval of a City Lobbyist for the City of Sedona and the Sedona City Council 2025 Arizona Legislative Session subject to approval of an agreement by the City Manager and City Attorney.

Department City Manager/ City Attorney
Time to Present N/A
Total Time for Item N/A
Other Council Meetings October 23, 2024 – Interviews
Exhibits None.

Finance Approval	Reviewed 10/24/24 BGW	<table border="1"> <tr> <td colspan="2">Expenditure Required</td> </tr> <tr> <td></td> <td>\$ xxx</td> </tr> <tr> <td colspan="2">Amount Budgeted</td> </tr> <tr> <td></td> <td>\$ xxx</td> </tr> <tr> <td></td> <td>Account No. (Description)</td> </tr> </table>	Expenditure Required			\$ xxx	Amount Budgeted			\$ xxx		Account No. (Description)
Expenditure Required												
	\$ xxx											
Amount Budgeted												
	\$ xxx											
	Account No. (Description)											
City Attorney Approval	Reviewed 10/24/24 KWC											
City Manager's Recommendation	Recommend approval ABS 10/28/24											

SUMMARY STATEMENT

Background: In January 2025, the Arizona State Legislature will begin the fifty-eighth legislative session. In order to prepare for legislative advocacy work at the Arizona State Capitol, local governments typically adopt legislative priorities. This is also coordinated with the work of the Arizona League of Cities and Towns. Policy Development Group (PDG) has provided legislative advocacy on behalf of the City of Sedona for the last three legislative sessions, primarily focusing on pursuing legislative changes related to short- term rental regulation. During the 2022, 2023, and 2024 legislative sessions, several pieces of legislation were introduced related to short- term rentals. The City Attorney and PDG worked with the Arizona League of Cities and Towns and other cities and towns to educate and lobby the legislature. The most recent session included a bill introduced by Representative Bliss that addressed the City' s unique needs and position related to short- term rentals.

PDG will be representing the City of Sedona during the 2025 legislative on the City' s state legislative priorities. The League is again promoting an STR bill this legislative session that would allow cities and towns the ability to regulate STRs based on caps, zoning, or density.

Following the discussion, staff will work with PDG to develop talking points for the Mayor and Council to utilize during the legislative session. For the 2025 legislative session City Attorney

Kurt Christianson will be the City' s staff liaison to PDG and lead staff person coordinating with the League of Arizona Cities and Towns and City Council.

In the FY2025 budget approved by Council, \$100,000 was included for legislative advocacy. As the City's agreement with PDG expired last June, a new agreement is proposed with PDG if Council selects PDG the firm as the City Lobbyist for the 2025 legislative session.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Council could choose not to select a lobbyist firm.

MOTION

I move to: appoint Kathy Senseman of Policy Development Group as City Lobbyist for the City of Sedona and the Sedona City Council 2025 Arizona Legislative Session subject to approval of an agreement by the City Manager and City Attorney.



**CITY COUNCIL
AGENDA BILL**

**AB 3097
November 12, 2024
Consent Items**

Agenda Item: 3I
Proposed Action & Subject: Approval of a Resolution establishing a 15 mph speed limit for OHVs and ATVs on Morgan Road.

Department	City Attorney / Kurt Christianson / Public Works / PD
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	May 23, 2023, April 11, 2023, August 22, 2023, April 9, 2024, September 10, 2024, October 8, 2024,
Exhibits	A. OHV Speed Limit Resolution

Finance Approval	Reviewed 10/22/24 BGW	
City Attorney Approval	Reviewed 10/22/24 KWC	Expenditure Required
		\$ N/A
City Manager's Recommendation	Recommend approval 10/23/24	Amount Budgeted
		\$ N/A
		Account No. N/A (Description)

SUMMARY STATEMENT

Background:

On June 21, 2024, the City Council received a petition signed by 43 homeowners living in the Broken Arrow neighborhood supporting a request for a 15 mph OHV speed limit on Morgan Road. Council requested that the petition be discussed at a future meeting date.

On October 8, 2024, City Council amended the Sedona City Code to allow for a 15 mph OHV speed limit on any City-owned road established by City Council by resolution in the interest of public health and safety. The ordinance took effect on November 7, 2024. The attached Resolution, if adopted by Council, applies the 15 mph OHV/ATV speed limit to Morgan Road.

The city police department is ready to deploy an education and enforcement plan if Council adopts the resolution.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): N/A

MOTION

Move to: approve Resolution No. 2024-___, establishing a 15 mph speed limit for OHVs/ATVs on Morgan Road with the City of Sedona and authorizing the Public Works Department to post speed limit signs accordingly.

RESOLUTION NO. 2024-__

A RESOLUTION OF THE SEDONA CITY COUNCIL ESTABLISHING A 15 MPH SPEED LIMIT FOR OHVS AND ATVS ON MORGAN ROAD WITHIN THE CORPORATE LIMITS OF THE CITY OF SEDONA

RECITALS:

WHEREAS, on October 8, 2024, the Sedona City Council adopted Ordinance 2024-07, which established 15 mph OHV and ATV speed limits on roads designated by City Council by resolution and posted with appropriate speed limit signs.

WHEREAS, pursuant to Ordinance 2024-07 and its engineering and traffic investigation, the Sedona City Council deems it necessary to adopt a 15 mph OHV speed limit on Morgan Road to protect the health, safety, and welfare of the City residents and travelling public.

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA AS FOLLOWS:

SECTION 1. That pursuant to Ordinance 2024-07, a 15 miles per hour speed limit on Morgan Road is established for all off-highway vehicles and all-terrain vehicles as defined by A.R.S. Title 28 and the Public Works Department is hereby authorized to post appropriate speed limit signage on Morgan Road to carry out the purpose and intent of this Resolution.

APPROVED AND ADOPTED by the Mayor and City Council of the City of Sedona, Arizona this 12th day of November, 2024.

Scott M. Jablow, Mayor

ATTEST:

JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:

Kurt W. Christianson, City Attorney



**CITY COUNCIL
AGENDA BILL**

**AB 3130
November 12, 2024
Consent Items**

Agenda Item: 3m
Proposed Action & Subject: Approval of the use of City resources to support the Sister Cities efforts.

Department	City Manager/ City Council
Time to Present	N/A
Total Time for Item	N/A
Other Council Meetings	October 22, 2024
Exhibits	A. Allowable uses for city resources for Sister City program

Finance Approval	Reviewed 10/24/24 BGW		
City Attorney Approval	Reviewed 10/24/24 KWC	Expenditure Required	
		\$	0
City Manager's Recommendation	Recommend approval ABS 10/23/24	Amount Budgeted	
		\$	0
		Account No. (Description)	

SUMMARY STATEMENT

Background: Sedona Sister Cities Association representatives Chuck Marr, President; Don Groves, Canmore Team; Edyta Wieczorek, Jaslo Team presented at the October 22 council meeting a status report of their Friendship City, Canmore; the recent Sedona delegation visit to Jaslo, Poland and plans for hosting the November 15-16, 2024, Arizona Sister Cities Annual Convention.

At the October 22 council meeting, a request was made to modify the agreement with the Sister Cities association to allow for minor use of city resources for administrative tasks related to the Sister Cities. Previously, Council declined the use of any City resources for the Sister Cities efforts.

Examples of allowable use are: allowing the Mayor to use his computer and email account to correspond with the organization and schedule meetings/events on his city calendar; the City Manager allowing staff to collaborate on Sister City materials that promote Sedona consistent with our tourism strategies; allowing the City Manager's Executive Assistant to prepare and mail letters from Mayor Jablow to mayors statewide and regionally for an upcoming Sister Cities conference; allowing review of documents by City staff; allowing use of City conference rooms for meetings.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): N/a

MOTION

I move to: approve the use of City resources for administrative functions in support of the Sister Cities efforts as described in Exh. A.

AB 3130 EXHIBIT A

Sedona Sister Cities Program

Examples of City resource use to support the organization:

1. Mayor and Council allowed to use city email accounts and computers for correspondence, mail letters related to Sister Cities events or potential Sister Cities, and scheduling purposes including city conference spaces
2. City Manager and Executive Assistant allowed to use city email accounts and computers for correspondence and scheduling purposes
3. Special requests for collaboration on creation of promotional materials that showcase Sedona through the Sister Cities Program are subject to approval by the City Manager and Director of Communications, Tourism, and Economic Initiatives

Total in-kind value of city's support to the organization is limited to \$5,000 per fiscal year.



CITY COUNCIL
AGENDA BILL

AB 3139
November 12, 2024
Appointments

Agenda Item: 4a
Proposed Action & Subject: Discussion/possible action regarding the
appointment/reappointment of Planning & Zoning Commissioners.

Department City Clerk/JoAnne Cook and Marcy Garner
Time to Present 2 minutes
Total Time for Item 5 minutes
Other Council Meetings N/A
Exhibits A. Applications

Table with 2 columns: Approval Type and Review Date/Person. Rows include Finance Approval, City Attorney Approval, and City Manager's Recommendation.

Table with 2 columns: Category and Amount. Rows include Expenditure Required, Amount Budgeted, and Account No. (Description).

SUMMARY STATEMENT

Background: The Planning & Zoning Commission advertised seeking applicants to fill three (3) open seats on the Commission with an application deadline of September 3, 2024.

The Selection Committee, made up of Mayor Scott Jablow, Vice Mayor Holli Ploog, and Chair Kathy Levin, interviewed two (2) of the new applicants on October 7, 2024.

The Selection Committee unanimously recommended the reappointment of Charlotte Hosseini and Will Hirst to seats on the Planning & Zoning Commission.

The Selection Committee unanimously requested the one (1) remaining vacancy be reposted.

Climate Action Plan/Sustainability Consistent: [] Yes - [] No - [X] Not Applicable

Board/Commission Recommendation: [] Applicable - [X] Not Applicable

Alternative(s): Council may request that the vacancies be reposted.

MOTION

I move to: reappoint Charlotte Hosseini and Will Hirst to seats on the Planning & Zoning Commission for terms that will begin on November 1, 2024 and end October 31, 2027, or until a successor is appointed, whichever is later.

RECEIVED

AUG 14 2024

CITY OF SEDONA
CITY CLERK'S OFFICE



RECEIVED

SEP 08 2021

CITY OF SEDONA
CITY CLERK'S OFFICE

RECEIVED

SEP 10 2018

CITY OF SEDONA
CITY CLERK'S OFFICE

PLANNING AND ZONING COMMISSION APPLICATION

ReApplied

READ THE FOLLOWING INSTRUCTIONS CAREFULLY
BEFORE FILLING OUT YOUR APPLICATION - TYPE OR PRINT CLEARLY
IN INK ONLY.

All requested information must be furnished. If an item does not apply to you, or if there is no information to be given, write in the letters "N/A" for "Not Applicable".

A RESUME MAY BE SUBMITTED, HOWEVER, YOU MUST COMPLETE ALL INFORMATION REQUESTED ON THE APPLICATION.

Resume Attached: Yes No

All information submitted in this application is public information and subject to disclosure in response to a public records request.

APPLICANT'S NAME: Charlotte Hosseini

MAILING ADDRESS: [Redacted] Sedona, AZ 86336
(Street or P.O. Box) (City) (State) (Zip)

HOME ADDRESS: [Redacted] Sedona, AZ 86336
(Street or P.O. Box) (City) (State) (Zip)

PHONE: Home: N/A Work: N/A Cellular: [Redacted]

EMAIL: [Redacted]

Are there any days you will not be available for an interview?

Not specific days

Sedona residency is a requirement to serve on the Planning and Zoning Commission.

Do you live within the incorporated boundaries of the City of Sedona? Yes No

If so, for how many years? 4 +

Have you previously been appointed by the City of Sedona to any position or commission/board other than the one for which you are currently applying?

Yes No If so, for which board/commission and for what length of term?

Board of Adjustment for approximately 6 months in 2016 until the Board was dissolved

In answering the following questions, if more space is required, please attach a separate sheet of paper.

Qualifications – Please indicate your qualifications, experiences, employment history, etc. that you feel are relevant and qualify you for this appointment.

Please see attached

What skills do you believe you possess that would enable you to help to achieve consensus on issues?

Please see attached

What are your perceptions of the duties, responsibilities, and role of the Planning and Zoning Commission?

Please see attached

What experience and special skills would you bring that would demonstrate an understanding of the potential impacts, both positive and negative, of land development, i.e., environment, aesthetics, economics, transportation, storm-water/drainage, parking, etc.?

Please see attached

What do you believe are the major land use and/or planning issues facing the Planning and Zoning Commission and the City at this time?

Please see attached

Application Page 2

What do you hope to accomplish as a Planning and Zoning Commission member?

Please see attached

If appointed to the Planning and Zoning Commission, are you willing to serve the full term of the appointment?

Please see attached

Have you read the Sedona Community Plan, Land Development Code, or the Design Review Manual?

Please see attached

Explain the differences between the Sedona Community Plan, the Land Development Code, and the Design Review Manual.

Please see attached

As a Planning and Zoning Commissioner, how will you make your decisions about a proposal or planning issue?

Please see attached

If you are appointed as a Planning and Zoning Commissioner and you are faced with a proposal that is supported by the Community Plan and applicable zoning codes, but you have reservations or do not personally support the proposal, what would you do?

Please see attached

Charlotte Hosseini
Planning and Zoning Commission Application
9/10/2018

Qualifications – Please indicate your qualifications, experiences, employment history, etc. that you feel are relevant and qualify you for this appointment.

My professional work experience has, for the most part, been with the State of Arizona, particularly in the areas of budget and administration of the infrastructure of state government. This included capital budgets, risk management, accounting, personnel and benefits, and the administrative rule making process. I have significant experience in rule writing, application of rules as well as the legislative process itself, including interpretation and application of statutes. My experience with the City of Sedona includes the Citizens Academy, three years on the Citizen's Budget Review work group and participation in a one-time Long Term Revenue work group. In addition, I served briefly as a Board of Adjustment member until the Board was dissolved. I believe I have gained understanding of the range of factors affecting decision making at the city level, and the practical impact of those decisions in the daily life of Sedona.

What skills do you believe you possess that would enable you to help to achieve consensus on issues?

I believe I am a good listener and analyst. Applying both of these to almost any issue can result in clarification of the issue at hand and, generally, some basis for agreement. Once an issue or sub-issue is agreed upon, it becomes easier to build upon that towards a general consensus. I also think I can look at various sides of an issue analytically and without emotion and make decisions for the general good even if I do not share the particular position.

What are your perceptions of the duties, responsibilities, and role of the Planning and Zoning Commission?

My understanding of the role of the Planning and Zoning Commission is to provide, through its range of citizen members, a public review process for the community development functions of rezoning, conditional use permits, development and design review, amendments to the Community Plan, subdivision plat applications and ordinance adoption. Most of these decisions serve as recommendations to the City Council for its final decision, but some (development review, conditional use) appear to be final in nature. The powers and duties are codified by city ordinance. I believe it is the responsibility of the Planning and Zoning Commission to adhere in its decisions to the vision laid out in the Community Plan, which is itself a citizen-based document. I understand there is a significant amount of involvement in changes made to the Land Development Code, Building and Sign Codes and Community Plan itself.

Charlotte Hosseini
Planning and Zoning Commission Application
9/10/2018

What experience and special skills would you bring that would demonstrate an understanding of the potential impacts, both positive and negative, of land development, i.e., environment, aesthetics, economics, transportation, storm-water/drainage, parking, etc.?

I have lived in Sedona (part-time) since 2010 and (full-time) since 2014. In this time, and through many visits to Sedona in earlier years, I have seen the growth of the city and witnessed the improvements that land development can make. Sensitive development can improve the everyday life of residents and it does not just happen by itself. It is easy to just be reactive to current needs and much more difficult to be proactive in assessing longer term undefined needs. I am involved through volunteer activities with a variety of communities in Sedona and I believe these contacts have given me insights into the needs and wants of a range of Sedonans. I have no special skills in construction, architecture or engineering myself but I have worked with many contractors, architects and engineers over the years to gain an appreciation of the factors that are considered in making the final best design and budgetary decisions for projects.

What do you believe are the major land use and/or planning issues facing the Planning and Zoning Commission and the City at this time?

Given the relatively small portion of Sedona left to be built out, it seems like a major issue would be shaping, to the degree possible, remaining development to attain the greatest benefits to the city of Sedona, both residents and visitors. Coordinating the economic development and community development functions of the city should be important from the perspective of the Commission. Understanding the roles and sometimes competing interests of historic preservation, environmental impacts and commercial development are very important in the Community Plan and, therefore, to the Commission. Keeping codes updated given the pace of technology changes and shifts in public sentiment also seems as if it would be a challenge for the Commission and the City.

What do you hope to accomplish as a Planning and Zoning Commission member?

I hope to be a part of decision making that guides the city towards the best possible use of its resources and makes Sedona a place that residents and visitors can enjoy for the future.

If appointed to the Planning and Zoning Commission, are you willing to serve the full term of the appointment?

Yes

Charlotte Hosseini
Planning and Zoning Commission Application
9/10/2018

Have you read the Sedona Community Plan, Land Development Code, or the Design Review Manual?

Yes

Explain the differences between the Sedona Community Plan, the Land Development Code, and the Design Review Manual.

The above documents are listed in increasing order of specificity. The Sedona Community Plan is a broad, participatory document which is renewed approximately every 10 years. It summarizes a vision of what is important to Sedonans in terms of livability, respect for the environment and other measures. It should drive policy and budget but does not compel. The Land Development Code (LDC) and Design Review Manual (DRM) are adopted legislation and the DRM is actually Article 10 of the LDC.

As a Planning and Zoning Commissioner, how will you make your decisions about a proposal or planning issue?

Do my homework. Understand the request itself and the various portions of the above documents that shape the decision-making. Understand what staff's recommendation addresses and what possibly it does not. Look for precedent. Look at consequences of approval, delays, modifications to approval or disapproval and weigh them.

If you are appointed as a Planning and Zoning Commissioner and you are faced with a proposal that is supported by the Community Plan and applicable zoning codes, but you have reservations or do not personally support the proposal, what would you do?

That is a good question. My understanding is that the Commission assesses and refers most of its decisions to the City Council for final approval. City Council is the policy setting body and presumably is the group that can make exceptions. I am not completely clear at this point as to what discretion the Commission has or does not have. I am comfortable expressing reservations about a project if there is a basis for it but I would not expect to vote against a proposal simply because I might not personally support it.

Thank you for your interest in serving on the Planning and Zoning Commission. Please return your completed application to the City Clerk's office located at 102 Roadrunner Drive, Sedona Arizona. If you have questions about the application and selection process the City Clerk's office is glad to assist you, please call 282-3113. For questions about the Planning and Zoning Commission, please contact the Community Development Department at 282-1154.

Marcy Garner

From: Charlotte Hosseini <[REDACTED]>
Sent: Wednesday, August 14, 2024 5:16 AM
To: Marcy Garner
Subject: Re: Expiring P&Z Terms

RECEIVED

AUG 14 2024

CITY OF SEDONA
CITY CLERK'S OFFICE

Hi Marcy,

I am reapplying for P & Z so please use my initial application.

Re-apply

Thanks,
Charlotte Hosseini

On Tue, Aug 13, 2024 at 11:50 PM Cari Meyer <CMeyer@sedonaaz.gov> wrote:
Charlotte, George, and Will,

As we mentioned at the latest P&Z meeting, your current terms on P&Z are expiring at the end of October. If you wish to reapply, you can let Marcy Garner, Deputy City Clerk, know of your intentions (she is copied on this email). You will not need to fill out the application again, but if you want more information, go to the following link:

<https://www.sedonaaz.gov/Home/Components/News/News/6248/473?backlist=%2fyour-government%2fdepartments%2fcity-clerk>

Thanks,



Cari Meyer
Planning Manager

Community Development Department
[102 Roadrunner Drive, Building 104](#)
[Sedona, AZ 86336](#)
cmeyer@sedonaaz.gov
(928) 203-5049

Business Hours: Mon-Thur 7 am - 6 pm
Walk-in Hours: Mon-Thur 7:30 am - 5 pm
Public safety 24/7



RECEIVED

AUG 14 2024

RECEIVED
SEP 14 2022

CITY OF SEDONA
CITY CLERK'S OFFICE

PLANNING AND ZONING COMMISSION APPLICATION CITY OF SEDONA
CITY CLERK'S OFFICE

**READ THE FOLLOWING INSTRUCTIONS CAREFULLY
BEFORE FILLING OUT YOUR APPLICATION – TYPE OR PRINT CLEARLY
IN INK ONLY.**

All requested information must be furnished. If an item does not apply to you, or if there is no information to be given, write in the letters "N/A" for "Not Applicable".

**A RESUME MAY BE SUBMITTED, HOWEVER, YOU MUST COMPLETE ALL
INFORMATION REQUESTED ON THE APPLICATION.**

Resume Attached: Yes No

All information submitted in this application is public information and subject to disclosure in response to a public records request.

APPLICANT'S NAME: Will Hirst

MAILING ADDRESS: [Redacted] Sedona AZ 86336
(Street or P.O. Box) (City) (State) (Zip)

HOME ADDRESS: [Redacted] Sedona AZ 86336
(Street or P.O. Box) (City) (State) (Zip)

PHONE: Home: [Redacted] Work: _____ Cellular: [Redacted]

EMAIL: [Redacted]

Are there any days you will not be available for an interview?

No

Sedona residency is a requirement to serve on the Planning and Zoning Commission.
Do you live within the incorporated boundaries of the City of Sedona? Yes No

If so, for how many years? 3

Have you previously been appointed by the City of Sedona to any position or commission/board other than the one for which you are currently applying?

Yes No If so, for which board/commission and for what length of term?

In answering the following questions, if more space is required, please attach a separate sheet of paper.

Qualifications – Please indicate your qualifications, experiences, employment history, etc. that you feel are relevant and qualify you for this appointment.

In the course of building several homes, a mountain cabin and a commercial building, I have gained a layman's knowledge of Planning and Zoning. I have been the principal of several businesses and for many years, I served as the Executive Director of a labor organization that represented city and county employees. I also served as the Executive Director of the Monterey County IHSS Public Authority and sat on a number of advisory boards and committees. This has provided me with a working knowledge of Roberts Rules of order, open meeting laws, and how successful government commissions work. I served as the chief negotiator for hundreds of memorandums of understandings and have completed course work at Harvard on win-win negotiations.

What skills do you believe you possess that would enable you to help to achieve consensus on issues?

I have years of experience helping extremely diverse bargaining teams reach consensus on some tough issues. Successful negotiations requires the ability to get to yes. I have learned how to listen and am not afraid to ask questions. If selected, I would use these skills to help achieve consensus on difficult decisions presented to the Planning and Zoning Commission.

What are your perceptions of the duties, responsibilities, and role of the Planning and Zoning Commission?

I believe I would have the responsibility to attend meetings, take the time to thoroughly prepare for those meetings, and participate in site visits as needed. I believe I would have the responsibility to ask questions to insure that I fully understand the issues. I believe that I must at all times to be ethical, and avoid any conflicts of interest.

What experience and special skills would you bring that would demonstrate an understanding of the potential impacts, both positive and negative, of land development, i.e., environment, aesthetics, economics, transportation, storm-water/drainage, parking, etc.?

The residents and business owners of Sedona have some strong and often competing ideas on what our future should look like. Part of my success over the years has been in the ability to achieve consensus with diverse groups. We clearly have a traffic problem, a housing shortage, and drainage and sewer issues. There isn't a simple fix for any of these, but we can work to improve them and do everything possible to make sure we do not make them worse. We need to make an extreme effort to insure that Sedona can remain the amazing paradise that nature has blessed us with. I also believe that climate change is real and believe this needs to be kept in mind if we are to make the best decisions possible. Sedona is a very special place and I hope that I can play a small roll achieving a better tomorrow for our community.

What do you believe are the major land use and/or planning issues facing the Planning and Zoning Commission and the City at this time?

I believe those that serve our community should be able to live in or reasonably near the community they serve. We have a Traffic problem that will be difficult to fix. We are loved to death. We have a high percentage of seniors with limited Medical facilities. Parking, especially near some of our amazing trail heads continues to be an issue for both tourists and residents.

What do you hope to accomplish as a Planning and Zoning Commission member?

I do not have any magic bullets for the problems facing Sedona. I do have a passion to see that it remains a remarkable place to live and visit. I hope that my contribution will be to insure that we succeed in having a well-functioning commission that serves Sedona in a way that we can all be proud of.

If appointed to the Planning and Zoning Commission, are you willing to serve the full term of the appointment?

Yes

Have you read the Sedona Community Plan, Land Development Code, or the Design Review Manual?

Yes

Explain the differences between the Sedona Community Plan, the Land Development Code, and the Design Review Manual.

The Community Plan is an expression of the community's goals and policies for future growth and development. So the Community Plan is a goal. The Land Development Code promotes the public health, safety, and welfare by providing appropriate and reasonable controls for the development and use of lands in Sedona, while also protecting the rights of property owners. So, compliance of the Code is not just a goal, it is required. The Design Review Manual includes supporting materials to the Land Development Code.

As a Planning and Zoning Commissioner, how will you make your decisions about a proposal or planning issue?

Everyone deserves to be treated fairly. So, I will ask if it is in line with our Community Plan. I will ask if it meets the requirements of our Land Development Code and is in line with our Design Review Manual. If the project meets all of those requirements, I would explore if there are any possible adjustments that should at least be considered in the best interest of our communities' future.

If you are appointed as a Planning and Zoning Commissioner and you are faced with a proposal that is supported by the Community Plan and applicable zoning codes, but you have reservations or do not personally support the proposal, what would you do?

I would share my reservations with the other commissioners and see if it might be possible to reach a consensus on what it would take to resolve those issues.

Thank you for your interest in serving on the Planning and Zoning Commission. Please return your completed application to the City Clerk's office located at 102 Roadrunner Drive, Sedona Arizona. If you have questions about the application and selection process the City Clerk's office is glad to assist you, please call 282-3113. For questions about the Planning and Zoning Commission, please contact the Community Development Department at 282-1154.

Marcy Garner

From: Will Hirst <[REDACTED]>
Sent: Wednesday, August 14, 2024 8:32 AM
To: Cari Meyer
Cc: Marcy Garner; Steve Mertes
Subject: Re: Expiring P&Z Terms

RECEIVED

AUG 14 2024

CITY OF SEDONA
CITY CLERK'S OFFICE

I am interested in serving on the Commission for another term.
Will Hirst
Sent from my iPhone

Re-apply

On Aug 13, 2024, at 8:50 PM, Cari Meyer <CMeyer@sedonaaz.gov> wrote:

Charlotte, George, and Will,

As we mentioned at the latest P&Z meeting, your current terms on P&Z are expiring at the end of October. If you wish to reapply, you can let Marcy Garner, Deputy City Clerk, know of your intentions (she is copied on this email). You will not need to fill out the application again, but if you want more information, go to the following link:

<https://www.sedonaaz.gov/Home/Components/News/News/6248/473?backlist=%2fyour-government%2fdepartments%2fcity-clerk>

Thanks,

<Outlook-bvegbg0w.png>
Cari Meyer
Planning Manager

Community Development Department
102 Roadrunner Drive, Building 104
Sedona, AZ 86336
cmeyer@sedonaaz.gov
(928) 203-5049

Business Hours: Mon-Thur 7 am - 6 pm
Walk-in Hours: Mon-Thur 7:30 am - 5 pm
Public safety 24/7



**CITY COUNCIL
AGENDA BILL**

**AB 3125
November 12, 2024
Regular Business**

Agenda Item: 8a

Proposed Action & Subject: Public hearing/discussion/possible action regarding proposed revisions to the Sedona Land Development Code. The proposed revisions include allowances for Accessory Dwelling Units (ADUs), updates to reflect State legislation regarding time frames for processing residential rezoning applications, and updates to definitions to more accurately define terms. Case Number: PZ24-00010 (LDC) Applicant: City of Sedona

Department	Community Development/Cari Meyer
Time to Present	5 minutes
Total Time for Item	30 minutes
Other Council Meetings	June 12, 2024
Exhibits	A. Proposed revisions to the LDC B. Ordinance C. Planning and Zoning Commission meeting minutes, October 1, 2024

Finance Approval	Reviewed 10/21/24 BGW	Expenditure Required	
City Attorney Approval	Reviewed 10/22/24 KWC		\$
City Manager's Recommendation	Recommend approval 10/23/24		Amount Budgeted
		\$	
		Account No. (Description)	

SUMMARY STATEMENT

This agenda item provides for a public hearing and an opportunity for discussion/possible action regarding revisions to the Land Development Code (LDC) as recommended by the Planning and Zoning Commission (Commission). The proposed revisions to the LDC are summarized in Exhibit A.

Background:

The current LDC was adopted in November 2018 following a two-year update process. The LDC update was the first comprehensive overhaul of the document since 1994 and represented a significant improvement over the previous Code. As thorough as the LDC review process was, staff committed to continuing to evaluate the LDC for potential changes to address changing conditions and needs within the City. Since the 2018 updates, additional

proposed changes have been brought to the Planning and Zoning Commission and City Council as needed.

These proposed changes are in response to the City Council's Housing Work Session held on June 12, 2024 along with state laws that go into effect at the beginning of 2025. The City must update our ordinances to be in compliance with these new laws prior to the effective date.

The proposed revisions are attached as Exhibit A. These revisions are organized by Article and Section in the same order as the LDC. This table includes the relevant section number, the current code language, the proposed code language, and an explanation of the purpose of the proposed change or any additional information relevant to the change.

LDC Section 8.6.C(4) provides approval criteria for text amendments to the LDC. The criteria state that the Planning & Zoning Commission and City Council shall consider whether and to what extent the proposed amendment:

- a. Is consistent with the Sedona Community Plan, Community Focus Area Plans, other adopted plans, and other City policies;
- b. Does not conflict with other provisions of the LDC or other provisions in the Sedona Municipal Code;
- c. Is necessary to address a demonstrated community need;
- d. Is necessary to respond to substantial changes in conditions and/or policy; and
- e. Is consistent with the general purpose and intent of the LDC.

The changes being proposed are outlined below.

Accessory Dwelling Units (ADUs)

Based on the Housing Work Session held with City Council on June 12, 2024, the following changes are proposed:

- Replace references to "Guest Quarters" with references to "Accessory Dwelling Units".
- Allow ADUs to have a full kitchen.
- Require that owners' primary residence be the property if ADUs constructed after September 14, 2024 on the property will be used as vacation rental or short-term rentals.
- Provide additional clarifications about the development standards, access requirements, building code requirements, and definitions applicable to ADUs.

Residential Rezoning Timeframes

SB 1162 sets requirements for timeframes for processing residential rezoning applications. The code updates include a new definition for "Residential Rezoning" and a reference to the applicable state law.

Quasi-Judicial Hearing Definition

Update the definition of "Quasi-Judicial Hearing" based on direction from the City Attorney's office. The only quasi-judicial proceeding in the City are Board of Adjustment hearings and appeals of Board of Adjustment hearings.

Approval Criteria

In Staff's opinion, these changes are consistent with the approval criteria in LDC Section 8.6.C(4). They are consistent with the general purpose and intent of the LDC as well as adopted plans and policies, are being proposed in response to community needs, and do not conflict with other LDC provisions.

Planning and Zoning Commission

The Planning and Zoning Commission held a public hearing for the proposed revisions on October 1, 2024. The Commission was in support of the proposed revisions, with the comment that "resides" in the ADU amendments should be better defined (requiring the owner to reside on the property if the ADU is to be used as a short-term rental).

At the conclusion of the meeting, the Commission voted 7-0 to recommend approval of the changes to the LDC.

To address the comment of better defining "resides", Staff is proposing the following change (reflected in Exhibit A):

- **Original:** An ADU that is issued a certificate of occupancy on or after September 14, 2024, shall not be used as a vacation rental or short-term rental unless the owner resides in the primary structure on the same property as the ADU.
- **Proposed change based on P&Z discussion:** An ADU that is issued a certificate of occupancy on or after September 14, 2024, shall not be used as a vacation rental or short-term rental unless the property owner's primary residence is resides in the primary structure on the same property as the ADU.

In addition to the above, the following definition is proposed to be added to the LDC per direction from the Planning and Zoning Commission (in alignment with the definition of primary residence per ARS §42-12053):

- **Primary Residence:** The dwelling unit an individual: (1) occupies for 6 months plus one day of each year, (2) lists on their voter registration, (3) lists on their driver's license, and (4) lists on their motor vehicle registration.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

The proposed amendments do not impact sustainability-related items.

Board/Commission Recommendation: Applicable - Not Applicable

On October 1, 2024, the Planning and Zoning Commission voted 7-0 to recommend approval of the changes to the LDC.

Alternative(s): Council could choose to defer action pending further review.

MOTION

I move to: approve Ordinance 2024-__, consistent with the approval criteria in Section 8.6.C(4) of the LDC, amending the LDC, adopting by reference that document known as "Exhibit A – November 12, 2024 Proposed Land Development Code Revisions".

Exhibit A – November 12, 2024 Proposed Land Development Code Revisions

As recommended for approval by Planning and Zoning Commission, October 1, 2024

Black text indicates Staff's original recommendations. Recommended changes based on P&Z's discussion are noted in red italics.

Article 3 – Use Regulations:			
Section	Current Language	Proposed Change	Notes
3.2.E (Table of Allowed Uses)	Accessory Uses: Guest Quarters	Accessory Uses: Guest Quarters -Accessory Dwelling Units	ADU proposed changes as discussed with City Council on June 12, 2024
3.4.C(2)a.1 (Accessory Buildings, Use)	A maximum of one accessory building on a lot may be used as habitable space, and may include a kitchenette but not a kitchen. No other accessory buildings shall include habitable space, bathtubs, or showers. Each accessory structure shall comply with the standards of this LDC.	A maximum of one accessory building on a lot may be used as habitable space, and may include a kitchenette but not a kitchen , <u>but at a minimum shall include a kitchenette</u> . No other accessory buildings shall include habitable space, bathtubs, or showers. Each accessory structure shall comply with the standards of this LDC.	ADU proposed changes as discussed with City Council on June 12, 2024
3.4.D(3) (Guest Quarters)	<p>Guest Quarters</p> <p>a. No more than one guest quarter use may be permitted per lot or parcel.</p> <p>b. Guest quarters shall be architecturally compatible with the principal dwelling on the lot.</p> <p>c. Mobile and manufactured homes, travel trailers, and recreational vehicles shall not be used as guest quarters.</p> <p>d. Guest quarters shall not contain a kitchen and shall be connected to the same utility services as the single-family dwelling.</p> <p>e. Guest quarters shall only be held in ownership by the owner of the principal dwelling.</p> <p>f. Detached structures used for guest quarters shall meet the setback requirements of the principal building.</p>	<p>Guest Quarters-Accessory Dwelling Units (ADUs)</p> <p>a. No more than one guest quarter use <u>ADU</u> may be permitted per lot or parcel.</p> <p>b. Guest quarters shall be architecturally compatible with the principal dwelling on the lot.</p> <p>c. <u>b.</u> Mobile and manufactured homes, <u>park models/tiny homes on wheels</u>, travel trailers, and recreational vehicles shall not be used as guest quarters <u>ADUs</u>.</p> <p>d-c. <u>d-c.</u> Guest quarters shall not <u>ADUs may</u> contain a kitchen and shall be connected to the same utility services as the single-family dwelling.</p> <p>e-d. <u>e-d.</u> Guest quarters <u>ADUs</u> shall only be held in ownership by the owner of the principal dwelling.</p> <p>f-e. <u>f-e.</u> Detached structures used for guest quarters <u>ADUs</u> shall meet the setback, <u>lot coverage, and height</u> requirements of the principal building.</p>	ADU proposed changes as discussed with City Council on June 12, 2024

		<p>f. An ADU that is issued a certificate of occupancy on or after September 14, 2024, shall not be used as a vacation rental or short-term rental unless the <u>property owner's primary residence is resides in the primary structure on the same property as the ADU.</u></p> <p>g. Vehicular access to an ADU from the nearest public or private street shall be provided by a common driveway with the primary dwelling. No parking space shall encroach upon fire truck access or obstruct driveway access to the primary dwelling.</p> <p>h. ADUs shall comply with all requirements of the IRC as adopted by the City.</p>	
Article 8 – Administration and Procedures:			
Section	Current Language	Proposed Change	Notes
8.3.C(5) (Application Review Timeline)	The Director shall establish a review timeline for development applications and shall include that information in the Administrative Manual. The Director may amend the timeline to ensure effective and efficient review under this Code.	<p>a. The Director shall establish a review timeline for development applications and shall include that information in the Administrative Manual. The Director may amend the timeline to ensure effective and efficient review under this Code.</p> <p>b. Residential rezoning applications shall be processed in compliance with ARS 9-462.10</p>	Compliance with SB1162 (Residential rezoning timeframes)
Article 9 – Definitions:			
Section	Current Language	Proposed Change	Notes
9.4.F (Accessory Uses)	<p>Guest Quarters</p> <p>A structure attached or unattached to a principal dwelling, used to house guests of the occupants of the principal dwelling, and held in ownership by the owner of the principal dwelling.</p>	<p>Guest Quarters: Accessory Dwelling Unit:</p> <p>A self-contained living unit on the same lot or parcel as a single-family dwelling, attached or unattached to a principal dwelling, used to house guests of the occupants of the principal dwelling, that includes its own entrance to the outside, sleeping and sanitation facilities, a kitchenette or that may include its own kitchen facilities, and is held in ownership by the owner of the principal dwelling.</p>	ADU proposed changes as discussed with City Council on June 12, 2024

9.9 (Other Defined Terms)	n/a – New Definition	<p><u>Habitable Space</u></p> <p><u>A space in a building or structure for living, sleeping, eating, or cooking.</u></p>	
9.9 (Other Defined Terms)	n/a – New Definition	<p><u>Nonhabitable Space</u></p> <p><u>A space in a building or structure that is not permitted to be used as habitable space. It shall not include bathrooms, bedrooms, sleeping rooms, kitchens, or kitchenettes.</u></p>	
9.9 (Other Defined Terms)	n/a – New Definition	<p><u>Residential Rezoning</u></p> <p><u>A rezoning application in which the requested change is from any zoning district classification to a single-family designation, a multifamily designation, or Planned Development designation in which a minimum of 50% of the square footage is proposed to be used for Residential Uses, as defined by LDC Section 9.4.A.</u></p>	Compliance with SB1162 (Residential rezoning timeframes)
9.9 (Other Defined Terms)	<p><u>Quasi-Judicial Hearing</u></p> <p>A public hearing that is judicial-like in only applying the existing adopted regulations or policies to a specific development application, as opposed to the legislative-like creation of new laws or policies.</p>	<p><u>Quasi-Judicial Hearing</u></p> <p>A public <u>board of adjustment</u> hearing that is judicial-like in only applying the existing adopted regulations or policies to a specific development application, as opposed to the legislative-like creation of new laws or policies.</p>	Legal clarification
9.9 (Other Defined Terms)	n/a – New Definition	<p><u>Primary Residence</u></p> <p><u>The dwelling unit an individual: (1) occupies for at least 6 months plus one day of each year, (2) lists on their voter registration, (3) lists on their driver’s license, and (4) lists on their motor vehicle registration.</u></p>	Clarify how “primary residence” is defined in conjunction with changes to ADU Ordinance.

ORDINANCE NO. 2024-__

AN ORDINANCE OF THE OF THE CITY OF SEDONA, ARIZONA, DECLARING THE DOCUMENT TITLED “EXHIBIT A – NOVEMBER 12, 2024 PROPOSED LAND DEVELOPMENT CODE REVISIONS” AS A PUBLIC RECORD, ADOPTING THE SAME BY REFERENCE, AND AMENDING THE LAND DEVELOPMENT CODE (LDC) REGARDING ACCESSORY DWELLING UNITS, PRIMARY RESIDENCE, QUASI-JUDICIAL HEARINGS, AND RESIDENTIAL REZONING TIMEFRAMES; PROVIDING FOR PENALTIES, SEVERABILITY, AND REPEAL OF CONFLICTING ORDINANCES; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council deems it necessary and desirable to establish zoning regulations to provide for the orderly development of property within the City by governing the use of land in order to promote the public health, safety, and general welfare of the residents of the City;

WHEREAS, this Ordinance was properly noticed for public hearings and the necessary hearings and opportunities for public input were completed;

WHEREAS, on October 1, 2024, the Planning and Zoning Commission held a public hearing and recommended approval of the proposed revisions; and

WHEREAS, the City Council held a public hearing on the proposed revisions on November 12, 2024; and

WHEREAS, the City Council hereby finds and determines that the proposed revisions are in the best interest of the residents of Sedona.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA AS FOLLOWS:

Section 1. Adoption. The document titled “Exhibit A – November 12, 2024 Proposed Land Development Code Revisions” (“LDC Revisions”), of which one paper copy and one electronic copy are maintained, in compliance with A.R.S. § 44-701, on file in the office of the City Clerk as required by A.R.S. § 9-802, and available for public use and inspection during normal business hours, is hereby declared to be a public record and said copies thereof are hereby ordered to remain on file with the City Clerk. The Sedona LDC is hereby amended as set forth in the LDC Revisions, which is hereby referred to, adopted, and made a part hereof as if fully set forth herein.

Section 2. Severability. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this Ordinance.

Section 3. Repeal. All other Code provisions, ordinances, parts of ordinances in conflict with the provisions of this ordinance, are hereby repealed to the extent of such conflict as of the effective date hereof.

Section 4. Penalties. Any violation of or failure or refusal to do or perform any act required by the provisions of this ordinance or of the Sedona Land Development Code as amended herein shall constitute a civil violation subject to a fine not to exceed \$2,500 per day, a class 1 misdemeanor, and be subject to the provisions of Sedona City Code Section 1.15.010.

Section 5. Effective Date. The effective date of this Ordinance shall be 30 days following adoption by the City Council.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona, this 12th day of November, 2024.

Scott M. Jablow, Mayor

ATTEST:

JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:

Kurt W. Christianson, City Attorney

Action Minutes

DRAFT – Excerpts relating to PZ24-00010 (LDC)

**City of Sedona Planning & Zoning Commission Meeting
City Council Chambers, 102 Roadrunner Drive, Sedona, AZ
Tuesday, October 1, 2024 - 4:30 p.m.**

1. CALL TO ORDER, PLEDGE OF ALLEGIENCE, ROLL CALL

Chair Levin called the meeting to order at 4:30 p.m., led the Pledge of Allegiance and requested roll call.

Planning & Zoning Commission Participants: Chair Kathy Levin, Vice Chair Charlotte Hosseini, and Commissioners Jo Martin, Sarah Wiehl, Will Hirst, and Kali Gajewski. Commissioner George Braam was excused.

Staff Member(s) Present: Kurt Christianson, Steve Mertes, Cari Meyer, Donna Puckett and Hanako Ueda

5. CONSIDERATION OF THE FOLLOWING ITEM(S) THROUGH PUBLIC HEARING PROCEDURES:

- c. Public hearing to review, take public testimony, discuss, and possibly take action regarding proposed revisions to the Sedona Land Development Code. The proposed revisions include allowances for Accessory Dwelling Units (ADUs), updates to reflect State legislation regarding time frames for processing residential rezoning applications, and updates to definitions to more accurately define terms. Case Number: PZ24-00010 (LDC) Applicant: City of Sedona**

Introduction by Chair Levin

Presentation by Cari Meyer

Commission's questions of staff

The Chair opened the public hearing at 7:27 p.m. and the following person spoke: Cameron Wylde, Sedona, AZ, expressed concerns, as a realtor and manager of 33 short-term rentals in Sedona, regarding the goal of preventing an owner from building an ADU as a short-term rental. It is telling property owners what they can and can't do with their property and someone that purchased their property may have intended to build an ADU, then suddenly this rule is coming down that changes the value of their property, so looking at current owners and how it affects them in ways they couldn't have foreseen needs to be considered. Maybe there could be some distinction between an ADU that has a kitchen and one that just has a kitchenette in a small 200 sq. ft. ADU that would never be a long-term rental.

Having no additional requests to speak, closed the public hearing at 7:30 p.m.

Vice Chair Hosseini suggested that Mr. Wylde talk with staff as she is not sure his interpretation is correct.

Commission's additional questions of staff and comments.

MOTION: Commissioner Gajewski moved to recommend to City Council approval of case number PZ24-00010 (LDC Revisions), consistent with the approval criteria in Section 8.6.C(4). of the LDC. Commissioner Martin seconded the motion.

Commissioner Hirst asked about the definition of the resident requirement being part of the motion, and Kurt Christianson explained that he has some language that will work well, and we will make sure that is included, but it can be part of the motion as well.

AMENDED MOTION: Commissioner Gajewski moved to recommend to City Council approval of case number PZ24-00010 (LDC Revisions), consistent with the approval criteria in Section 8.6.C(4). of the Land Development Code, including language that defines a full-term resident. Commissioner Martin seconded the amended motion.

VOTE ON AMENDED MOTION: Amended Motion carried six (6) for (Gajewski, Hirst, Hosseini, Levin, Martin and Wiehl in favor) and zero (0) opposed. Commissioner Braam was excused.

Cari indicated this item is scheduled for the City Council on November 12th, so any additional written comments from the public would be needed prior to that meeting.

8. ADJOURNMENT

Chair Levin adjourned the meeting at 7:40 p.m. without objection.

I certify that the above is a true and correct summary of the actions of the Planning & Zoning Commission in the meeting held on October 1, 2024.

Donna A. S. Puckett, *Administrative Assistant*

Date



**CITY COUNCIL
AGENDA BILL**

**AB 3071
November 12, 2024
Regular Business**

Agenda Item: 8b
Proposed Action & Subject: Public Hearing/discussion/possible direction regarding Development Impact Fees and the proposed Development Fee Report.

Department	City Manager/Anette Spickard and Ben Griffin of Tischler Bise Finance/Barbara Whitehorn
Time to Present	30 minutes
Total Time for Item	60 minutes
Other Council Meetings	August 13, 2024; September 24, 2024; October 8, 2024
Exhibits	A. Final Land Use Assumptions Document (LUA), Infrastructure Improvement Plan (IIP), Proposed Development Fee Report B. Appendix A to Proposed Development Fee Report C. Memo from Finance Director Barbara Whitehorn D. PowerPoint presentation by Tischler-Bise

Finance Approval	Reviewed 10/21/24 BGW	Expenditure Required	
City Attorney Approval	Reviewed 10/22/24 KWC		\$ 0
City Manager's Recommendation	Discussion and direction to staff on implementation of Development Impact Fee to bring back to January 14, 2025 meeting. ABS 10/24/24		Amount Budgeted
		\$ 0	
		Account No. N/A (Description)	

SUMMARY STATEMENT

This is the first public hearing on the proposed Development Impact Fees (DIF) after the adoption of the LUA and IIP (see schedule below). Staff is looking for direction from the Council on the proposed DIF to prepare for adoption of the new fees at the January 14, 2025, Council meeting.

Finance Director Barbara Whitehorn will present a comparison to other cities (see Exhibit C). Consultant Ben Griffin will present two options for the Council's consideration (See Exhibit D) of how to downward adjust the transportation fee component of the DIF to lower the overall fee

using different assumptions for how the City plans to pay for Sedona In Motion projects using resources other than DIF. If either of these options were implemented, the reduced fee would apply to all developments.

If the Council would like to address DIF in relation to workforce and affordable housing development, the DIGAH policy could be updated to include an ability for the City to pay the DIF on behalf of the developer subject to the Arizona Gift Clause consideration.

Staff have identified several alternatives for implementation of the proposed DIF that the Council can discuss regarding implementation of the DIF.

Background:

Development Impact Fees (DIFs) are one-time charges applied to new development in order that new growth will pay its fair share of infrastructure improvements needed to provide municipal services, and to ensure that existing residents are not unduly burdened to pay for improvements and services needed to accommodate new development. The City of Sedona first adopted DIFs on May 18, 1998. A.R.S. § 9-463.05 is the state statute that enables municipalities to assess, collect, and spend development fees.

The City's DIFs were last updated in 2019 and became effective on September 9, 2019. They are required by statute to be updated every five years. As required by law, the City retained the services of an outside consultant to complete the update.

State statute also requires the City to follow a series of prescribed steps to develop and implement new DIFs. These steps include a minimum of 225 days and include public hearings and public comment periods. The draft schedule for the implementation of Sedona's fees is set forth below.

Sedona Adoption Process Schedule- Revised

- June 1, 2024: Publish Draft Land Use Assumptions (LUA) and Infrastructure Improvement Plan (60 days)
 - The documents and public hearing information were published on our Community Development Fees website on May 30, 2024
- August 13, 2024: Public Hearing, LUA and IIP presentation (30 days)
 - Council held the hearing and asked staff to revise the adoption schedule to include another meeting prior to adoption so that the consultant could bring back comparison data of other communities.
- September 24, 2024: LUA and IIP presentation, community comparison data review
- October 8, 2024: Public Hearing, LUA and IIP Adoption
- October 9, 2024: Publish Draft Development Fee Report (+30 days)
- **November 12, 2024: Public Hearing, Development Fee Report presentation (+30 days)**
- January 14, 2025: Public Hearing, Development Fee Report Adoption by Resolution (+75 days)
- March 31, 2025: Development Fees Effective

The publication of a notice of public hearing on Land Use Assumptions (LUA) and Infrastructure Improvement Plan (IIP), and the publication of those draft plans is required a minimum of 60 days prior to this first hearing. Those documents were published more than 60 days in advance.

- The LUA is required to document projections of changes in land uses, densities, intensities, and population for the City's service area over a period of at least ten years and pursuant to the City's Community Plan.

- The IIP is a written plan that identifies each necessary public service or facility expansion that is proposed to be the subject of a development fee. It examines the City's existing level of service and identifies a list of potential projects needed to serve future development.

Council has held the required first public hearing and a second public meeting to discuss the LUA and IIP. On October 8, 2024, as part of a public hearing, City Council adopted the LUA and IIP. The resulting proposed DIF are based on a combination of the LUA and the IIP and the application of a fee-calculation methodology for each fee category. The consultant evaluated existing conditions and needs for each service area and identified and applied the most appropriate methodology to develop the fees. The three possible fee methodologies include:

- Incremental Expansion - The incremental expansion, or consumption method, documents the current level-of-service (LOS) for public facilities (ex. Parks acres per capita). The jurisdiction uses the impact fee revenue to expand or provide additional facilities as needed to accommodate new development. This method is best suited for public facilities that will be expanded in regular increments, with LOS standards based on current conditions in the community.
- Plan Based - The plan-based method allocates costs for a specified set of future improvements to a specified amount of development. The improvements are identified by a facility plan, CIP, or master plan. In this method, the total cost of relevant facilities is divided by total demand (e.g., vehicle trips for transportation, persons for parks, etc.) to calculate a cost per unit of demand. Must be able to refine how much of those projects can reasonably be attributable to growth (for Sedona, at near build-out, in most cases this is a very small percentage).
- Cost Recovery – The rationale for the cost recovery, or buy-in, approach is that new development is paying for its share of the useful life and remaining capacity of facilities from which new growth will benefit. To calculate an impact fee using the cost recovery approach, costs are allocated to the ultimate number of demand units the facility will serve. This is most common when community has built oversized facilities in anticipation of growth. This is not being used for Sedona.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): The Council is required to review these fees per state law. This meeting is a public hearing on the proposed fees and to give direction to staff on the Development Fee Report to bring forward to the January 14, 2025, meeting. The Council can:

1. Direct staff to include the maximum allowable DIF in the Development Fee Report for adoption at the January 14, 2025 council meeting.
2. Direct staff to include a percentage of the DIF in the Development Fee Report for adoption at the January 14, 2025 council meeting.
3. Direct staff to include a phase-in schedule of the DIF in the Development Fee Report for adoption at the January 14, 2025 council meeting over three years with increases each year thereafter until the maximum DIF is reached.
4. Direct staff to reduce the transportation portion of the DIF using Option 1 as presented by Tischler-Bise and include in the Development Fee Report for adoption at the January 14, 2025 council meeting.

5. Direct staff to reduce the transportation portion of the DIF using Option 2 as presented by Tischler-Bise and include in the Development Fee Report for adoption at the January 14, 2025 council meeting.
6. Direct staff to prepare an amendment to the DIGAH to include payment of the DIF by the City for developer projects meeting certain criteria subject to Arizona Gift Clause consideration.

MOTION

I move to: For Public Hearing/discussion and direction only.

**Land Use Assumptions,
Infrastructure Improvements Plan,
and **DRAFT** Development Fee Report**

**Prepared for:
Sedona, Arizona**

October 9, 2024



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Suite S240

Bethesda, MD 20816

301.320.6900

www.TischlerBise.com

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EXECUTIVE SUMMARY

The City of Sedona, Arizona, contracted with TischlerBise to document land use assumptions, prepare the Infrastructure Improvements Plan (hereinafter referred to as the “IIP”), and update development fees pursuant to Arizona Revised Statutes (“ARS”) § 9-436.05 (hereafter referred to as the “Enabling Legislation”). Municipalities in Arizona may assess development fees to offset infrastructure costs to a municipality for necessary public services. The development fees must be based on an Infrastructure Improvements Plan (IIP) and Land Use Assumptions (LUA). The IIP for each type of infrastructure is in the middle section of this document. The proposed development fees are displayed in the Development Fee Report in the next section.

Development fees are one-time payments used to construct system improvements needed to accommodate new development. The fee represents future development’s proportionate share of infrastructure costs. Development fees may be used for infrastructure improvements or debt service for growth related infrastructure. In contrast to general taxes, development fees may not be used for operations, maintenance, replacement, or correcting existing deficiencies. This update of Sedona’s Infrastructure Improvements Plan and associated update to its development fees includes the following necessary public services:

1. Parks and Recreational Facilities
2. Police Facilities
3. Street Facilities

This plan includes all necessary elements required to be in full compliance with SB 1525.

ARIZONA DEVELOPMENT FEE ENABLING LEGISLATION

The Enabling Legislation governs how development fees are calculated for municipalities in Arizona.

Necessary Public Services

Under the requirements of the Enabling Legislation, development fees may only be used for construction, acquisition or expansion of public facilities that are necessary public services. “Necessary public service” means any of the following categories of facilities that have a life expectancy of three or more years and that are owned and operated on behalf of the municipality: water, wastewater, storm water, library, street, fire, police, and parks and recreational. Additionally, a necessary public service includes any facility that was financed before June 1, 2011, and that meets the following requirements:

1. Development fees were pledged to repay debt service obligations related to the construction of the facility.
2. After August 1, 2014, any development fees collected are used solely for the payment of principal and interest on the portion of the bonds, notes, or other debt service obligations issued before June 1, 2011, to finance construction of the facility.

Infrastructure Improvements Plan

Development fees must be calculated pursuant to an IIP. For each necessary public service that is the subject of a development fee, by law, the IIP shall include the following seven elements:

1. A description of the existing necessary public services in the service area and the costs to update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.
2. An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.
3. A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved Land Use Assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.
4. A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, and industrial.
5. The total number of projected service units necessitated by and attributable to new development in the service area based on the approved Land Use Assumptions and calculated pursuant to generally accepted engineering and planning criteria.
6. The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.
7. A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved Land Use Assumptions and a plan to include these contributions in determining the extent of the burden imposed by the development.

Qualified Professionals

The IIP must be developed by qualified professionals using generally accepted engineering and planning practices. A qualified professional is defined as “a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person’s license, education, or experience.” TischlerBise is a fiscal, economic, and planning consulting firm specializing in the cost of growth services. Our services include development fees, fiscal impact analysis, infrastructure financing analyses, user fee/cost of service studies, capital improvement plans, and fiscal software. TischlerBise has prepared over 800 development fee studies over the past 30 years for local governments across the United States.

Conceptual Development Fee Calculation

In contrast to project-level improvements, development fees fund growth-related infrastructure that will benefit multiple development projects, or the entire service area (usually referred to as system improvements). The first step is to determine an appropriate demand indicator for the particular type of infrastructure. The demand indicator measures the number of service units for each unit of development. For example, an appropriate indicator of the demand for parks is population growth and the increase in population can be estimated from the average number of persons per housing unit. The second step in the development fee formula is to determine infrastructure improvement units per service unit, typically called level-of-service (LOS) standards. In keeping with the park example, a common LOS standard is improved park acres per thousand people. The third step in the development fee formula is the cost of various infrastructure units. To complete the park example, this part of the formula would establish a cost per acre for land acquisition and/ or park amenities.

Evaluation of Credits/Offsets

Regardless of the methodology, a consideration of credits/offsets is integral to the development of a legally defensible development fee. There are two types of credits/offsets that should be addressed in development fee studies and ordinances. The first is a revenue credit/offset due to possible double payment situations, which could occur when other revenues may contribute to the capital costs of infrastructure covered by the development fee. This type of credit/offset is integrated into the fee calculation, thus reducing the fee amount. The second is a site-specific credit or developer reimbursement for dedication of land or construction of system improvements. This type of credit is addressed in the administration and implementation of the development fee program. For ease of administration, TischlerBise normally recommends developer reimbursements for system improvements.

INTRODUCTION TO DEVELOPMENT FEES

Development fees are one-time payments used to fund capital improvements necessitated by future development. Development fees have been utilized by local governments in various forms for at least fifty years. Development fees do have limitations and should not be regarded as the total solution for infrastructure financing needs. Rather, they should be considered one component of a comprehensive portfolio to ensure adequate provision of public facilities with the goal of maintaining current levels of service in a community. Any community considering development fees should note the following limitations:

- 1) Fees can only be used to finance capital infrastructure and cannot be used to finance ongoing operations and / or maintenance and rehabilitation costs.
- 2) Fees cannot be deposited in the General Fund. The funds must be accounted for separately in individual accounts and earmarked for the capital expenses for which they were collected.
- 3) Fees cannot be used to correct existing infrastructure deficiencies unless there is a funding plan in place to correct the deficiency for all current residents and businesses in the community.

REQUIRED FINDINGS

There are three reasonable relationship requirements for development fees that are closely related to “rational nexus” or “reasonable relationship” requirements enunciated by a number of state courts. Although the term “dual rational nexus” is often used to characterize the standard by which courts evaluate the validity of development fees under the U. S. Constitution, we prefer a more rigorous formulation that recognizes three elements: “impact or need,” “benefit,” and “proportionality.” The dual rational nexus test explicitly addresses only the first two, although proportionality is reasonably implied, and was specifically mentioned by the U.S. Supreme Court in the *Dolan* case. The reasonable relationship language of the statute is considered less strict than the rational nexus standard used by many courts. Individual elements of the nexus standard are discussed further in the following paragraphs.

Demonstrating an Impact. All future development in a community creates additional demands on some, or all, public facilities provided by local government. If the supply of facilities is not increased to satisfy that additional demand, the quality or availability of public services for the entire community will deteriorate. Development fees may be used to recover the cost of development-related facilities, but only to the extent that the need for facilities is a consequence of development that is subject to the fees. The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate conditions created by the developments upon which they are imposed. That principle clearly applies to development fees. In this study, the impact of development on improvement needs is analyzed in terms of quantifiable relationships between various types of development and the demand for specific facilities, based on applicable level-of-service standards.

Demonstrating a Benefit. A sufficient benefit relationship requires that development fee revenues be segregated from other funds and expended only on the facilities for which the fees were charged. Fees must be expended in a timely manner and the facilities funded by the fees must serve the development paying the fees. However, nothing in the U.S. Constitution or the State enabling Act authorizing development fees requires that facilities funded with fee revenues be available *exclusively* to development paying the fees. In other words, existing development may benefit from these improvements as well.

Procedures for the earmarking and expenditure of fee revenues are typically mandated by the State Enabling Legislation, as are procedures to ensure that the fees are expended expeditiously or refunded. All requirements are intended to ensure that developments benefit from the fees they are required to pay. Thus, an adequate showing of benefit must address procedural as well as substantive issues.

Demonstrating Proportionality. The requirement that exactions be proportional to the impacts of development was clearly stated by the U.S. Supreme Court in the *Dolan* case (although the relevance of that decision to development fees has been debated) and is logically necessary to establish a proper nexus. Proportionality is established through the procedures used to identify development-related facility costs, and in the methods used to calculate development fees for various types of facilities and categories of development. The demand for facilities is measured in terms of relevant and measurable attributes of development.

DEVELOPMENT FEE REPORT

Development fees for the necessary public services made necessary by new development must be based on the same level of service (LOS) provided to existing development in the service area. There are three basic methodologies used to calculate development fees. They examine the past, present, and future status of infrastructure. The objective of evaluating these different methodologies is to determine the best measure of the demand created by new development for additional infrastructure capacity. Each methodology has advantages and disadvantages in a particular situation and can be used simultaneously for different cost components.

Reduced to its simplest terms, the process of calculating development fees involves two main steps: (1) determining the cost of development-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, though, the calculation of development fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities within the designated service area. The following paragraphs discuss basic methodologies for calculating development fees and how those methodologies can be applied.

- **Cost Recovery** (past improvements) - The rationale for recoupment, often called cost recovery, is that new development is paying for its share of the useful life and remaining capacity of facilities already built, or land already purchased, from which new growth will benefit. This methodology is often used for utility systems that must provide adequate capacity before new development can take place.
- **Incremental Expansion** (concurrent improvements) - The incremental expansion methodology documents current LOS standards for each type of public facility, using both quantitative and qualitative measures. This approach assumes there are no existing infrastructure deficiencies or surplus capacity in infrastructure. New development is only paying its proportionate share for growth-related infrastructure. Revenue will be used to expand or provide additional facilities, as needed, to accommodate new development. An incremental expansion cost method is best suited for public facilities that will be expanded in regular increments to keep pace with development.
- **Plan-Based** (future improvements) - The plan-based methodology allocates costs for a specified set of improvements to a specified amount of development. Improvements are typically identified in a long-range facility plan and development potential is identified by a land use plan. There are two basic options for determining the cost per demand unit: (1) total cost of a public facility can be divided by total demand units (average cost), or (2) the growth-share of the public facility cost can be divided by the net increase in demand units over the planning timeframe (marginal cost).

DEVELOPMENT FEE COMPONENTS

Shown below, Figure 1 summarizes service areas, methodologies, and infrastructure cost components for the proposed fees.

Figure 1: Proposed Development Fee Service Areas, Methodologies, and Cost Components

Necessary Public Service	Service Area	Cost Recovery	Incremental Expansion	Plan-Based	Cost Allocation
Parks and Recreational	Citywide	N/A	Park Amenities, Shared-Use Paths	Park Land, Development Fee Report	Park Population, Jobs
Police	Citywide	N/A	Police Facilities, Police Vehicles, Communication Equipment	Development Fee Report	Peak Population, Vehicle Trips
Street	Citywide	N/A	Street Improvements, Shared-Use Paths, Intersection Improvements	Development Fee Report	VMT

Calculations throughout this report are based on an analysis conducted using Excel software. Most results are discussed in the report using two, three, and four decimal places, which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore, the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

CURRENT DEVELOPMENT FEES

Current development fees are assessed per dwelling unit, based on unit size, for residential development and per square foot of floor area for nonresidential development.

Figure 2: Current Development Fees

Residential Fees per Unit				
Unit Size	Parks & Recreational	Police	Street	Current Fees
700 or less	\$717	\$468	\$2,088	\$3,273
701 to 1,200	\$1,004	\$656	\$2,831	\$4,491
1,201 to 1,700	\$1,363	\$890	\$3,580	\$5,832
1,701 to 2,200	\$1,578	\$1,030	\$4,134	\$6,741
2,201 to 2,700	\$1,721	\$1,124	\$4,574	\$7,419
2,701 to 3,200	\$1,865	\$1,218	\$4,943	\$8,025
3,201 to 3,700	\$2,008	\$1,311	\$5,256	\$8,575
3,701 to 4,200	\$2,151	\$1,405	\$5,526	\$9,082
4,201 to 4,700	\$2,223	\$1,452	\$5,767	\$9,442
4,701 or more	\$2,295	\$1,498	\$5,985	\$9,778

Nonresidential Fees per Square Foot				
Development Type	Parks & Recreational	Police	Street	Current Fees
Industrial	\$0.74	\$0.16	\$1.18	\$2.09
Commercial	\$1.07	\$0.83	\$5.36	\$7.25
Office / Other Services	\$1.36	\$0.32	\$2.32	\$4.00
Institutional	\$0.42	\$0.43	\$3.07	\$3.92
Lodging (per room)	\$1,434	\$278	\$1,990	\$3,702

PROPOSED DEVELOPMENT FEES

Proposed development fees will be assessed per dwelling unit, based on unit size, for residential development and per square foot of floor area for nonresidential development. The proposed fees represent the maximum allowable fees. Sedona may adopt fees that are less than the amounts shown; however, a reduction in development fee revenue will necessitate an increase in other revenues, a decrease in planned capital improvements, and/or a decrease in level-of-service standards. All costs in the Development Fee Report represent current dollars with no assumed inflation over time. If costs change significantly over time, development fees should be recalculated.

Figure 3: Proposed Development Fees

Residential Fees per Unit				
Unit Size	Parks & Recreational	Police	Street	Proposed Fees
700 or less	\$1,734	\$1,274	\$4,373	\$7,381
701 to 1,200	\$2,185	\$1,605	\$5,629	\$9,419
1,201 to 1,700	\$2,809	\$2,064	\$7,145	\$12,018
1,701 to 2,200	\$3,433	\$2,522	\$8,808	\$14,763
2,201 to 2,700	\$4,092	\$3,006	\$10,130	\$17,228
2,701 to 3,200	\$4,525	\$3,325	\$11,320	\$19,170
3,201 to 3,700	\$4,906	\$3,605	\$12,213	\$20,724
3,701 to 4,200	\$5,184	\$3,809	\$12,916	\$21,909
4,201 to 4,700	\$5,444	\$4,000	\$13,544	\$22,988
4,701 or more	\$5,687	\$4,178	\$14,106	\$23,971

Nonresidential Fees per Square Foot				
Development Type	Parks & Recreational	Police	Street	Proposed Fees
Industrial	\$1.03	\$0.49	\$2.83	\$4.35
Commercial	\$1.40	\$2.46	\$14.61	\$18.47
Office / Other Services	\$2.15	\$1.09	\$6.31	\$9.55
Institutional	\$1.99	\$1.50	\$8.68	\$12.17
Lodging (per room)	\$3,277	\$807	\$4,779	\$8,863

DIFFERENCE BETWEEN PROPOSED AND CURRENT DEVELOPMENT FEES

The differences between the proposed and current development fees are displayed below in Figure 4.

Figure 4: Difference Between Proposed and Current Development Fees

Residential Fees per Unit				
Unit Size	Parks & Recreational	Police	Street	Difference
700 or less	\$1,017	\$806	\$2,285	\$4,108
701 to 1,200	\$1,181	\$949	\$2,798	\$4,928
1,201 to 1,700	\$1,447	\$1,174	\$3,566	\$6,186
1,701 to 2,200	\$1,856	\$1,492	\$4,675	\$8,022
2,201 to 2,700	\$2,371	\$1,882	\$5,556	\$9,809
2,701 to 3,200	\$2,661	\$2,108	\$6,377	\$11,145
3,201 to 3,700	\$2,898	\$2,294	\$6,957	\$12,149
3,701 to 4,200	\$3,033	\$2,404	\$7,390	\$12,827
4,201 to 4,700	\$3,221	\$2,548	\$7,777	\$13,546
4,701 or more	\$3,392	\$2,680	\$8,121	\$14,193

Nonresidential Fees per Square Foot				
Development Type	Parks & Recreational	Police	Street	Difference
Industrial	\$0.29	\$0.33	\$1.65	\$2.26
Commercial	\$0.33	\$1.63	\$9.25	\$11.22
Office / Other Services	\$0.79	\$0.77	\$3.99	\$5.55
Institutional	\$1.57	\$1.07	\$5.61	\$8.25
Lodging (per room)	\$1,843	\$529	\$2,789	\$5,161

LAND USE ASSUMPTIONS

Arizona’s Development Fee Act requires the preparation of Land Use Assumptions, which are defined in Arizona Revised Statutes § 9-463.05(T)(6) as:

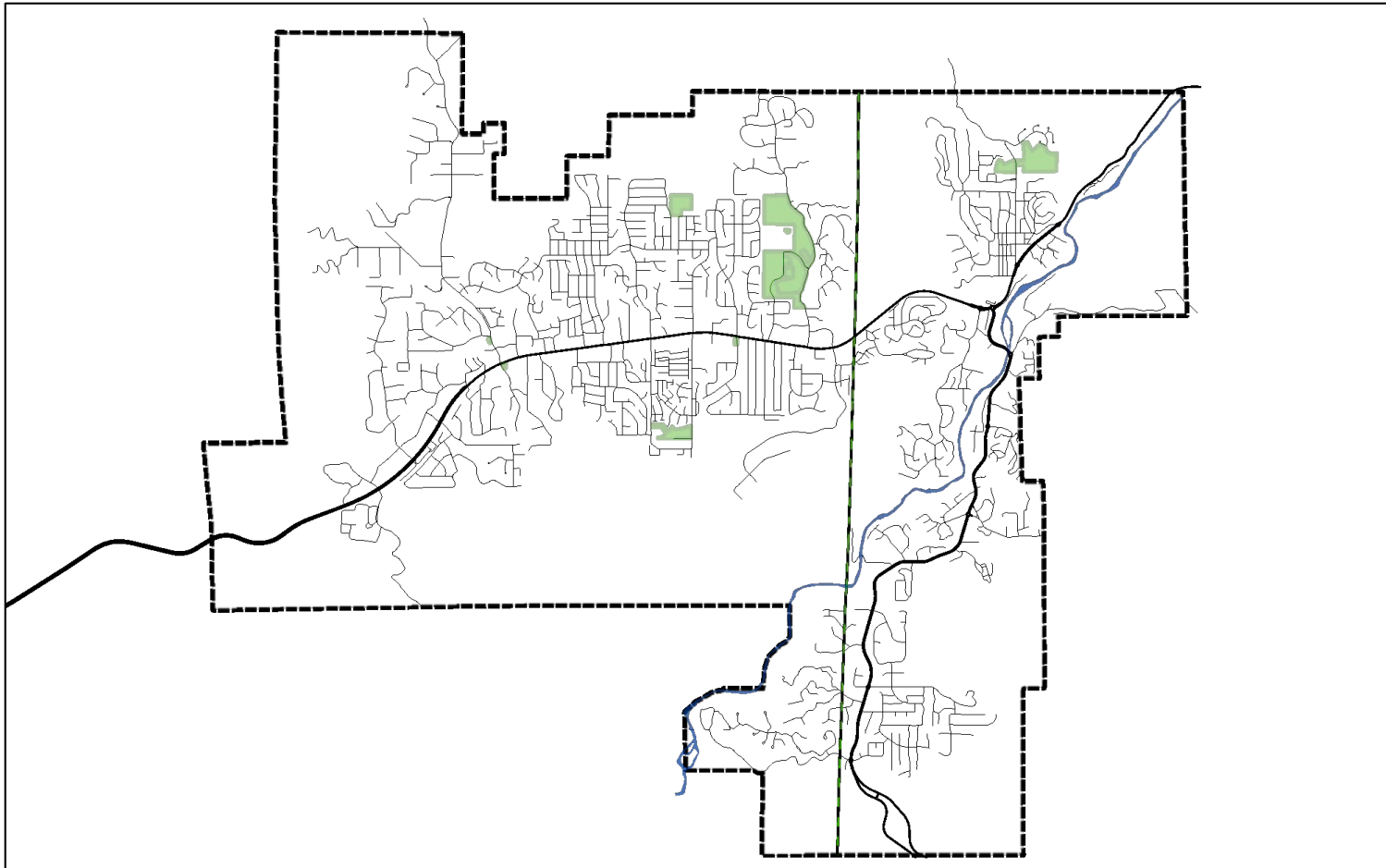
“projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the General Plan of the municipality.”

The estimates and projections of residential and nonresidential development in this Land Use Assumptions document are for all areas within Sedona. The current demographic estimates and future development projections will be used in the Infrastructure Improvements Plan (IIP) and in the calculation of development fees. Current demographic data estimates for 2024 are used in calculating levels of service (LOS) provided to existing development in Sedona. Arizona’s Enabling Legislation requires fees to be updated at least every five years and limits the IIP to a maximum of 10 years. The Infrastructure Improvements Plan and the Development Fee Report include a citywide service area.

SUMMARY OF GROWTH INDICATORS

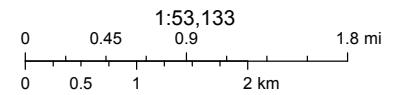
Key land use assumptions include projections of population, housing units, employment, and nonresidential floor area. TischlerBise projects future development based on recent and emerging development trends provided by city staff. Development projections are summarized in Figure L19. These projections will be used to estimate fee revenue and to indicate the anticipated need for growth-related infrastructure. However, development fee methodologies are designed to reduce sensitivity to development projections in the determination of the proportionate share fee amounts. If actual development occurs at a slower rate than projected, fee revenue will decline, but so will the need for growth-related infrastructure. In contrast, if development occurs at a faster rate than anticipated, fee revenue will increase, but Sedona will also need to accelerate infrastructure improvements to keep pace with the actual rate of development. During the next 10 years, residential development projections indicate a peak population increase of 2,171 persons in 1,150 housing units, and nonresidential development projections indicate an employment increase of 392 jobs in approximately 178,000 square feet of floor area.

Figure L1: Development Fee Service Area



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- CITY PARKS
- Street Centerline
- COUNTY LINE
- OAK CREEK
- State Route 179 & 89A



City of Sedona

The City of Sedona makes no warranties, expressed or implied, with respect to the information shown on this map. No portion of this information should be considered or used as a legal document.

RESIDENTIAL DEVELOPMENT

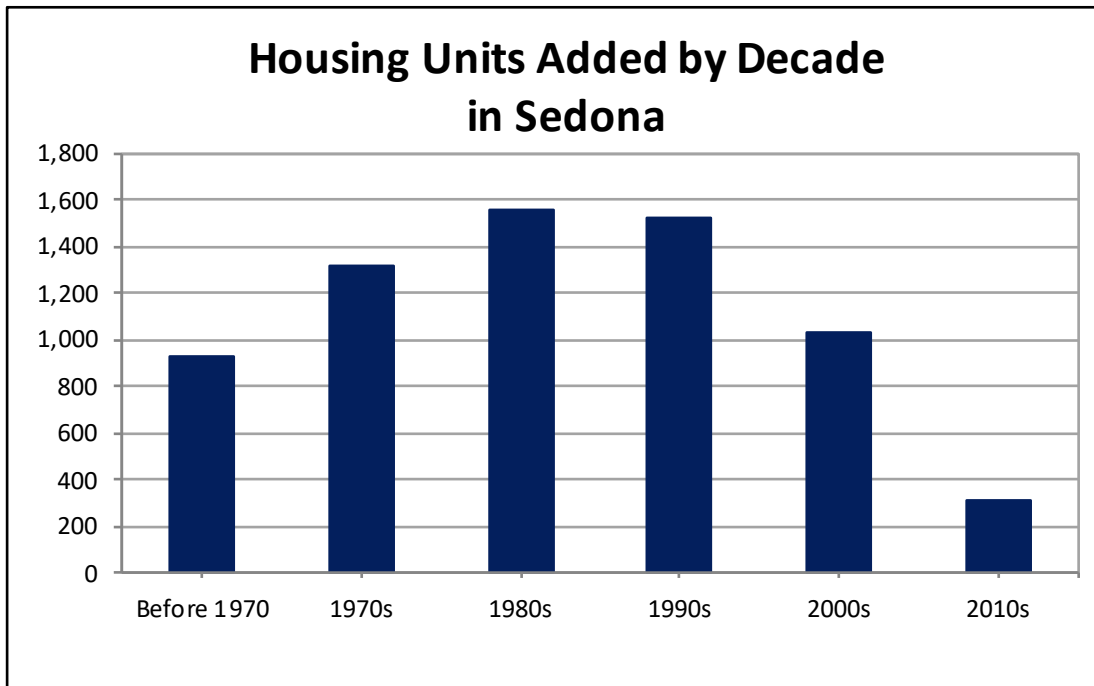
This section details current estimates and future projections of residential development including population and housing units.

Recent Residential Construction

Development fees require an analysis of current levels of service. For residential development, current levels of service are determined using estimates of population and housing units. Shown below, Figure L2 indicates the estimated number of housing units added by decade according to data obtained from the U.S. Census Bureau. In the previous decade, Sedona’s housing stock grew by an average of 30 housing units per year.

Figure L2: Housing Units by Decade

Census 2010 Housing Units	6,367	Sedona's housing stock grew by an average of 30 housing units per year from 2010 to 2020.
Census 2020 Housing Units	6,671	
New Housing Units 2010 to 2020	304	



Source: U.S. Census Bureau, Census 2020 Summary File 1, Census 2010 Summary File 1, 2017-2021 5-Year American Community Survey (for 2000s and earlier, adjusted to yield total units in 2010).

Occupancy by Housing Type

According to the U.S. Census Bureau, a household is a housing unit occupied by year-round residents. Development fees often use per capita standards and persons per housing unit (PPHU) or persons per household (PPH) to derive proportionate share fee amounts. When using PPHU in the fee calculations, the analysis derives infrastructure standards using year-round population. When using PPH in the fee calculations, the development fee methodology assumes a higher percentage of housing units will be occupied, thus requiring seasonal or peak population to be used when deriving infrastructure standards. TischlerBise recommends Sedona impose development fees for residential development according to the number of persons per household.

Occupancy calculations require data on population and the types of units by structure. The 2010 census did not obtain detailed information using a “long-form” questionnaire. Instead, the U.S. Census Bureau switched to a continuous monthly mailing of surveys, known as the American Community Survey (ACS), which has limitations due to sample-size constraints. For example, data on detached housing units are combined with attached single units (commonly known as townhouses, which share a common sidewall, but are constructed on an individual parcel of land). For occupancy estimates in Sedona, single-family units include detached units, attached units, and mobile home units. Multi-family units include duplexes, structures with two or more units on an individual parcel of land, recreational vehicles, and all other units.

Figure L3 below shows the occupancy estimates for Sedona based on 2017-2021 American Community Survey 5-Year Estimates. Single-family units averaged 2.00 persons per household and multi-family units averaged 1.84 persons per household. The estimates shown below are used only to calculate occupancy factors and may not match population and housing unit estimates shown throughout this report.

Figure L3: Occupancy by Housing Type

Housing Type	Persons	Households	Persons per Household	Housing Units	Persons per Housing Unit	Housing Mix	Vacancy Rate
Single-Family ¹	8,585	4,284	2.00	5,494	1.56	85.5%	22.02%
Multi-Family ²	1,135	618	1.84	932	1.22	14.5%	33.69%
Total	9,720	4,902	1.98	6,426	1.51	100.0%	23.72%

Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

1. Includes detached, attached (townhouse), and mobile home units.
2. Includes dwellings in structures with two or more units, RVs, and all other units.

Occupancy by Bedroom Range

Development fees must be proportionate to the demand for infrastructure. Averages per household have a strong, positive correlation to the number of bedrooms, so TischlerBise recommends a fee schedule where larger units pay higher development fees. Benefits of the proposed methodology include 1) a proportionate assessment of infrastructure demand using local demographic data and 2) a progressive fee structure (i.e., smaller units pay less, and larger units pay more).

Custom tabulations of demographic data by bedroom range can be created from individual survey responses provided by the U.S. Census Bureau in files known as Public Use Microdata Samples (PUMS). PUMS files are only available for areas of at least 100,000 persons, and Sedona is in two Public Use Microdata Areas (AZ PUMAs 400 and 500).

Shown in Figure L4, cells with yellow shading indicate the unweighted survey results which yield the unadjusted estimate of 2.34 persons per household. Unadjusted persons per household estimates are adjusted to match the control total for Sedona – 1.98 persons per household (see Figure L3). Adjusted persons per household estimates range from 1.19 persons per household for units with zero to one bedroom up to 2.99 persons per household for units with five or more bedrooms.

Figure L4: Occupancy by Bedroom Range

Bedroom Range	Persons ¹	Vehicles Available ¹	Households ¹	Housing Mix	Unadjusted PPH	Adjusted PPH ²	Unadjusted VPH	Adjusted VPH ²
0-1	770	614	548	8%	1.41	1.19	1.12	1.02
2	3,685	3,100	1,915	27%	1.92	1.63	1.62	1.47
3	9,143	7,733	3,729	52%	2.45	2.07	2.07	1.89
4	2,636	2,047	834	12%	3.16	2.67	2.45	2.23
5+	637	500	180	2%	3.54	2.99	2.78	2.53
Total	16,871	13,994	7,206	100%	2.34	1.98	1.94	1.77

National Averages According to ITE

ITE Code	AWVTE per Person	AWVTE per Vehicle	AWVTE per HU	Sedona Housing Mix
210 SFD	2.65	6.36	9.43	87%
220 Apt	1.86	5.10	6.74	13%
Weighted Avg	2.55	6.20	9.09	100%

Recommended AWVTE per Household

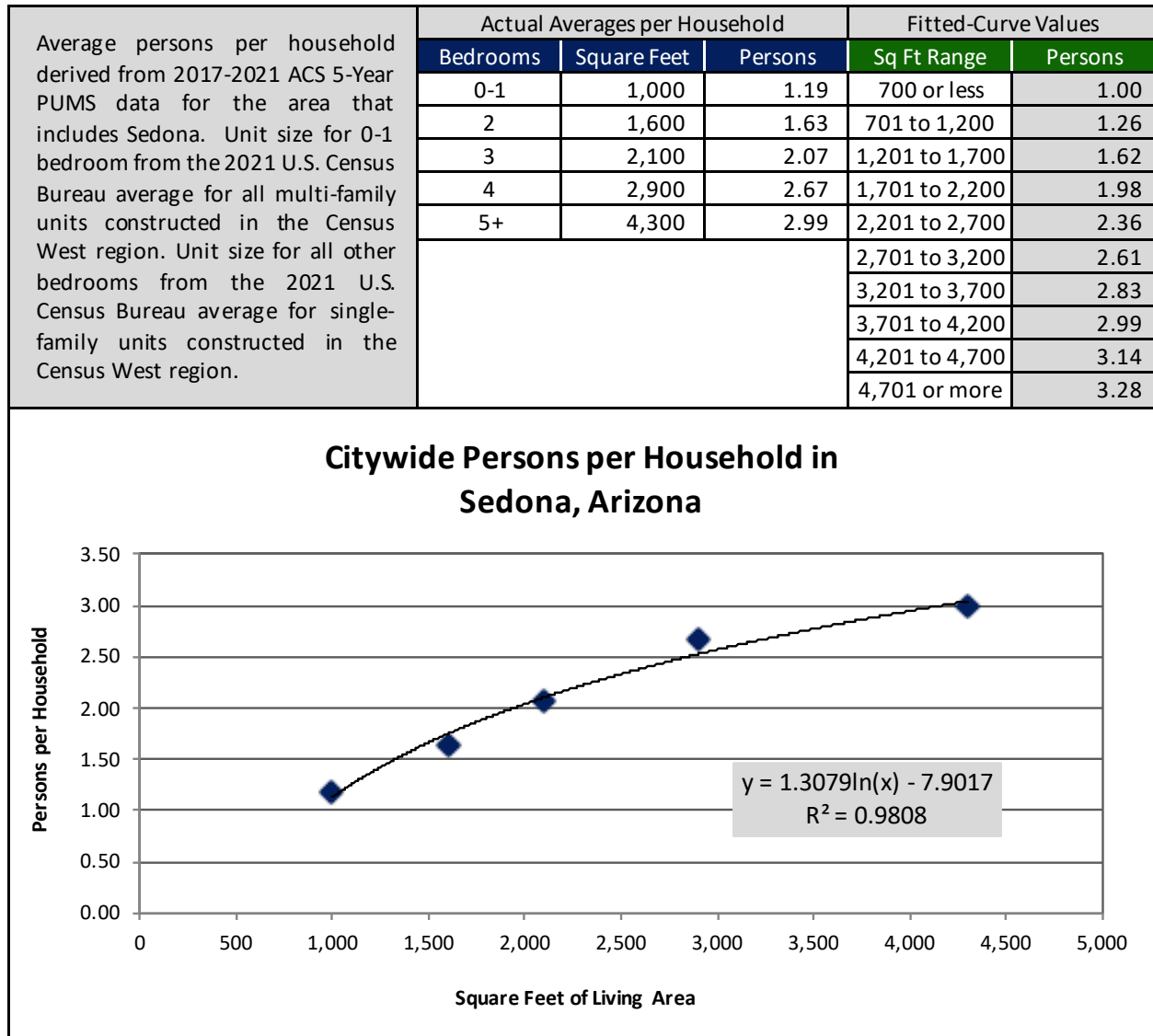
Bedroom Range	AWVTE per Hhld Based on Persons ³	AWVTE per Hhld Based on Vehicles ⁴	AWVTE per Household ⁵	
0-1	3.03	6.32	4.68	1. American Community Survey, Public Use Microdata Sample for AZ PUMAs 400 and 500 (2017-2021 5-Year unweighted data). 2. Adjusted multipliers are scaled to make the average PUMS values match control totals for Sedona, based on American Community Survey 2017-2021 5-Year Estimates. 3. Adjusted persons per household multiplied by national weighted average trip rate per person. 4. Adjusted vehicles available per household multiplied by national weighted average trip rate per vehicle. 5. Average trip rates based on persons and vehicles per household.
2	4.16	9.11	6.64	
3	5.28	11.72	8.50	
4	6.81	13.83	10.32	
5+	7.62	15.69	11.66	
Average	5.05	10.97	8.01	

Occupancy by Housing Size

To estimate square feet of living area by bedroom range, TischlerBise uses 2021 U.S. Census Bureau data for housing units constructed in the west region. Based on 2021 estimates, living area ranges from 1,000 square feet for households with zero to one bedroom up to 4,300 square feet for households with five or more bedrooms.

Average square feet of living area and persons per household by bedroom range are plotted in Figure L5 with a logarithmic trend line derived from U.S. Census Bureau estimates discussed in the previous paragraph and adjusted persons per household estimates shown in Figure L4. Using the trend line formula shown in the figure, TischlerBise calculates the number of persons per household, by square feet of living area, using intervals of 500 square feet. TischlerBise recommends a minimum development fee based on a household size of 700 square feet and a maximum fee for units 4,701 square feet or more.

Figure L5: Occupancy by Housing Size



Residential Estimates

Resident Population

Shown below, Figure L6 shows residential permits issued since the 2020 Census. The analysis uses the 2020 Census estimate of 6,671 housing units shown in Figure L2 and residential permits since 2020 to estimate 7,021 housing units in 2024.

Figure L6: Residential Permits

Year	Single Family	Multi-Family	Total
2020	62	0	62
2021	66	84	150
2022	57	1	58
2023 ¹	34	46	80
Total	219	131	350

Source: Sedona Community Development Department
 1. Through September 2023

For 2023, data published by Arizona Office of Economic Opportunity indicate a citywide population of 9,860 persons. Using the 2023 housing permit data shown in Figure L6 and the occupancy factors shown in Figure L3, Sedona’s 2024 resident population includes 10,013 persons.

Lodging Population

According to information provided by city staff, there are currently 2,574 lodging rooms in the City of Sedona. Data from the Sedona Chamber of Commerce & Tourism Bureau indicate lodging averages 2.90 persons per room with an average occupancy rate of 65.2 percent. This results in an adjusted 1.89 persons per room (2.90 persons per room X 65.2 percent occupancy rate). Multiplying adjusted persons per room by the total number of lodging rooms results in a lodging population estimate of 4,865 persons.

Figure L7: Lodging Population

Lodging Factors	
Lodging Rooms ¹	2,574
Persons per Room ²	2.90
Occupancy Rate ³	65.2%
Adjusted Persons per Room	1.89
Lodging Population	4,865

- 1. City of Sedona
- 2. Sedona Chamber of Commerce & Tourism Bureau, 2018
- 3. Sedona Chamber of Commerce & Tourism Bureau, Annual Report FY22/23

Seasonal Population

To account for seasonal residents, the analysis includes vacant households used for seasonal, recreational, or occasional use. According to 2017-2021 ACS estimates shown in Figure L8, seasonal units account for 1,058 of Sedona’s 1,524 vacant units. With all seasonal units occupied, Sedona’s seasonal vacancy rate is 7.25 percent (5,960 resident and seasonal households / 6,426 housing units). Applying Sedona’s occupancy rate of 1.98 persons per household to seasonal households provides a seasonal population estimate of 2,098 persons. Sedona’s peak population estimate for 2024 is 12,111 (10,013 resident population + 2,098 seasonal population).

Figure L8: Seasonal Population

2021 Peak Population	
Resident Population	9,720
Resident Households	4,902
Persons per Household	1.98
Housing Units	6,426
Persons per Housing Unit	1.51
Vacant Housing Units (Year-Round)	1,524
Year-Round Vacancy Rate	23.72%
Vacant Housing Units (Seasonal, Recreation, or Occasional Use)	1,058
Seasonal Vacancy Rate	7.25%
Resident Households	4,902
Seasonal Households	1,058
Adjusted Households	5,960
Resident Population	9,720
Seasonal Population	2,098
Peak Population	11,818

Source: U.S. Census Bureau, 2017-2021 American Community Survey, 5-Yr Estimates.

Residential Projections

Population and housing unit projections are used to illustrate the possible future pace of service demands, revenues, and expenditures. To the extent these factors change, the projected need for infrastructure will also change. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase at a corresponding rate. If development occurs at a slower rate than projected, the demand for infrastructure will also decrease.

TischlerBise projects lodging development using recommendations provided by Sedona Community Development Department staff. TischlerBise uses occupancy factors shown in Figure L7 to convert projected lodging rooms to lodging population. During the next 10 years, lodging development growth of 215 lodging rooms results in a lodging population increase of 406 persons (215 lodging rooms X 1.89 persons per room).

Figure L9: Lodging Projections

Sedona, Arizona	2024	2025	2026	2027	2028	2029	2034	10-Year Increase
	Base Year	1	2	3	4	5	10	
Lodging								
Rooms	2,574	2,664	2,678	2,692	2,706	2,720	2,789	215
Population	4,865	5,035	5,061	5,087	5,114	5,140	5,271	406

Source: Sedona Community Development Department

The analysis uses housing unit projections provided by Sedona Community Development Department staff. Based on recent trends, the scarcity of available land, and increasing demand for multi-family units, Community Development Department staff project a 10-year increase of 1,150 housing units – 350 single-family units and 800 multi-family units. TischlerBise uses occupancy factors shown in Figure L3 to convert projected housing units to projected population. The peak population increase, which includes resident population and seasonal population, over the next 10 years is 2,171 persons ((350 single-family units X 2.00 persons per household) + (800 multi-family units X 1.84 persons per household)). The park population increase over the next 10 years, which includes resident population, seasonal population, and lodging population, is 2,577 persons (2,171 peak population increase + 406 lodging population increase). The analysis uses the park population in the calculation of parks and recreational facilities development fees to more accurately allocate demand for parks and recreational facilities.

Figure L10: Residential Projections

Sedona, Arizona	2024	2025	2026	2027	2028	2029	2034	10-Year Increase
	Base Year	1	2	3	4	5	10	
Population								
Peak Population ¹	12,111	12,338	12,563	12,785	13,006	13,224	14,281	2,171
Park Population ²	16,975	17,373	17,624	17,873	18,119	18,364	19,552	2,577
Housing Units								
Single Family	5,922	5,962	6,001	6,039	6,076	6,111	6,272	350
Multi-Family	1,099	1,179	1,259	1,339	1,419	1,499	1,899	800
Total	7,021	7,141	7,260	7,378	7,494	7,610	8,171	1,150

1. Peak population includes resident and seasonal
 2. Park population includes resident, seasonal, and lodging

NONRESIDENTIAL DEVELOPMENT

This section details current estimates and future projections of nonresidential development including jobs and nonresidential floor area.

Nonresidential Demand Factors

TischlerBise uses the term jobs to refer to employment by place of work. In Figure L11, gray shading indicates the nonresidential development prototypes used to derive employment densities. For nonresidential development, TischlerBise uses data published in Trip Generation, Institute of Transportation Engineers, 11th Edition (2021). The prototype for industrial development is Light Industrial (ITE 110) with 637 square feet of floor area per employee. For office development, the proxy is General Office (ITE 710) with 307 square feet of floor area per employee. Institutional development uses Government Office (ITE 730) with 330 square feet of floor area per employee. The prototype for commercial development is Shopping Center (ITE 820) with 471 square feet of floor area per employee.

Figure L11: Nonresidential Demand Units

ITE Code	Land Use / Size	Demand Unit	Wkdy Trip Ends Per Dmd Unit ¹	Wkdy Trip Ends Per Employee ¹	Emp Per Dmd Unit	Sq Ft Per Emp
110	Light Industrial	1,000 Sq Ft	4.87	3.10	1.57	637
130	Industrial Park	1,000 Sq Ft	3.37	2.91	1.16	864
140	Manufacturing	1,000 Sq Ft	4.75	2.51	1.89	528
150	Warehousing	1,000 Sq Ft	1.71	5.05	0.34	2,953
254	Assisted Living	bed	2.60	4.24	0.61	na
310	Hotel	room	7.99	14.34	0.56	na
565	Day Care	student	4.09	21.38	0.19	na
610	Hospital	1,000 Sq Ft	10.77	3.77	2.86	350
620	Nursing Home	bed	3.06	3.31	0.92	na
710	General Office (avg size)	1,000 Sq Ft	10.84	3.33	3.26	307
720	Medical-Dental Office	1,000 Sq Ft	36.00	8.71	4.13	242
730	Government Office	1,000 Sq Ft	22.59	7.45	3.03	330
770	Business Park	1,000 Sq Ft	12.44	4.04	3.08	325
820	Shopping Center (avg size)	1,000 Sq Ft	37.01	17.42	2.12	471

1. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).

Nonresidential Estimates

Esri Business Analyst 2023 employment estimates for Sedona include 9,278 jobs. This employment estimate includes 829 industrial jobs, 4,689 commercial jobs, 3,229 jobs related to office and other services, and 531 institutional jobs. Applying the employment density factors shown in Figure L11 to employment estimates shown in Figure L12 provides a nonresidential floor area estimate of 3,903,125 square feet.

Figure L12: Nonresidential Estimates

Nonresidential Category	2023 Jobs ¹	Percent of Total Jobs	Square Feet per Job ²	2023 Estimated Floor Area ³
Industrial ⁴	829	9%	637	528,073
Commercial ⁵	4,689	51%	471	2,208,519
Office / Other Services ⁶	3,229	35%	307	991,303
Institutional ⁷	531	6%	330	175,230
Total	9,278	100%		3,903,125

1. Esri Business Analyst Online, Business Summary, 2023.
2. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).
3. TischlerBise calculation (2023 jobs X square feet per job).
4. Major sectors are Manufacturing; Transportation & Warehousing.
5. Major sectors are Retail Trade; Accommodation & Food Services.
6. Major sectors are Real Estate, Rental & Leasing; Other Services.
7. Major sectors are Public Administration; Educational Services.

Nonresidential Projections

Employment and floor area projections are used to illustrate the possible future pace of service demands, revenues, and expenditures. To the extent these factors change, the projected need for infrastructure will also change. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase at a corresponding rate. If development occurs at a slower rate than projected, the demand for infrastructure will also decrease.

TischlerBise projects future nonresidential development based on nonresidential building permit data and discussions with city staff. From 2021 through 2023, average annual permitted square feet equal approximately 1,700 square feet of industrial development, 11,100 square feet of commercial development, 1,300 square feet of office development, and 700 square feet of institutional development. Based on discussions with city staff, the analysis includes an upward adjustment of 20 percent to account for likely development trends. The analysis projects future nonresidential development using an average annual increase of 2,000 square feet of industrial development, 13,400 square feet of commercial development, 1,600 square feet of office development, and 800 square feet of institutional development.

Adding the average annual floor area increase to the 2023 nonresidential floor area estimates shown in Figure L12 provides a 2024 base year estimate of approximately 3,921,000 square feet. Projected nonresidential development growth over the next 10 years includes an increase of approximately 178,000 square feet. This includes 20,000 square feet of industrial development, 134,000 square feet of commercial development, 16,000 square feet related to office and other services development, and 8,000 square feet of institutional development.

Applying the employment density factors shown in Figure L12 to the employment projections shown below provides the necessary conversion from nonresidential floor area to jobs. Over the next 10 years, projected employment growth equals 392 jobs. This includes 31 industrial jobs (20,000 sq. ft. of industrial development / 637 square feet per job), 285 commercial jobs (134,000 sq. ft. of commercial development / 471 square feet per job), 52 jobs related to office and other services (16,000 sq. ft. of office and other services development / 307 square feet per job), and 24 institutional jobs (8,000 sq. ft. of institutional development / 330 square feet per job).

Figure L13: Nonresidential Projections

Sedona, Arizona	2024	2025	2026	2027	2028	2029	2034	10-Year Increase
	Base Year	1	2	3	4	5	10	
Employment								
Industrial	832	835	838	842	845	848	864	31
Commercial	4,717	4,746	4,774	4,803	4,831	4,860	5,002	285
Office / Other Services	3,234	3,239	3,245	3,250	3,255	3,260	3,286	52
Institutional	533	536	538	541	543	546	558	24
Total	9,317	9,356	9,396	9,435	9,474	9,513	9,709	392
Nonres. Floor Area (x1,000)								
Industrial	530	532	534	536	538	540	550	20
Commercial	2,222	2,235	2,249	2,262	2,276	2,289	2,356	134
Office / Other Services	993	995	996	998	999	1,001	1,009	16
Institutional	176	177	178	178	179	180	184	8
Total	3,921	3,939	3,957	3,974	3,992	4,010	4,099	178

AVERAGE WEEKDAY VEHICLE TRIPS

Sedona uses average weekday vehicle trips (AWVT) in the calculation of police and street facilities fees. Components used to determine AWVT include average weekday vehicle trip generation rates, adjustments for commuting patterns, and adjustments for pass-by trips.

Residential Trip Generation Rates

As an alternative to simply using national average trip generation rates for residential development, published by the Institute of Transportation Engineers (ITE), TischlerBise calculates custom trip rates using local demographic data. Key inputs needed for the analysis, including average number of persons and vehicles available per housing unit, are available from American Community Survey (ACS) data.

Vehicle Trip Ends by Bedroom Range

TischlerBise recommends a fee schedule where larger units pay higher development fees than smaller units. Benefits of the proposed methodology include: 1) proportionate assessment of infrastructure demand using local demographic data, and 2) progressive fee structure (i.e., smaller units pay less, and larger units pay more).

TischlerBise creates custom tabulations of demographic data by bedroom range from individual survey responses provided by the U.S. Census Bureau in files known as Public Use Microdata Samples (PUMS). PUMS files are only available for areas of at least 100,000 persons, with Sedona in two Public Use Microdata Areas (AZ PUMAs 400 and 500). Shown in Figure L14, cells with yellow shading indicate the survey results, which yield the unadjusted number of persons and vehicles available per household. Unadjusted vehicles per household are adjusted to control totals in Sedona – 1.77 vehicles per household.

Figure L14: Vehicle Trip Ends by Bedroom Range

Bedroom Range	Persons ¹	Vehicles Available ¹	Households ¹	Housing Mix	Unadjusted PPH	Adjusted PPH ²	Unadjusted VPH	Adjusted VPH ²
0-1	770	614	548	8%	1.41	1.19	1.12	1.02
2	3,685	3,100	1,915	27%	1.92	1.63	1.62	1.47
3	9,143	7,733	3,729	52%	2.45	2.07	2.07	1.89
4	2,636	2,047	834	12%	3.16	2.67	2.45	2.23
5+	637	500	180	2%	3.54	2.99	2.78	2.53
Total	16,871	13,994	7,206	100%	2.34	1.98	1.94	1.77

National Averages According to ITE

ITE Code	AWVTE per Person	AWVTE per Vehicle	AWVTE per HU	Sedona Housing Mix
210 SFD	2.65	6.36	9.43	87%
220 Apt	1.86	5.10	6.74	13%
Weighted Avg	2.55	6.20	9.09	100%

Recommended AWVTE per Household

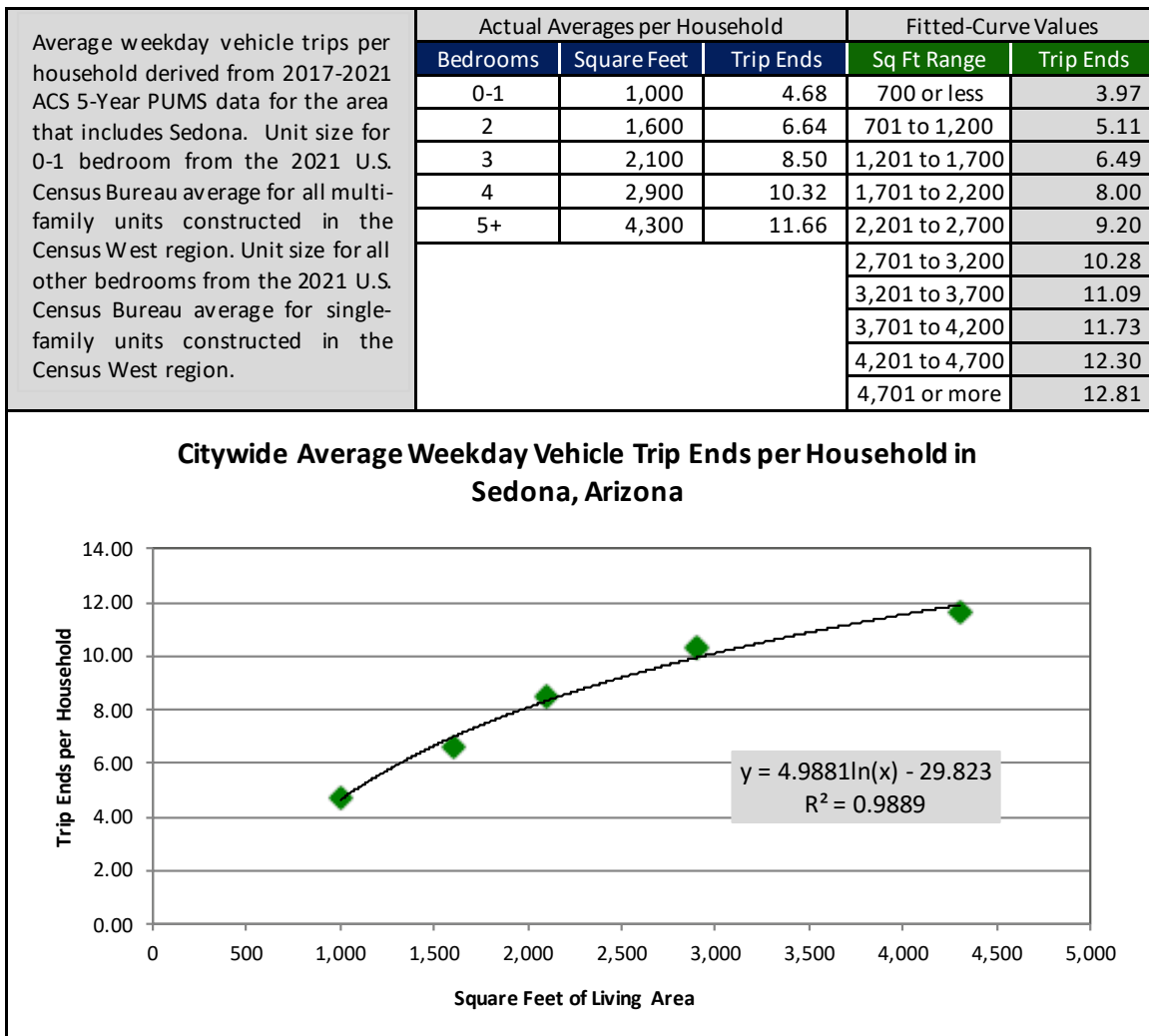
Bedroom Range	AWVTE per Hhld Based on Persons ³	AWVTE per Hhld Based on Vehicles ⁴	AWVTE per Household ⁵	
0-1	3.03	6.32	4.68	1. American Community Survey, Public Use Microdata Sample for AZ PUMAs 400 and 500 (2017-2021 5-Year unweighted data). 2. Adjusted multipliers are scaled to make the average PUMS values match control totals for Sedona, based on American Community Survey 2017-2021 5-Year Estimates. 3. Adjusted persons per household multiplied by national weighted average trip rate per person. 4. Adjusted vehicles available per household multiplied by national weighted average trip rate per vehicle. 5. Average trip rates based on persons and vehicles per household.
2	4.16	9.11	6.64	
3	5.28	11.72	8.50	
4	6.81	13.83	10.32	
5+	7.62	15.69	11.66	
Average	5.05	10.97	8.01	

Vehicle Trip Ends by Housing Size

To derive average weekday vehicle trip ends by dwelling size, Tischler Bise uses 2021 U.S. Census Bureau data for housing units constructed in the west region. Based on 2021 estimates, living area ranges from 1,000 square feet for households with zero to one bedroom up to 4,300 square feet for households with five or more bedrooms.

Citywide average floor area and weekday vehicle trip ends, by bedroom range, are plotted in Figure L15 with a logarithmic trend line. TischlerBise uses the trend line formula to derive estimated trip ends by household size in increments of 500 square feet. TischlerBise recommends a minimum fee based on a unit size of 700 square feet and a maximum fee for units 4,701 square feet or larger. For the upper threshold, each dwelling averages 12.81 vehicle trip ends.

Figure L15: Vehicle Trip Ends by Housing Size



Nonresidential Trip Generation Rates

For nonresidential development, TischlerBise uses trip generation rates published in Trip Generation, Institute of Transportation Engineers, 11th Edition (2021). The prototype for industrial development is Light Industrial (ITE 110) which generates 4.87 average weekday vehicle trip ends per 1,000 square feet of floor area. The prototype for lodging development is Hotel (ITE 310) which generates 7.99 average weekday vehicle trip ends per room. For office & other services development, the proxy is General Office (ITE 710), and it generates 10.84 average weekday vehicle trip ends per 1,000 square feet of floor area. Institutional development uses Government Office (ITE 730) and generates 22.59 average weekday vehicle trip ends per 1,000 square feet of floor area. The prototype for commercial development is Shopping Center (ITE 820) which generates 37.01 average weekday vehicle trips per 1,000 square feet of floor area.

Figure L16: Average Weekday Vehicle Trip Ends by Land Use

ITE Code	Land Use / Size	Demand Unit	Wkdy Trip Ends Per Dmd Unit ¹	Wkdy Trip Ends Per Employee ¹	Emp Per Dmd Unit	Sq Ft Per Emp
110	Light Industrial	1,000 Sq Ft	4.87	3.10	1.57	637
130	Industrial Park	1,000 Sq Ft	3.37	2.91	1.16	864
140	Manufacturing	1,000 Sq Ft	4.75	2.51	1.89	528
150	Warehousing	1,000 Sq Ft	1.71	5.05	0.34	2,953
254	Assisted Living	bed	2.60	4.24	0.61	na
310	Hotel	room	7.99	14.34	0.56	na
565	Day Care	student	4.09	21.38	0.19	na
610	Hospital	1,000 Sq Ft	10.77	3.77	2.86	350
620	Nursing Home	bed	3.06	3.31	0.92	na
710	General Office (avg size)	1,000 Sq Ft	10.84	3.33	3.26	307
720	Medical-Dental Office	1,000 Sq Ft	36.00	8.71	4.13	242
730	Government Office	1,000 Sq Ft	22.59	7.45	3.03	330
770	Business Park	1,000 Sq Ft	12.44	4.04	3.08	325
820	Shopping Center (avg size)	1,000 Sq Ft	37.01	17.42	2.12	471

1. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).

Trip Rate Adjustments

Trip generation rates require an adjustment factor to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor is 50 percent. As discussed further in this section, the development fee methodology includes additional adjustments to make the fees proportionate to the infrastructure demand for each type of development.

Commuter Trip Adjustment

Residential development has a larger trip adjustment factor of 59 percent to account for commuters leaving Sedona for work. According to the 2009 National Household Travel Survey (see Table 30) weekday work trips are typically 31 percent of production trips (i.e., all out-bound trips, which are 50 percent of all trip ends). As shown in Figure L17, the U.S. Census Bureau’s OnTheMap web application indicates 60 percent of resident workers traveled outside of Sedona for work in 2021. In combination, these factors ($0.31 \times 0.50 \times 0.60 = 0.09$) support the additional 9 percent allocation of trips to residential development.

Figure L17: Commuter Trip Adjustment

Trip Adjustment Factor for Commuters	
Employed Residents	3,136
Residents Living and Working in Sedona	1,268
Residents Commuting Outside Sedona for Work	1,868
Percent Commuting out of Sedona	60%
Additional Production Trips ¹	9%
Residential Trip Adjustment Factor	59%

Source: U.S. Census Bureau, OnTheMap Application (version 6.23.4) and LEHD Origin-Destination Employment Statistics, 2021.

1. According to the National Household Travel Survey (2009)*, published in December 2011 (see Table 30), home-based work trips are typically 30.99 percent of “production” trips, in other words, out-bound trips (which are 50 percent of all trip ends). Also, LED OnTheMap data from 2021 indicate that 60 percent of Sedona’s workers travel outside the city for work. In combination, these factors ($0.3099 \times 0.50 \times 0.60 = 0.09$) account for 9 percent of additional production trips. The total adjustment factor for residential includes attraction trips (50 percent of trip ends) plus the journey-to-work commuting adjustment (9 percent of production trips) for a total of 59 percent.

*<http://nhts.ornl.gov/publications.shtml> ; Summary of Travel Trends - Table "Daily Travel Statistics by Weekday vs. Weekend"

Adjustment for Pass-By Trips

For commercial and institutional development, the trip adjustment factor is less than 50 percent because these types of development attract vehicles as they pass by on arterial and collector roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For the average shopping center, ITE data indicate 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the commercial site as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor is 66 percent multiplied by 50 percent, or approximately 33 percent of the trip ends.

Average Weekday Vehicle Trips

Shown below in Figure L18, multiplying average weekday vehicle trip ends and trip adjustment factors (discussed on the previous page) by Sedona’s existing development units provides the average weekday vehicle trips generated by existing development. As shown below, existing development citywide generates 68,261 vehicle trips on an average weekday.

Figure L18: Average Weekday Vehicle Trips

Development Type	Development Unit	ITE Code	Avg Wkday VTE	Trip Adjustment	2024 Dev Units	2024 Veh Trips
Residential	HU	Avg	8.00	59%	7,021	33,139
Industrial	KSF	130	4.87	50%	530	1,291
Commercial	KSF	820	37.01	33%	2,222	27,137
Office & Other Services	KSF	710	10.84	50%	993	5,382
Institutional	KSF	610	22.59	33%	176	1,312
Total						68,261

DEVELOPMENT PROJECTIONS

Provided below is a summary of development projections used in the Development Fee Report. Base year estimates for 2024 are used in the fee calculations. Development projections are used to illustrate a possible future pace of demand for service units and cash flows resulting from revenues and expenditures associated with those demands.

Figure L19: Projections Summary

Sedona, Arizona	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	10-Year
	Base Year	1	2	3	4	5	6	7	8	9	10	Increase
Population												
Peak Population ¹	12,111	12,338	12,563	12,785	13,006	13,224	13,440	13,653	13,865	14,074	14,281	2,171
Park Population ²	16,975	17,373	17,624	17,873	18,119	18,364	18,606	18,846	19,084	19,319	19,552	2,577
Housing Units												
Single Family	5,922	5,962	6,001	6,039	6,076	6,111	6,146	6,179	6,211	6,242	6,272	350
Multi-Family	1,099	1,179	1,259	1,339	1,419	1,499	1,579	1,659	1,739	1,819	1,899	800
Total	7,021	7,141	7,260	7,378	7,494	7,610	7,724	7,838	7,950	8,061	8,171	1,150
Employment												
Industrial	832	835	838	842	845	848	851	854	857	860	864	31
Commercial	4,717	4,746	4,774	4,803	4,831	4,860	4,888	4,917	4,945	4,974	5,002	285
Office / Other Services	3,234	3,239	3,245	3,250	3,255	3,260	3,265	3,271	3,276	3,281	3,286	52
Institutional	533	536	538	541	543	546	548	550	553	555	558	24
Total	9,317	9,356	9,396	9,435	9,474	9,513	9,553	9,592	9,631	9,670	9,709	392
Nonres. Floor Area (x1,000)												
Industrial	530	532	534	536	538	540	542	544	546	548	550	20
Commercial	2,222	2,235	2,249	2,262	2,276	2,289	2,302	2,316	2,329	2,343	2,356	134
Office / Other Services	993	995	996	998	999	1,001	1,003	1,004	1,006	1,007	1,009	16
Institutional	176	177	178	178	179	180	181	182	182	183	184	8
Total	3,921	3,939	3,957	3,974	3,992	4,010	4,028	4,046	4,063	4,081	4,099	178

1. Peak population includes resident and seasonal

2. Park population includes resident, seasonal, and lodging

AVERAGE WEEKDAY VEHICLE TRIP PROJECTIONS

TischlerBise uses the projections shown below in the calculation of police and street facilities development fees.

Figure L20: Average Weekday Vehicle Trips Summary

Sedona, Arizona	Base	1	2	3	4	5	6	7	8	9	10	10-Year
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Increase
Residential Units	7,021	7,141	7,260	7,378	7,494	7,610	7,724	7,838	7,950	8,061	8,171	1,150
Industrial KSF	530	532	534	536	538	540	542	544	546	548	550	20
Commercial KSF	2,222	2,235	2,249	2,262	2,276	2,289	2,302	2,316	2,329	2,343	2,356	134
Office & Other Services KSF	993	995	996	998	999	1,001	1,003	1,004	1,006	1,007	1,009	16
Institutional KSF	176	177	178	178	179	180	181	182	182	183	184	8
Residential Trips	33,139	33,706	34,267	34,823	35,373	35,919	36,459	36,994	37,523	38,048	38,567	5,428
Residential Trips	33,139	33,706	34,267	34,823	35,373	35,919	36,459	36,994	37,523	38,048	38,567	5,428
Industrial Trips	1,291	1,296	1,300	1,305	1,310	1,315	1,320	1,325	1,330	1,335	1,339	49
Commercial Trips	27,137	27,301	27,464	27,628	27,792	27,955	28,119	28,283	28,446	28,610	28,774	1,637
Office & Other Services Trips	5,382	5,390	5,399	5,408	5,416	5,425	5,434	5,442	5,451	5,460	5,468	87
Institutional Trips	1,312	1,318	1,324	1,330	1,336	1,342	1,348	1,354	1,360	1,366	1,372	60
Nonresidential Trips	35,121	35,305	35,488	35,671	35,854	36,037	36,220	36,404	36,587	36,770	36,953	1,832
Total Vehicle Trips	68,261	69,010	69,754	70,494	71,227	71,956	72,679	73,397	74,110	74,818	75,520	7,260

PARKS AND RECREATIONAL FACILITIES IIP

ARS § 9-463.05 (T)(7)(g) defines the facilities and assets that can be included in the Parks and Recreational Facilities IIP:

“Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.”

The Parks and Recreational Facilities IIP includes components for park land, park amenities, shared-use paths, and the cost of preparing the Parks and Recreational Facilities IIP and related Development Fee Report. The incremental expansion methodology is used for park amenities and shared-use paths. The plan-based methodology is used for park land and the Development Fee Report.

SERVICE AREA

Sedona uses a citywide service area for the Parks and Recreational Facilities IIP.

PROPORTIONATE SHARE

ARS § 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to accommodate new development. The Parks and Recreational Facilities IIP and development fees allocate the cost of necessary public services between residential and nonresidential based on functional population. TischlerBise estimates Sedona’s 2021 park population equal to 16,683 persons. Based on 2021 estimates from the U.S. Census Bureau’s OnTheMap web application, 4,818 inflow commuters traveled to Sedona for work in 2021. The proportionate share is based on cumulative impact days per year with a resident potentially impacting parks and recreational facilities 365 days per year and an inflow commuter potentially impacting parks and recreational facilities 250 days per year. For parks and recreational facilities, residential development generates 83 percent of demand and nonresidential development generates the remaining 17 percent of demand.

Figure PR1: Proportionate Share

Development Type	Service Unit	Impact Days per Year	Cumulative Impact Days per Year	Proportionate Share
Residential	16,683 persons ¹	365	6,089,244	83%
Nonresidential	4,818 inflow commuters ²	250	1,204,500	17%
Total			7,293,744	100%

1. TischlerBise calculation; includes resident, peak, and lodging population, 2021.

2. U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Version 6.23.4, 2021

Residential Impact: 365 days per year

Nonresidential Impact: 5 days per week X 50 weeks per year

RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT

ARS § 9-463.05(E)(4) requires:

“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”

Figure PR2 displays the demand indicators for residential and nonresidential land uses. For residential development, the table displays the number of persons per household. For nonresidential development, the table displays the number of employees per thousand square feet of floor area.

Figure PR2: Ratio of Service Unit to Development Unit

Residential Development per Unit	
Unit Size	Persons per Household ¹
700 or less	1.00
701 to 1,200	1.26
1,201 to 1,700	1.62
1,701 to 2,200	1.98
2,201 to 2,700	2.36
2,701 to 3,200	2.61
3,201 to 3,700	2.83
3,701 to 4,200	2.99
4,201 to 4,700	3.14
4,701 or more	3.28
Lodging (per room)	1.89

Nonresidential Development per 1,000 Square Feet	
Development Type	Jobs per 1,000 Sq Ft ¹
Industrial	1.57
Commercial	2.12
Office / Other Services	3.26
Institutional	3.03

1. See Land Use Assumptions

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

Park Land – Plan-Based

Existing Level of Service

Sedona currently provides 144.10 acres of park land. To allocate the proportionate share of demand for park land to residential and nonresidential development, this analysis uses the proportionate share shown in Figure PR1. Sedona’s existing LOS for residential development is 0.00705 acres per person (144.10 acres X 83 percent residential share / 16,975 persons). For nonresidential development, the existing LOS is 0.00263 acres per job (144.10 acres X 17 percent nonresidential share / 9,317 jobs).

Figure PR3: Existing Level of Service

Level-of-Service (LOS) Standards	
Existing Acres	144.10
Residential	
Residential Share	83%
2024 Park Population	16,975
Acres per Person	0.00705
Nonresidential	
Nonresidential Share	17%
2024 Jobs	9,317
Acres per Job	0.00263

Source: Sedona Parks and Recreation Department

To maintain the existing level of service, Sedona needs to acquire 19.19 acres of park land to serve future development. Based on a projected park population increase of 2,577 persons, future residential development demands an additional 18.16 acres (2,577 additional persons X 0.00705 acres per person). With projected employment growth of 392 jobs, future nonresidential development demands an additional 1.03 acres (392 additional jobs X 0.00263 acres per job).

Planned Level of Service

Due to the scarcity of potential park land sites, Sedona plans to acquire 5.0 acres of park land to serve future development during the next 10 years. Since this is fewer acres than needed to maintain the existing level of service, the analysis includes a downward adjustment to the existing level of service. To calculate the adjusted level of service, the analysis applies an adjustment factor of 26 percent (5.0 planned acres / 19.19 acres based on existing LOS) to the existing level of service. Sedona currently provides 37.5 adjusted acres (144.10 acres X 26 percent adjustment) to existing development.

To allocate the proportionate share of demand for park land to residential and nonresidential development, this analysis uses the proportionate share shown in Figure PR1. Sedona’s adjusted LOS for residential development is 0.00184 adjusted acres per person (37.5 adjusted acres X 83 percent residential share / 16,975 persons). For nonresidential development, the adjusted LOS is 0.00069 adjusted acres per job (37.5 adjusted acres X 17 percent nonresidential share / 9,317 jobs).

Based on estimates provided by the Sedona Parks and Recreation Department, the cost to acquire park land is \$500,000 per acre. For park land, the cost is \$917.98 per person (0.00184 adjusted acres per person X \$500,000 per acre) and \$342.56 per job (0.00069 adjusted acres per job X \$500,000 per acre).

Figure PR4: Planned Level of Service

Cost Factors	
Cost per Acre	\$500,000

Level-of-Service (LOS) Standards	
Existing Acres	144.10
Adjustment	26%
Adjusted Acres	37.5
Residential	
Residential Share	83%
2024 Park Population	16,975
Adjusted Acres per Person	0.00184
Cost per Person	\$917.98
Nonresidential	
Nonresidential Share	17%
2024 Jobs	9,317
Adjusted Acres per Job	0.00069
Cost per Job	\$342.56

Source: Sedona Parks and Recreation Department

Park Amenities – Incremental Expansion

Sedona currently provides 69 park amenities in its existing parks and plans to construct additional park amenities to serve future development. Based on recent and planned costs to construct park amenities, the total cost of Sedona’s existing park amenities in the is \$15,789,500. The weighted average cost is \$228,833 per park amenity, and the analysis uses this as a proxy for future park amenity costs.

Figure PR5: Existing Park Amenities

Description	Units	Unit Cost	Total Cost
Baseball / Softball Field, Lighted	1	\$900,000	\$900,000
Basketball Court, Lighted	1	\$180,000	\$180,000
Basketball Court, Unlighted	1	\$120,000	\$120,000
Bike Park	1	\$523,000	\$523,000
Concession Building	1	\$379,000	\$379,000
Disc Golf	1	\$90,000	\$90,000
Dog Park	1	\$444,000	\$444,000
Fitness Trail	1	\$100,000	\$100,000
Parking Lot	12	\$300,000	\$3,600,000
Pickleball Court	8	\$150,000	\$1,200,000
Playground	3	\$400,000	\$1,200,000
Ramada	12	\$74,000	\$888,000
Restroom	6	\$350,000	\$2,100,000
Shade Structure	11	\$45,000	\$495,000
Skate Park	1	\$852,000	\$852,000
Soccer Field	1	\$530,000	\$530,000
Splash Pad	1	\$400,000	\$400,000
The Hub	1	\$1,130,500	\$1,130,500
Tennis Court, Lighted	2	\$180,000	\$360,000
Tennis Court, Unlighted	2	\$110,000	\$220,000
Volleyball Court (sand)	1	\$78,000	\$78,000
Total	69	\$228,833	\$15,789,500

Source: Sedona Parks and Recreation Department

To allocate the proportionate share of demand for park amenities to residential and nonresidential development, this analysis uses the proportionate share shown in Figure PR1. Sedona’s existing LOS for residential development is 0.00337 units per person (69 units X 83 percent residential share / 16,975 persons). For nonresidential development, the existing LOS is 0.00126 units per job (69 units X 17 percent nonresidential share / 9,317 jobs).

The weighted average cost of existing park amenities is \$228,833 per unit (\$15,789,500 total cost / 69 units), and the analysis uses this as a proxy for future park amenity costs. Sedona may use development fees to construct additional park amenities in existing or future parks. For park amenities, the cost is \$772.01 per person (0.00337 units per person X \$228,833 per unit) and \$288.09 per job (0.00126 units per job X \$228,833 per unit).

Figure PR6: Existing Level of Service

Cost Factors	
Weighted Average per Unit	\$228,833

Level-of-Service (LOS) Standards	
Existing Units	69
Residential	
Residential Share	83%
2024 Park Population	16,975
Units per Person	0.00337
Cost per Person	\$772.01
Nonresidential	
Nonresidential Share	17%
2024 Jobs	9,317
Units per Job	0.00126
Cost per Job	\$288.09

Source: Sedona Parks and Recreation Department

Shared-Use Paths – Incremental

Sedona currently provides 1.24 miles of shared-use paths in its existing parks and plans to construct additional shared-use paths to serve future development. Based on planned construction costs, the total cost of Sedona’s existing shared-use paths is \$680,777. The weighted average cost is \$547,525 per mile, and the analysis uses this as a proxy for future shared-use path costs.

To allocate the proportionate share of demand for shared-use paths to residential and nonresidential development, this analysis uses the proportionate share shown in Figure PR1. Sedona’s existing LOS for residential development is 0.00006 miles per person (1.24 miles X 83 percent residential share / 16,975 persons). For nonresidential development, the existing LOS is 0.00002 miles per job (1.24 miles X 17 percent nonresidential share / 9,317 jobs).

The weighted average cost of existing shared-use paths is \$547,525 per mile (\$680,777 total cost / 1.24 miles), and the analysis uses this as a proxy for future shared-use path costs. Sedona may use development fees to construct additional shared-use paths in existing or future parks. For shared-use paths, the cost is \$33.29 per person (0.00006 miles per person X \$547,525 per mile) and \$12.42 per job (0.00002 miles per job X \$547,525 per mile).

Figure PR7: Existing Level of Service

Description	Miles	Unit Cost	Total Cost
Decomposed Granite	0.94	\$300,000	\$280,682
Concrete	0.31	\$1,300,000	\$400,095
Total	1.24	\$547,525	\$680,777

Cost Factors	
Weighted Average per Mile	\$547,525

Level-of-Service (LOS) Standards	
Existing Shared-Use Paths (miles)	1.24
Residential	
Residential Share	83%
2024 Park Population	16,975
Miles per Person	0.00006
Cost per Person	\$33.29
Nonresidential	
Nonresidential Share	17%
2024 Jobs	9,317
Miles per Job	0.00002
Cost per Job	\$12.42

Source: Sedona Parks and Recreation Department

Development Fee Report – Plan-Based

The cost to prepare the Parks and Recreational Facilities IIP and development fees totals \$17,500. Sedona plans to update its report every five years. Based on this cost, proportionate share, and five-year projections of new development from the *Land Use Assumptions* document, the cost is \$10.46 per person and \$15.17 per job.

Figure PR8: IIP and Development Fee Report

Necessary Public Service	Cost	Proportionate Share		Service Unit	5-Year Change	Cost per Service Unit
Parks and Recreational	\$17,500	Residential	83%	Park Population	1,388	\$10.46
		Nonresidential	17%	Jobs	196	\$15.17
Police	\$18,000	Residential	69%	Police Population	1,113	\$11.16
		Nonresidential	31%	Vehicle Trips	916	\$6.09
Street	\$20,820	All Development	100%	VMT	13,299	\$1.56
Total	\$56,320					

PROJECTED DEMAND FOR SERVICES AND COSTS

ARS § 9-463.05(E)(5) requires:

“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”

ARS § 9-463.05(E)(6) requires:

“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”

As shown in the *Land Use Assumptions* document, Sedona’s park population is expected to increase by 2,577 persons and employment is expected to increase by 392 jobs over the next 10 years. To maintain the desired levels of service, Sedona plans to acquire five acres of park land, construct approximately 9.2 park amenities, and construct approximately 0.17 miles of shared-use paths (this does not include shared-use paths within street rights of way included in the street facilities development fee). The following pages include a more detailed projection of demand for services and costs for the Parks and Recreational Facilities IIP.

Park Land – Plan-Based

Sedona plans to acquire five acres of park land in the next 10 years. Based on a projected park population increase of 2,577 persons, future residential development demands an additional 4.73 acres (2,577 additional persons X 0.00184 adjusted acres per person). With projected employment growth of 392 jobs, future nonresidential development demands an additional 0.27 acres (392 additional jobs X 0.00069 adjusted acres per job). This results in a cost of \$2,500,000 (5.0 acres X \$500,000 per acre).

Figure PR9: Projected Demand

Type of Infrastructure	Level of Service	Demand Unit	Cost per Acre
Park Land	0.00184 Adjusted Acres	per Person	\$500,000
	0.00069 Adjusted Acres	per Job	

Demand for Park Land					
Year	Park Population	Jobs	Acres		
			Residential	Nonresidential	Total
2024	16,975	9,317	31.17	6.38	37.55
2025	17,373	9,356	31.90	6.41	38.31
2026	17,624	9,396	32.36	6.44	38.79
2027	17,873	9,435	32.81	6.46	39.28
2028	18,119	9,474	33.27	6.49	39.76
2029	18,364	9,513	33.72	6.52	40.23
2030	18,606	9,553	34.16	6.54	40.70
2031	18,846	9,592	34.60	6.57	41.17
2032	19,084	9,631	35.04	6.60	41.64
2033	19,319	9,670	35.47	6.63	42.09
2034	19,552	9,709	35.90	6.65	42.55
10-Yr Increase	2,577	392	4.73	0.27	5.00

Growth-Related Expenditures	\$2,365,627	\$134,373	\$2,500,000
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Park Amenities – Incremental Expansion

Sedona plans to maintain its existing level of service for park amenities over the next 10 years. Based on a projected park population increase of 2,577 persons, future residential development demands an additional 8.7 park amenities (2,577 additional persons X 0.00337 units per person). With projected employment growth of 392 jobs, future nonresidential development demands an additional 0.5 park amenities (392 additional jobs X 0.00126 units per job). Future development demands 9.2 additional park amenities at a cost of \$2,102,479 (9.2 units X \$228,833 per unit). Sedona may use development fees to construct additional park amenities.

Figure PR10: Projected Demand

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Park Amenities	0.00337 Units	per Person	\$228,833
	0.00126 Units	per Job	

Demand for Park Amenities					
Year	Park Population	Jobs	Units		
			Residential	Nonresidential	Total
2024	16,975	9,317	57.3	11.7	69.0
2025	17,373	9,356	58.6	11.8	70.4
2026	17,624	9,396	59.5	11.8	71.3
2027	17,873	9,435	60.3	11.9	72.2
2028	18,119	9,474	61.1	11.9	73.1
2029	18,364	9,513	62.0	12.0	73.9
2030	18,606	9,553	62.8	12.0	74.8
2031	18,846	9,592	63.6	12.1	75.7
2032	19,084	9,631	64.4	12.1	76.5
2033	19,319	9,670	65.2	12.2	77.4
2034	19,552	9,709	66.0	12.2	78.2
10-Yr Increase	2,577	392	8.7	0.5	9.2

Growth-Related Expenditures	\$1,989,473	\$113,006	\$2,102,479
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Shared-Use Paths – Incremental Expansion

Sedona plans to maintain its existing level of service for shared-use paths over the next 10 years. Based on a projected park population increase of 2,577 persons, future residential development demands an additional 0.16 miles of shared-use paths (2,577 additional persons X 0.00006 miles per person). With projected employment growth of 392 jobs, future nonresidential development demands an additional 0.01 miles of shared-use paths (392 additional jobs X 0.00002 miles per job). Future development demands 0.17 miles of shared-use paths at a cost of \$90,650 (0.17 miles X \$547,525 per amenity). Sedona may use development fees to construct additional shared-use paths.

Figure PR11: Projected Demand

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Shared-Use Paths	0.00006 Miles	per Person	\$547,525
	0.00002 Miles	per Job	

Demand for Shared-Use Paths					
Year	Park Population	Jobs	Miles		
			Residential	Nonresidential	Total
2024	16,975	9,317	1.03	0.21	1.24
2025	17,373	9,356	1.06	0.21	1.27
2026	17,624	9,396	1.07	0.21	1.28
2027	17,873	9,435	1.09	0.21	1.30
2028	18,119	9,474	1.10	0.21	1.32
2029	18,364	9,513	1.12	0.22	1.33
2030	18,606	9,553	1.13	0.22	1.35
2031	18,846	9,592	1.15	0.22	1.36
2032	19,084	9,631	1.16	0.22	1.38
2033	19,319	9,670	1.17	0.22	1.39
2034	19,552	9,709	1.19	0.22	1.41
10-Yr Increase	2,577	392	0.16	0.01	0.17

Growth-Related Expenditures	\$85,778	\$4,872	\$90,650
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PARKS AND RECREATIONAL FACILITIES DEVELOPMENT FEES

Revenue Credit/Offset

A revenue credit/offset is not necessary for development fees, because Sedona’s construction transaction privilege tax rate does not exceed the amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications. Appendix A contains the forecast of revenues required by Arizona’s Enabling Legislation (ARS § 9-463.05(E)(7)).

Parks and Recreational Facilities Development Fees

Infrastructure components and cost factors for parks and recreational facilities are summarized in the upper portion of Figure PR12. The cost per service unit is \$1,733.74 per person and \$658.24 per job.

Parks and recreational facilities fees for residential development are calculated per housing unit, based on unit size, and vary proportionately according to the number of persons per household. The fee of \$3,433 for a residential unit with 2,000 square feet is calculated using a cost per service unit of \$1,733.74 per person multiplied by a demand unit of 1.98 persons per household.

Nonresidential development fees are calculated per square foot and vary proportionately according to the number of jobs per service unit. The fee of \$1.03 per square foot of industrial development is derived from a cost per service unit of \$658.24 per job, multiplied by a demand unit of 1.57 jobs per 1,000 square feet, and divided by 1,000.

Figure PR12: Parks and Recreational Facilities Development Fees

Fee Component	Cost per Person	Cost per Job
Park Land	\$917.98	\$342.56
Park Amenities	\$772.01	\$288.09
Shared-Use Paths	\$33.29	\$12.42
Development Fee Report	\$10.46	\$15.17
Total	\$1,733.74	\$658.24

Residential Fees per Unit				
Unit Size	Persons per Household ¹	Proposed Fees	Current Fees	Difference
700 or less	1.00	\$1,734	\$717	\$1,017
701 to 1,200	1.26	\$2,185	\$1,004	\$1,181
1,201 to 1,700	1.62	\$2,809	\$1,363	\$1,447
1,701 to 2,200	1.98	\$3,433	\$1,578	\$1,856
2,201 to 2,700	2.36	\$4,092	\$1,721	\$2,371
2,701 to 3,200	2.61	\$4,525	\$1,865	\$2,661
3,201 to 3,700	2.83	\$4,906	\$2,008	\$2,898
3,701 to 4,200	2.99	\$5,184	\$2,151	\$3,033
4,201 to 4,700	3.14	\$5,444	\$2,223	\$3,221
4,701 or more	3.28	\$5,687	\$2,295	\$3,392
Lodging (per room)	1.89	\$3,277	\$1,434	\$1,843

Nonresidential Fees per Square Foot				
Development Type	Jobs per 1,000 Sq Ft ¹	Proposed Fees	Current Fees	Difference
Industrial	1.57	\$1.03	\$0.74	\$0.29
Commercial	2.12	\$1.40	\$1.07	\$0.33
Office / Other Services	3.26	\$2.15	\$1.36	\$0.79
Institutional	3.03	\$1.99	\$0.42	\$1.57

1. See Land Use Assumptions

PARKS AND RECREATIONAL FACILITIES DEVELOPMENT FEE REVENUE

Appendix A contains the forecast of revenues required by Arizona’s Enabling Legislation (ARS § 9-463.05(E)(7)). In accordance with state law, this report includes an IIP for parks and recreational facilities needed to accommodate new development. Projected fee revenue shown in Figure PR13 is based on the development projections in the *Land Use Assumptions* document and the updated development fees for parks and recreational facilities shown in Figure PR12. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase and development fee revenue will increase at a corresponding rate. If development occurs at a slower rate than projected, the demand for infrastructure will also decrease, along with development fee revenue. Projected development fee revenue equals \$4,191,084, and projected expenditures equal \$4,710,629. Since Sedona will assess residential development fees based on unit size, and the analysis projects residential development fee revenue based on a residential unit with 2,000 square feet (average size residential unit), actual development fee revenue will vary based on the actual mix of future residential units.

Figure PR13: Parks and Recreational Facilities Development Fee Revenue

Fee Component	Growth Share	Existing Share	Total
Park Land	\$2,500,000	\$0	\$2,500,000
Park Amenities	\$2,102,479	\$0	\$2,102,479
Shared-Use Paths	\$90,650	\$0	\$90,650
Development Fee Report	\$17,500	\$0	\$17,500
Total	\$4,710,629	\$0	\$4,710,629

		Residential \$3,433 per unit	Industrial \$1.03 per sq ft	Commercial \$1.40 per sq ft	Office / Other \$2.15 per sq ft	Institutional \$1.99 per sq ft
Year		Hsg Unit	KSF	KSF	KSF	KSF
Base	2024	7,021	530	2,222	993	176
Year 1	2025	7,141	532	2,235	995	177
Year 2	2026	7,260	534	2,249	996	178
Year 3	2027	7,378	536	2,262	998	178
Year 4	2028	7,494	538	2,276	999	179
Year 5	2029	7,610	540	2,289	1,001	180
Year 6	2030	7,724	542	2,302	1,003	181
Year 7	2031	7,838	544	2,316	1,004	182
Year 8	2032	7,950	546	2,329	1,006	182
Year 9	2033	8,061	548	2,343	1,007	183
Year 10	2034	8,171	550	2,356	1,009	184
10-Year Increase		1,150	20	134	16	8
Projected Revenue		\$3,936,105	\$20,431	\$184,838	\$33,938	\$15,772

Projected Fee Revenue	\$4,191,084
Total Expenditures	\$4,710,629

POLICE FACILITIES IIP

ARS § 9-463.05 (T)(7)(f) defines the eligible facilities and assets for the Police Facilities IIP:

“Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.”

The Police Facilities IIP includes components for police facilities, police vehicles, communication equipment, and the cost of preparing the Police Facilities IIP and related Development Fee Report. The incremental expansion methodology, based on the current level of service, is used for police facilities, police vehicles, and communication equipment. The plan-based methodology is used for the Development Fee Report.

SERVICE AREA

Sedona uses a citywide service area for the Police Facilities IIP.

PROPORTIONATE SHARE

ARS § 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to accommodate new development. The Police Facilities IIP and development fees will allocate the cost of police infrastructure between residential and nonresidential using functional population. Functional population is similar to what the U.S. Census Bureau calls "daytime population," by accounting for people living and working in a jurisdiction, but also considers commuting patterns and time spent at home and at nonresidential locations. The functional population approach allocates the cost of the police infrastructure to residential and nonresidential development based on the activity of residents and workers through the 24 hours in a day.

Residents that do not work are assigned 20 hours per day to residential development and four hours per day to nonresidential development (annualized averages). Residents that work in Sedona are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents that work outside Sedona are assigned 14 hours to residential development, the remaining 10 hours in the day are assumed to be spent working outside of Sedona. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2021 functional population data, residential development accounts for 69 percent of the functional population, while nonresidential development accounts for 31 percent.

Figure P1: Proportionate Share

Demand Units in 2021			
Residential	Peak Population	11,818	
	Residents Not Working	8,682	Demand Hours/Day: 20, Person Hours: 173,640
	Employed Residents	3,136	
	Employed in Sedona	1,268	Demand Hours/Day: 14, Person Hours: 17,752
	Employed outside Sedona	1,868	Demand Hours/Day: 14, Person Hours: 26,152
	Residential Subtotal		217,544
			Residential Share 69%
Nonresidential	Non-working Residents	8,682	Demand Hours/Day: 4, Person Hours: 34,728
	Jobs Located in Sedona	6,086	
	Residents Employed in Sedona	1,268	Demand Hours/Day: 10, Person Hours: 12,680
	Non-Resident Workers (inflow commuters)	4,818	Demand Hours/Day: 10, Person Hours: 48,180
	Nonresidential Subtotal		95,588
			Nonresidential Share 31%
	Total		313,132

Source: Arizona Office of Economic Opportunity (population), U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Version 6.23.4 (employment).

The proportionate share of costs attributable to residential development will be allocated to population and then converted to an appropriate amount by type of housing unit. TischlerBise recommends using vehicle trips as the demand indicator for nonresidential demand for police services. Trip generation rates are used for nonresidential development because vehicle trips are highest for commercial developments, such as shopping centers, and lowest for industrial development. Office and institutional trip rates fall between the other two categories. This ranking of trip rates is consistent with the relative demand for public safety services from nonresidential development. Other possible nonresidential demand indicators, such as employment or floor area, will not accurately reflect the demand for service. For example, if employees per thousand square feet were used as the demand indicator, police development fees would be disproportionately high for office and institutional development because these types of development typically have more employees per 1,000 square feet than commercial uses. If floor area were used as the demand indicator, police development fees would be disproportionately high for industrial development.

RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT

ARS § 9-463.05(E)(4) requires:

“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”

Figure P2 displays the demand indicators for residential and nonresidential land uses. For residential development, the table displays the number of persons per household. For nonresidential development, the table displays vehicle trips per thousand square feet of floor area.

Figure P2: Ratio of Service Unit to Development Unit

Residential Development per Unit	
Unit Size	Persons per Household ¹
700 or less	1.00
701 to 1,200	1.26
1,201 to 1,700	1.62
1,701 to 2,200	1.98
2,201 to 2,700	2.36
2,701 to 3,200	2.61
3,201 to 3,700	2.83
3,701 to 4,200	2.99
4,201 to 4,700	3.14
4,701 or more	3.28

Nonresidential Development per 1,000 Square Feet			
Development Type	AWVTE per 1,000 Sq Ft ¹	Trip Rate Adjustment	Avg Weekday Vehicle Trips
Industrial	4.87	50%	2.44
Commercial	37.01	33%	12.21
Office / Other Services	10.84	50%	5.42
Institutional	22.59	33%	7.45
Lodging (per room)	7.99	50%	4.00

1. See Land Use Assumptions

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

Police Facilities – Incremental Expansion

Sedona currently provides 20,354 square feet of police facilities to existing development, and Sedona plans to construct additional police facilities to serve future development. To allocate the proportionate share of demand for police vehicles to residential and nonresidential development, this analysis uses functional population outlined in Figure P1. Sedona’s existing level of service for residential development is 1.1597 square feet per person (20,354 square feet X 69 percent residential share / 12,111 persons). The nonresidential level of service is 0.1797 square feet per vehicle trip (20,354 square feet X 31 percent nonresidential share / 35,121 vehicle trips).

Based on TischlerBise estimates, the construction cost for police facilities is \$750 per square foot. Sedona may use development fees to construct or expand polices facilities to serve future development. For police facilities, the cost is \$869.75 per person (1.1597 square feet per person X \$750 per square foot) and \$134.74 per vehicle trip (0.1797 square feet per vehicle trip X \$750 per square foot).

Figure P3: Existing Level of Service

Description	Square Feet
Police Station	7,960
Parking Garage	11,227
Shooting Range	1,167
Total	20,354

Cost Factors	
Cost per Square Foot	\$750

Level-of-Service (LOS) Standards	
Existing Square Feet	20,354
Residential	
Residential Share	69%
2024 Peak Population	12,111
Square Feet per Person	1.1597
Cost per Person	\$869.75
Nonresidential	
Nonresidential Share	31%
2024 Vehicle Trips	35,121
Square Feet per Vehicle Trip	0.1797
Cost per Vehicle Trip	\$134.74

Source: Sedona Police Department

Police Vehicles – Incremental Expansion

Sedona has 49 police vehicles with a total cost of \$4,076,600, and Sedona plans to acquire additional police vehicles to serve future development. To allocate the proportionate share of demand for police vehicles to residential and nonresidential development, this analysis uses functional population outlined in Figure P1. Sedona’s existing level of service for residential development is 0.0028 units per person (49 units X 69 percent residential share / 12,111 persons). The nonresidential level of service is 0.0004 units per vehicle trip (49 units X 31 percent nonresidential share / 35,121 vehicle trips).

Based on the total cost of Sedona’s existing fleet of police vehicles, the weighted average cost is \$83,196 per unit (\$4,076,600 total cost / 49 units). Sedona may use development fees to expand its police vehicle fleet. For police vehicles, the cost is \$232.26 per person (0.0028 units per person X \$83,196 per unit) and \$35.98 per vehicle trip (0.0004 units per vehicle trip X \$83,196 per unit).

Figure P4: Existing Level of Service

Description	Units	Unit Cost	Total Cost
Patrol Vehicle - Marked	31	\$89,600	\$2,777,600
Patrol Vehicle - Unmarked	12	\$74,400	\$892,800
Pickup Truck	3	\$79,400	\$238,200
Motorcycle	3	\$56,000	\$168,000
Total	49	\$83,196	\$4,076,600

Cost Factors	
Weighted Average per Unit	\$83,196

Level-of-Service (LOS) Standards	
Existing Units	49
Residential	
Residential Share	69%
2024 Peak Population	12,111
Units per Person	0.0028
Cost per Person	\$232.26
Nonresidential	
Nonresidential Share	31%
2024 Vehicle Trips	35,121
Units per Vehicle Trip	0.0004
Cost per Vehicle Trip	\$35.98

Source: Sedona Police Department

Communication Equipment – Incremental Expansion

Sedona has 58 units of communication equipment with a total cost of \$2,819,100, and Sedona plans to acquire additional units to serve future development. To allocate the proportionate share of demand for communication equipment to residential and nonresidential development, this analysis uses functional population outlined in Figure P1. Sedona’s existing level of service for residential development is 0.0033 units per person (58 units X 69 percent residential share / 12,111 persons). The nonresidential level of service is 0.0005 units per vehicle trip (58 units X 31 percent nonresidential share / 35,121 trips).

Based on the total cost of Sedona’s existing communication equipment, the weighted average cost is \$48,605 per unit (\$2,819,100 total cost / 58 units). Sedona may use development fees to acquire additional communication equipment. For communication equipment, the cost is \$160.62 per person (0.0033 units per person X \$48,605 per unit) and \$24.88 per trip (0.0005 units per trip X \$48,605 per unit).

Figure P5: Existing Level of Service

Description	Units	Unit Cost	Total Cost
Radio Infrastructure	1	\$1,549,100	\$1,549,100
Radios - Handheld	52	\$3,000	\$156,000
Dispatch Center Equipment	1	\$64,500	\$64,500
Dispatch Work Station	2	\$25,800	\$51,600
Spillman	1	\$710,000	\$710,000
Qwest / 911	1	\$287,900	\$287,900
Total	58	\$48,605	\$2,819,100

Cost Factors	
Weighted Average per Unit	\$48,605

Level-of-Service (LOS) Standards	
Existing Units	58
Residential	
Residential Share	69%
2024 Peak Population	12,111
Units per Person	0.0033
Cost per Person	\$160.62
Nonresidential	
Nonresidential Share	31%
2024 Vehicle Trips	35,121
Units per Vehicle Trip	0.0005
Cost per Vehicle Trip	\$24.88

Source: Sedona Police Department

Development Fee Report – Plan-Based

The cost to prepare the Police Facilities IIP and related Development Fee Report equals \$18,000. Sedona plans to update its report every five years. Based on this cost, proportionate share, and five-year projections of new residential and nonresidential development from the *Land Use Assumptions* document, the cost is \$11.16 per person and \$6.09 per vehicle trip.

Figure P6: IIP and Development Fee Report

Necessary Public Service	Cost	Proportionate Share		Service Unit	5-Year Change	Cost per Service Unit
Parks and Recreational	\$17,500	Residential	83%	Park Population	1,388	\$10.46
		Nonresidential	17%	Jobs	196	\$15.17
Police	\$18,000	Residential	69%	Police Population	1,113	\$11.16
		Nonresidential	31%	Vehicle Trips	916	\$6.09
Street	\$20,820	All Development	100%	VMT	13,299	\$1.56
Total	\$56,320					

PROJECTED DEMAND FOR SERVICES AND COSTS

ARS § 9-463.05(E)(5) requires:

“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”

ARS § 9-463.05(E)(6) requires:

“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”

As shown in the *Land Use Assumptions* document, Sedona’s peak population is expected to increase by 2,171 persons and nonresidential vehicle trips are expected to increase by 1,832 over the next 10 years. To maintain the existing levels of service over the next 10 years, Sedona needs to construct approximately 2,846 square feet of facilities, acquire approximately 7 police vehicles, and acquire approximately 8 units of communication equipment. The following pages include a more detailed projection of demand for services and costs for the Police Facilities IIP.

Police Facilities – Incremental Expansion

Sedona plans to maintain its existing level of service for police facilities over the next 10 years. Based on a projected peak population increase of 2,171 persons, future residential development demands an additional 2,517.2 square feet (2,171 additional persons X 1.1597 square feet per person). With projected nonresidential vehicle trip growth of 1,832 vehicle trips, future nonresidential development demands an additional 329.1 square feet (1,832 additional vehicle trips X 0.1797 square feet per vehicle trip). Future development demands approximately 2,846 square feet of police facilities at a cost of \$2,134,713 (2,846.3 square feet X \$750 per square foot). Sedona may use development fees to expand its police facilities.

Figure P7: Projected Demand

Type of Infrastructure	Level of Service	Demand Unit	Cost per Sq Ft
Police Facilities	1.1597 Square Feet	per Person	\$750
	0.1797 Square Feet	per Vehicle Trip	

Demand for Police Facilities					
Year	Peak Population	Vehicle Trips	Square Feet		
			Residential	Nonresidential	Total
2024	12,111	35,121	14,044.3	6,309.7	20,354.0
2025	12,338	35,305	14,307.6	6,342.6	20,650.2
2026	12,563	35,488	14,568.4	6,375.6	20,943.9
2027	12,785	35,671	14,826.5	6,408.5	21,235.0
2028	13,006	35,854	15,082.1	6,441.4	21,523.5
2029	13,224	36,037	15,335.1	6,474.3	21,809.4
2030	13,440	36,220	15,585.6	6,507.2	22,092.8
2031	13,653	36,404	15,833.4	6,540.1	22,373.5
2032	13,865	36,587	16,078.7	6,573.0	22,651.7
2033	14,074	36,770	16,321.4	6,605.9	22,927.3
2034	14,281	36,953	16,561.5	6,638.8	23,200.3
10-Yr Increase	2,171	1,832	2,517.2	329.1	2,846.3

Growth-Related Expenditures	\$1,887,916	\$246,797	\$2,134,713
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Police Vehicles – Incremental Expansion

Sedona plans to maintain its existing level of service for police vehicles over the next 10 years. Based on a projected population increase of 2,171 persons, future residential development demands an additional 6.1 units (2,171 additional persons X 0.0028 units per person). With projected nonresidential vehicle trip growth of 1,832 vehicle trips, future nonresidential development demands an additional 0.8 units (1,832 additional vehicle trips X 0.0004 units per vehicle trip). Future development demands approximately 6.9 units at a cost of \$570,068 (6.9 units X \$83,196 per unit). Sedona may use development fees to expand its police vehicle fleet.

Figure P8: Projected Demand

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Police Vehicles	0.0028 Units	per Person	\$83,196
	0.0004 Units	per Vehicle Trip	

Demand for Police Vehicles					
Year	Peak Population	Vehicle Trips	Units		
			Residential	Nonresidential	Total
2024	12,111	35,121	33.8	15.2	49.0
2025	12,338	35,305	34.4	15.3	49.7
2026	12,563	35,488	35.1	15.3	50.4
2027	12,785	35,671	35.7	15.4	51.1
2028	13,006	35,854	36.3	15.5	51.8
2029	13,224	36,037	36.9	15.6	52.5
2030	13,440	36,220	37.5	15.7	53.2
2031	13,653	36,404	38.1	15.7	53.9
2032	13,865	36,587	38.7	15.8	54.5
2033	14,074	36,770	39.3	15.9	55.2
2034	14,281	36,953	39.9	16.0	55.9
10-Yr Increase	2,171	1,832	6.1	0.8	6.9

Growth-Related Expenditures	\$504,161	\$65,906	\$570,068
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Communication Equipment – Incremental Expansion

Sedona plans to maintain its existing level of service for communication equipment over the next 10 years. Based on a projected population increase of 2,171 persons, future residential development demands an additional 7.2 units (2,171 additional persons X 0.0033 units per person). With projected nonresidential vehicle trip growth of 1,832 vehicle trips, future nonresidential development demands an additional 0.9 units (1,832 additional vehicle trips X 0.0005 units per vehicle trip). Future development demands approximately 8.1 units at a cost of \$394,220 (8.1 units X \$48,605 per unit).

Figure P9: Projected Demand

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Communication Equipment	0.0033 Units	per Person	\$48,605
	0.0005 Units	per Vehicle Trip	

Demand for Communication Equipment					
Year	Peak Population	Vehicle Trips	Units		
			Residential	Nonresidential	Total
2024	12,111	35,121	40.0	18.0	58.0
2025	12,338	35,305	40.8	18.1	58.8
2026	12,563	35,488	41.5	18.2	59.7
2027	12,785	35,671	42.2	18.3	60.5
2028	13,006	35,854	43.0	18.4	61.3
2029	13,224	36,037	43.7	18.4	62.1
2030	13,440	36,220	44.4	18.5	63.0
2031	13,653	36,404	45.1	18.6	63.8
2032	13,865	36,587	45.8	18.7	64.5
2033	14,074	36,770	46.5	18.8	65.3
2034	14,281	36,953	47.2	18.9	66.1
10-Yr Increase	2,171	1,832	7.2	0.9	8.1

Growth-Related Expenditures	\$348,644	\$45,576	\$394,220
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POLICE FACILITIES DEVELOPMENT FEES

Revenue Credit/Offset

A revenue credit/offset is not necessary for development fees, because Sedona’s construction transaction privilege tax rate does not exceed the amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications. Appendix A contains the forecast of revenues required by Arizona’s Enabling Legislation (ARS § 9-463.05(E)(7)).

Police Facilities Development Fees

Infrastructure components and cost factors for police facilities are summarized in the upper portion of Figure P10. The cost per service unit is \$1,273.79 per person and \$201.69 per vehicle trip.

Police facilities fees for residential development are calculated per housing unit, based on unit size, and vary proportionately according to the number of persons per household. The fee of \$2,522 for a residential unit with 2,000 square feet is calculated using a cost per service unit of \$1,273.79 per person multiplied by a demand unit of 1.98 persons per household.

Nonresidential development fees are calculated per square foot and vary proportionately according to the number of vehicle trips per service unit. The fee of \$0.49 per square foot of industrial development is derived from a cost per service unit of \$201.69 per job, multiplied by a demand unit of 2.44 vehicle trips per 1,000 square feet, and divided by 1,000.

Figure P10: Police Facilities Development Fees

Fee Component	Cost per Person	Cost per Trip
Police Facilities	\$869.75	\$134.74
Police Vehicles	\$232.26	\$35.98
Communication Equipment	\$160.62	\$24.88
Development Fee Report	\$11.16	\$6.09
Total	\$1,273.79	\$201.69

Residential Fees per Unit				
Unit Size	Persons per Household ¹	Proposed Fees	Current Fees	Difference
700 or less	1.00	\$1,274	\$468	\$806
701 to 1,200	1.26	\$1,605	\$656	\$949
1,201 to 1,700	1.62	\$2,064	\$890	\$1,174
1,701 to 2,200	1.98	\$2,522	\$1,030	\$1,492
2,201 to 2,700	2.36	\$3,006	\$1,124	\$1,882
2,701 to 3,200	2.61	\$3,325	\$1,218	\$2,108
3,201 to 3,700	2.83	\$3,605	\$1,311	\$2,294
3,701 to 4,200	2.99	\$3,809	\$1,405	\$2,404
4,201 to 4,700	3.14	\$4,000	\$1,452	\$2,548
4,701 or more	3.28	\$4,178	\$1,498	\$2,680

Nonresidential Fees per Square Foot				
Development Type	AWVT per 1,000 Sq Ft ¹	Proposed Fees	Current Fees	Difference
Industrial	2.44	\$0.49	\$0.16	\$0.33
Commercial	12.21	\$2.46	\$0.83	\$1.63
Office / Other Services	5.42	\$1.09	\$0.32	\$0.77
Institutional	7.45	\$1.50	\$0.43	\$1.07
Lodging (per room)	4.00	\$807	\$278	\$529

1. See Land Use Assumptions

POLICE FACILITIES DEVELOPMENT FEE REVENUE

Appendix A contains the forecast of revenues required by Arizona’s Enabling Legislation (ARS § 9-463.05(E)(7)). In accordance with state law, this report includes an IIP for police facilities needed to accommodate new development. Projected fee revenue shown in Figure P11 is based on the development projections in the *Land Use Assumptions* document and the updated development fees for police facilities shown in Figure P10. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase and development fee revenue will increase at a corresponding rate. If development occurs at a slower rate than projected, the demand for infrastructure will also decrease, along with development fee revenue. Projected development fee revenue equals \$3,251,792, and projected expenditures equal \$3,117,001. Since Sedona will assess residential development fees based on unit size, and the analysis projects residential development fee revenue based on a residential unit with 2,000 square feet (average size residential unit), actual development fee revenue will vary based on the actual mix of future residential units.

Figure P11: Police Facilities Development Fee Revenue

Fee Component	Growth Share	Existing Share	Total
Police Facilities	\$2,134,713	\$0	\$2,134,713
Police Vehicles	\$570,068	\$0	\$570,068
Communication Equipment	\$394,220	\$0	\$394,220
Development Fee Report	\$18,000	\$0	\$18,000
Total	\$3,117,001	\$0	\$3,117,001

		Residential \$2,522 per unit	Industrial \$0.49 per sq ft	Commercial \$2.46 per sq ft	Office / Other \$1.09 per sq ft	Institutional \$1.50 per sq ft
Year		Hsg Unit	KSF	KSF	KSF	KSF
Base	2024	7,021	530	2,222	993	176
Year 1	2025	7,141	532	2,235	995	177
Year 2	2026	7,260	534	2,249	996	178
Year 3	2027	7,378	536	2,262	998	178
Year 4	2028	7,494	538	2,276	999	179
Year 5	2029	7,610	540	2,289	1,001	180
Year 6	2030	7,724	542	2,302	1,003	181
Year 7	2031	7,838	544	2,316	1,004	182
Year 8	2032	7,950	546	2,329	1,006	182
Year 9	2033	8,061	548	2,343	1,007	183
Year 10	2034	8,171	550	2,356	1,009	184
10-Year Increase		1,150	20	134	16	8
Projected Revenue		\$2,888,021	\$9,694	\$325,011	\$17,226	\$11,839

Projected Fee Revenue	\$3,251,792
Total Expenditures	\$3,117,001

STREET FACILITIES IIP

ARS § 9-463.05 (T)(7)(e) defines the eligible facilities and assets for the Street Facilities IIP:

“Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.”

The Street Facilities IIP includes components for street improvements, shared-use paths, intersection improvements, and the cost of preparing the Street Facilities IIP and related Development Fee Report. The incremental expansion methodology is used for street improvements, shared-use paths, and intersection improvements. The plan-based methodology is used for the Development Fee Report.

SERVICE AREA

Sedona uses a citywide service area for the Street Facilities IIP.

PROPORTIONATE SHARE

ARS § 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to accommodate new development. The Street Facilities IIP and development fees will allocate the cost of necessary public services between residential and nonresidential based on trip generation rates, trip adjustment factors, and trip lengths.

RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT

ARS § 9-463.05(E)(4) requires:

“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”

Sedona will use vehicle miles traveled (VMT) as the demand units for street facilities fees. Components used to determine VMT include average weekday vehicle trip generation rates, adjustments for commuting patterns and pass-by trips, and trip length weighting factors.

Residential Trip Generation Rates

As an alternative to simply using national average trip generation rates for residential development, published by the Institute of Transportation Engineers (ITE), TischlerBise calculates custom trip rates using local demographic data. Key inputs needed for the analysis, including average number of persons and vehicles available per housing unit, are available from American Community Survey (ACS) data.

Vehicle Trip Ends by Bedroom Range

TischlerBise recommends a fee schedule where larger units pay higher development fees than smaller units. Benefits of the proposed methodology include: 1) proportionate assessment of infrastructure demand using local demographic data, and 2) progressive fee structure (i.e., smaller units pay less, and larger units pay more).

TischlerBise creates custom tabulations of demographic data by bedroom range from individual survey responses provided by the U.S. Census Bureau in files known as Public Use Microdata Samples (PUMS). PUMS files are only available for areas of at least 100,000 persons, with Sedona in two Public Use Microdata Areas (AZ PUMAs 400 and 500). Shown in Figure S1, cells with yellow shading indicate the survey results, which yield the unadjusted number of persons and vehicles available per household. Unadjusted vehicles per household are adjusted to control totals in Sedona – 1.98 vehicles per unit.

Figure S1: Vehicle Trip Ends by Bedroom Range

Bedroom Range	Persons ¹	Vehicles Available ¹	Households ¹	Housing Mix	Unadjusted PPH	Adjusted PPH ²	Unadjusted VPH	Adjusted VPH ²
0-1	770	614	548	8%	1.41	1.19	1.12	1.02
2	3,685	3,100	1,915	27%	1.92	1.63	1.62	1.47
3	9,143	7,733	3,729	52%	2.45	2.07	2.07	1.89
4	2,636	2,047	834	12%	3.16	2.67	2.45	2.23
5+	637	500	180	2%	3.54	2.99	2.78	2.53
Total	16,871	13,994	7,206	100%	2.34	1.98	1.94	1.77

National Averages According to ITE

ITE Code	AWVTE per Person	AWVTE per Vehicle	AWVTE per HU	Sedona Housing Mix
210 SFD	2.65	6.36	9.43	87%
220 Apt	1.86	5.10	6.74	13%
Weighted Avg	2.55	6.20	9.09	100%

Recommended AWVTE per Household

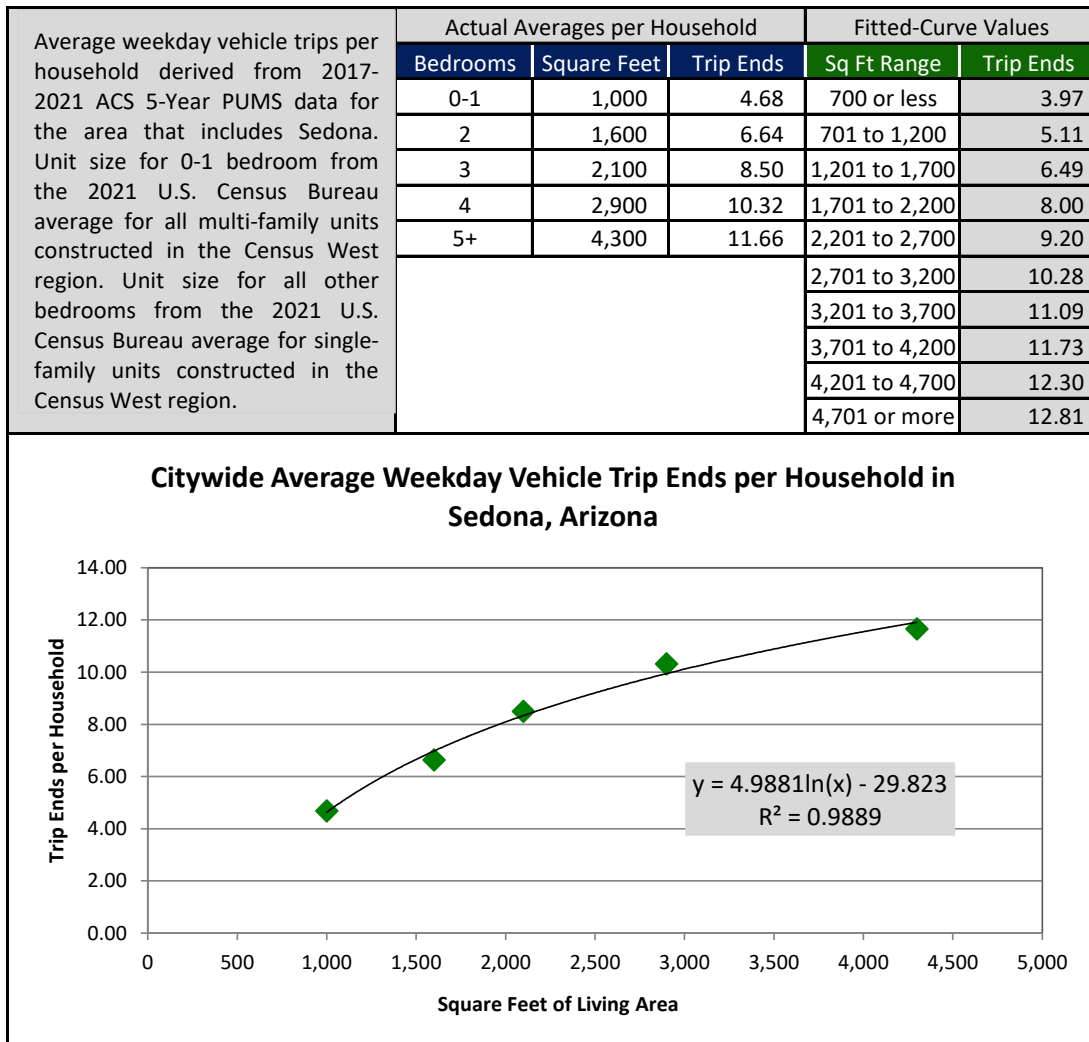
Bedroom Range	AWVTE per Hhld Based on Persons ³	AWVTE per Hhld Based on Vehicles ⁴	AWVTE per Household ⁵	
0-1	3.03	6.32	4.68	1. American Community Survey, Public Use Microdata Sample for AZ PUMAs 400 and 500 (2017-2021 5-Year unweighted data). 2. Adjusted multipliers are scaled to make the average PUMS values match control totals for Sedona, based on American Community Survey 2017-2021 5-Year Estimates. 3. Adjusted persons per household multiplied by national weighted average trip rate per person. 4. Adjusted vehicles available per household multiplied by national weighted average trip rate per vehicle. 5. Average trip rates based on persons and vehicles per household.
2	4.16	9.11	6.64	
3	5.28	11.72	8.50	
4	6.81	13.83	10.32	
5+	7.62	15.69	11.66	
Average	5.05	10.97	8.01	

Vehicle Trip Ends by Housing Size

To derive average weekday vehicle trip ends by dwelling size, Tischler Bise uses 2021 U.S. Census Bureau data for housing units constructed in the west region. Based on 2021 estimates, living area ranges from 1,000 square feet for households with zero to one bedroom up to 4,300 square feet for households with five or more bedrooms. Citywide average floor area and weekday vehicle trip ends, by bedroom range, are plotted in Figure S2 with a logarithmic trend line. TischlerBise uses the trend line formula to derive estimated trip ends by housing unit size in increments of 500 square feet. TischlerBise recommends a minimum fee based on a unit size of 700 square feet and a maximum fee for units 4,701 square feet or larger. For the upper threshold, each dwelling averages 12.81 vehicle trip ends.

A medium-size residential unit in Sedona with 1,701 to 2,200 square feet has a fitted-curve value of 8.00 vehicle trip ends on an average weekday. A small unit of 700 square feet or less would pay 49 percent of the street fee paid by a medium-size unit. A large unit of 4,701 square feet or more would pay 160 percent of the street fee paid by a medium-size unit. With a “one-size-fits-all” approach, small units pay more than their proportionate share while large units pay less than their proportionate share. An average fee that does not vary by size makes small units less affordable and essentially subsidizes larger units.

Figure S2: Vehicle Trip Ends by Housing Size



Nonresidential Trip Generation Rates

For nonresidential development, TischlerBise uses trip generation rates published in Trip Generation, Institute of Transportation Engineers, 11th Edition (2021). The prototype for industrial development is Light Industrial (ITE 110) which generates 4.87 average weekday vehicle trip ends per 1,000 square feet of floor area. The prototype for commercial development is Shopping Center (ITE 820) which generates 37.01 average weekday vehicle trips per 1,000 square feet of floor area. For office & other services development, the proxy is General Office (ITE 710), and it generates 10.84 average weekday vehicle trip ends per 1,000 square feet of floor area. Institutional development uses Government Office (ITE 730) and generates 22.59 average weekday vehicle trip ends per 1,000 square feet of floor area.

Figure S3: Average Weekday Vehicle Trip Ends by Land Use

ITE Code	Land Use / Size	Demand Unit	Wkdy Trip Ends Per Dmd Unit ¹	Wkdy Trip Ends Per Employee ¹	Emp Per Dmd Unit	Sq Ft Per Emp
110	Light Industrial	1,000 Sq Ft	4.87	3.10	1.57	637
130	Industrial Park	1,000 Sq Ft	3.37	2.91	1.16	864
140	Manufacturing	1,000 Sq Ft	4.75	2.51	1.89	528
150	Warehousing	1,000 Sq Ft	1.71	5.05	0.34	2,953
254	Assisted Living	bed	2.60	4.24	0.61	na
310	Hotel	room	7.99	14.34	0.56	na
565	Day Care	student	4.09	21.38	0.19	na
610	Hospital	1,000 Sq Ft	10.77	3.77	2.86	350
620	Nursing Home	bed	3.06	3.31	0.92	na
710	General Office (avg size)	1,000 Sq Ft	10.84	3.33	3.26	307
720	Medical-Dental Office	1,000 Sq Ft	36.00	8.71	4.13	242
730	Government Office	1,000 Sq Ft	22.59	7.45	3.03	330
770	Business Park	1,000 Sq Ft	12.44	4.04	3.08	325
820	Shopping Center (avg size)	1,000 Sq Ft	37.01	17.42	2.12	471

1. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).

Trip Rate Adjustments

To calculate street facilities fees, trip generation rates require an adjustment factor to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor is 50 percent. As discussed further in this section, the development fee methodology includes additional adjustments to make the fees proportionate to the infrastructure demand for particular types of development.

Commuter Trip Adjustment

Residential development has a larger trip adjustment factor of 59 percent to account for commuters leaving Sedona for work. According to the 2009 National Household Travel Survey (see Table 30) weekday work trips are typically 31 percent of production trips (i.e., all out-bound trips, which are 50 percent of all trip ends). As shown in Figure S4, the U.S. Census Bureau’s OnTheMap web application indicates 60 percent of resident workers traveled outside of Sedona for work in 2021. In combination, these factors (0.31 x 0.50 x 0.60 = 0.09) support the additional nine percent allocation of trips to residential development.

Figure S4: Commuter Trip Adjustment

Trip Adjustment Factor for Commuters	
Employed Residents	3,136
Residents Living and Working in Sedona	1,268
Residents Commuting Outside Sedona for Work	1,868
Percent Commuting out of Sedona	60%
Additional Production Trips ¹	9%
Residential Trip Adjustment Factor	59%

Source: U.S. Census Bureau, OnTheMap Application (version 6.23.4) and LEHD Origin-Destination Employment Statistics, 2021.

1. According to the National Household Travel Survey (2009)*, published in December 2011 (see Table 30), home-based work trips are typically 30.99 percent of “production” trips, in other words, out-bound trips (which are 50 percent of all trip ends). Also, LED OnTheMap data from 2021 indicate that 60 percent of Sedona’s workers travel outside the city for work. In combination, these factors (0.3099 x 0.50 x 0.60 = 0.09) account for 9 percent of additional production trips. The total adjustment factor for residential includes attraction trips (50 percent of trip ends) plus the journey-to-work commuting adjustment (9 percent of production trips) for a total of 59 percent.

*<http://nhts.ornl.gov/publications.shtml> ; Summary of Travel Trends - Table "Daily Travel Statistics by Weekday vs. Weekend"

Adjustment for Pass-By Trips

For commercial and institutional development, the trip adjustment factor is less than 50 percent because these types of development attract vehicles as they pass by on arterial and collector roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For the average shopping center, ITE data indicate 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the commercial site as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor is 66 percent multiplied by 50 percent, or approximately 33 percent of the trip ends.

Average Weekday Vehicle Trips

Shown below in Figure S5, multiplying average weekday vehicle trip ends and trip adjustment factors (discussed on the previous page) by Sedona’s existing development units provides the average weekday vehicle trips generated by existing development. As shown below, Sedona’s existing citywide development generates 68,261 vehicle trips on an average weekday.

Figure S5: Average Weekday Vehicle Trips by Land Use

Development Type	Development Unit	ITE Code	Avg Wkday VTE	Trip Adjustment	2024 Dev Units	2024 Veh Trips
Residential	HU	Avg	8.00	59%	7,021	33,139
Industrial	KSF	130	4.87	50%	530	1,291
Commercial	KSF	820	37.01	33%	2,222	27,137
Office & Other Services	KSF	710	10.84	50%	993	5,382
Institutional	KSF	610	22.59	33%	176	1,312
Total						68,261

Trip Length Weighting Factor

The street facilities development fee methodology includes a percentage adjustment, or weighting factor, to account for trip length variation by type of land use. As documented in Table 6a, Table 6b, and Table 6c of the 2017 National Household Travel Survey, vehicle trips from residential development are approximately 117 percent of the average trip length. The residential trip length adjustment factor includes data on home-based work trips, social, and recreational purposes. Conversely, shopping trips associated with commercial development are roughly 75 percent of the average trip length while other nonresidential development typically accounts for trips that are 73 percent of the average for all trips.

Local Trip Lengths

According to recent estimates, Sedona provides approximately 27.43 lane miles of arterials and collectors citywide. Using a capacity standard of 8,000 vehicles per lane mile, Sedona’s existing network provides 219,415 vehicle miles of capacity (27.43 lane miles X 8,000 vehicles per lane mile). To derive the average utilization (i.e., average trip length expressed in miles) of the major streets, divide vehicle miles of capacity by vehicle trips attracted to development in Sedona. As shown in Figure S5, citywide development currently attracts 68,261 average weekday vehicle trips. Dividing 219,415 vehicle miles of capacity by existing average weekday vehicle trips yields an unweighted-average trip length of approximately 3.214 miles. The calibration of average trip length includes the same adjustment factors used in the development fee calculations (i.e., commuter trip adjustment, pass-by trip adjustment, and average trip length adjustment). With these refinements, the weighted-average trip length is 3.378 miles.

Local Vehicle Miles Traveled

Shown below are the demand indicators for residential and nonresidential land uses related to vehicle miles traveled (VMT). For residential development, the table displays the number of VMT per household. For nonresidential development, the table displays VMT per thousand square feet of floor area.

Figure S6: Ratio of Service Unit to Development Unit

Residential Development per Unit					
Unit Size	AWVTE per unit ¹	Trip Adjustment ¹	Average Trip Length (miles)	Trip Length Adjustment	Avg Weekday VMT
700 or less	3.97	59%	3.378	117%	9.26
701 to 1,200	5.11	59%	3.378	117%	11.92
1,201 to 1,700	6.49	59%	3.378	117%	15.13
1,701 to 2,200	8.00	59%	3.378	117%	18.65
2,201 to 2,700	9.20	59%	3.378	117%	21.45
2,701 to 3,200	10.28	59%	3.378	117%	23.97
3,201 to 3,700	11.09	59%	3.378	117%	25.86
3,701 to 4,200	11.73	59%	3.378	117%	27.35
4,201 to 4,700	12.30	59%	3.378	117%	28.68
4,701 or more	12.81	59%	3.378	117%	29.87

Nonresidential Development per 1,000 Square Feet					
Development Type	AWVTE per 1,000 Sq Ft ¹	Trip Adjustment ¹	Average Trip Length (miles)	Trip Length Adjustment	Avg Weekday VMT
Industrial	4.87	50%	3.378	73%	6.00
Commercial	37.01	33%	3.378	75%	30.94
Office / Other Services	10.84	50%	3.378	73%	13.37
Institutional	22.59	33%	3.378	73%	18.38
Lodging (per room)	7.99	50%	3.378	75%	10.12

1. See Land Use Assumptions

PROJECTED DEMAND FOR SERVICES AND COSTS

ARS § 9-463.05(E)(5) requires:

“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”

ARS § 9-463.05(E)(6) requires:

“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”

As shown in the *Land Use Assumptions* document, projected development includes an additional 1,150 housing units and 178,000 square feet of nonresidential floor area over the next 10 years. Based on the trip generation factors discussed in this section, projected development generates an additional 26,080 VMT over the next 10 years. Shown below in Figure S7, Sedona needs to construct approximately 3.26 lane miles of street improvements, 0.95 miles of shared-use paths, and 0.36 intersection improvements over the next 10 years to maintain the existing levels of service.

Figure S7: Projected Travel Demand

Development Type	Development Unit	ITE Code	Weekday Veh Trips	Local Trip Length	Trip Length Adj	Weekday VMT
Residential	HU	Avg	4.72	3.38	117%	18.65
Industrial	KSF	130	2.44	3.38	73%	6.00
Commercial	KSF	820	12.21	3.38	75%	30.94
Office & Other Services	KSF	710	5.42	3.38	73%	13.37
Institutional	KSF	610	7.45	3.38	73%	18.38

VMC Per Lane Mile	8,000
Average Trip Length (miles)	3.378

Sedona, Arizona	Base	1	2	3	4	5	10	10-Year Increase
	2024	2025	2026	2027	2028	2029	2034	
Residential Units	7,021	7,141	7,260	7,378	7,494	7,610	8,171	1,150
Industrial KSF	530	532	534	536	538	540	550	20
Commercial KSF	2,222	2,235	2,249	2,262	2,276	2,289	2,356	134
Office & Other Services KSF	993	995	996	998	999	1,001	1,009	16
Institutional KSF	176	177	178	178	179	180	184	8
Residential Trips	33,139	33,706	34,267	34,823	35,373	35,919	38,567	5,428
Residential Trips	33,139	33,706	34,267	34,823	35,373	35,919	38,567	5,428
Industrial Trips	1,291	1,296	1,300	1,305	1,310	1,315	1,339	49
Commercial Trips	27,137	27,301	27,464	27,628	27,792	27,955	28,774	1,637
Office & Other Services Trips	5,382	5,390	5,399	5,408	5,416	5,425	5,468	87
Institutional Trips	1,312	1,318	1,324	1,330	1,336	1,342	1,372	60
Nonresidential Trips	35,121	35,305	35,488	35,671	35,854	36,037	36,953	1,832
Total Vehicle Trips	68,261	69,010	69,754	70,494	71,227	71,956	75,520	7,260
Vehicle Miles Traveled (VMT)	219,415	222,117	224,797	227,457	230,096	232,714	245,495	26,080
Lane Miles (Total)	27.43	27.76	28.10	28.43	28.76	29.09	30.69	3.26
Lane Miles Cost (Annual)		\$1,012,983	\$1,005,210	\$997,438	\$989,665	\$981,892	\$943,028	\$9,780,056
Shared-Use Paths (Total)	7.97	8.07	8.17	8.26	8.36	8.45	8.92	0.95
Shared-Use Paths Cost (Annual)		\$102,875	\$102,086	\$101,296	\$100,507	\$99,718	\$95,771	\$993,230
Improved Intersections (Total)	3.00	3.04	3.07	3.11	3.15	3.18	3.36	0.36
Impr. Intersections Cost (Annual)		\$155,649	\$154,454	\$153,260	\$152,066	\$150,872	\$144,900	\$1,502,743

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

Street Improvements – Incremental Expansion

Sedona currently provides approximately 27.43 lane miles of arterial and collector streets to existing development, and Sedona plans to construct additional street improvements to serve future development. Sedona’s existing level of service is 1.25 lane miles per 10,000 VMT (27.43 lane miles / (219,415 VMT / 10,000)).

Based on Public Works Department estimates of recent and planned street improvements, the construction cost for street improvements is \$3,000,000 per lane mile. The analysis uses this cost as a proxy for future growth-related street improvement costs, and Sedona may use development fees to construct street improvements to serve future development. For street improvements, the cost is \$375.00 per VMT (1.25 lane miles per 10,000 VMT / 10,000 X \$3,000,000 per lane mile).

Figure S8: Existing Level of Service

Cost Factors	
Cost per Lane Mile	\$3,000,000

Level-of-Service (LOS) Standards	
Existing Lane Miles	27.43
2024 VMT	219,415
Lane Miles per 10,000 VMT	1.25
Cost per VMT	\$375.00

Source: Sedona Public Works Department

Shared-Use Paths – Incremental Expansion

Sedona currently provides 7.97 miles of shared-use paths within street rights of way to existing development, and Sedona plans to construct additional shared-use paths to serve future development. Sedona’s current level of service for shared-use paths is 0.3633 miles per 10,000 VMT (7.97 miles of shared-use paths / (219,415 VMT / 10,000)).

The weighted average cost of Sedona’s existing shared-use paths is \$1,048,366 per mile (\$8,356,155 total cost / 7.97 miles), and the analysis uses this cost as a proxy for future growth-related shared-use path costs. Sedona may use development fees to construct additional shared-use paths within street rights of way. The cost for shared-use paths is \$38.08 per VMT (0.3633 miles per 10,000 VMT / 10,000 X \$1,048,366 per mile).

Figure S9: Existing Level of Service

Shared-Use Path Type	Miles	Unit Cost	Total Cost
Decomposed Granite	2.01	\$300,000	\$601,705
Concrete	5.96	\$1,300,000	\$7,754,451
Total	7.97	\$1,048,366	\$8,356,155

Cost Factors	
Weighted Average Cost per Mile	\$1,048,366

Level-of-Service (LOS) Standards	
Existing Miles	7.97
2024 VMT	219,415
Miles per 10,000 VMT	0.3633
Cost per VMT	\$38.08

Source: Sedona Public Works Department

Intersection Improvements – Incremental Expansion

Sedona currently provides 3.0 intersection improvements to existing development, and Sedona plans to construct additional intersection improvements to serve future development. Sedona’s current level of service for intersection improvements is 0.1367 intersections per 10,000 VMT (3.0 intersection improvements / (219,415 VMT / 10,000)).

The Sedona Public Works Department provided construction costs for three future intersection improvements equal to \$12,642,751. The weighted average cost of these intersection improvements is \$4,214,250 per intersection (\$12,642,751/ 3.0 intersection improvements), and the analysis uses this cost as a proxy for future growth-related intersection improvement costs. Sedona may use development fees to construct these improvements or to construct other growth-related intersection improvements. The cost for intersection improvements is \$57.62 per VMT (0.1367 intersection improvements per 10,000 VMT / 10,000 X \$4,214,250 per intersection).

Figure S10: Existing Level of Service

Cost Factors	
Ranger Rd / Brewer Rd RAB (SIM-05d)	\$6,274,993
Ranger Rd / SR 179 (SIM-04e)	\$1,072,500
Forest Rd / Ranger Rd / SR 89A (SIM-05e)	\$5,295,258
Total	\$12,642,751
Average	\$4,214,250

Level-of-Service (LOS) Standards	
Existing Intersection Improvements	3.0
2024 VMT	219,415
Intersection Improvements per 10,000 VMT	0.1367
Cost per VMT	\$57.62

Source: Sedona Public Works Department

Development Fee Report – Plan-Based

The cost to prepare the Street Facilities IIP and related Development Fee Report equals \$20,820. Sedona plans to update its report every five years. Based on this cost, proportionate share, and five-year projections of new residential and nonresidential development from the *Land Use Assumptions* document, the cost is \$1.56 per VMT.

Figure S11: IIP and Development Fee Report

Necessary Public Service	Cost	Proportionate Share		Service Unit	5-Year Change	Cost per Service Unit
Parks and Recreational	\$17,500	Residential	83%	Park Population	1,388	\$10.46
		Nonresidential	17%	Jobs	196	\$15.17
Police	\$18,000	Residential	69%	Police Population	1,113	\$11.16
		Nonresidential	31%	Vehicle Trips	916	\$6.09
Street	\$20,820	All Development	100%	VMT	13,299	\$1.56
Total	\$56,320					

STREET FACILITIES DEVELOPMENT FEES

Revenue Credit/Offset

A revenue credit/offset is not necessary for development fees, because Sedona’s construction transaction privilege tax rate does not exceed the amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications. Appendix A contains the forecast of revenues required by Arizona’s Enabling Legislation (ARS § 9-463.05(E)(7)).

Street Facilities Development Fees

Infrastructure components and cost factors for street facilities are summarized in the upper portion of Figure S12. The cost per service unit is \$472.26 per VMT.

Street facilities fees for residential development are calculated per housing unit, based on unit size, and vary proportionately according to the number of VMT per household. The fee of \$8,808 for a residential unit with 2,000 square feet is calculated using a cost per service unit of \$472.26 per VMT multiplied by a demand unit of 18.65 VMT per unit.

Nonresidential development fees are calculated per square foot and vary proportionately according to the number of VMT per service unit. The fee of \$2.83 per square foot of industrial development is calculated using a cost per service unit of \$472.26 per VMT, multiplied by a demand unit of 6.00 VMT per 1,000 square feet, and divided by 1,000.

Figure S12: Street Facilities Development Fees

Fee Component	Cost per VMT
Street Improvements	\$375.00
Shared-Use Paths	\$38.08
Intersection Improvements	\$57.62
Development Fee Report	\$1.56
Total	\$472.26

Residential Fees per Unit				
Unit Size	Avg Wkdy VMT per Unit ¹	Proposed Fees	Current Fees	Difference
700 or less	9.26	\$4,373	\$2,088	\$2,285
701 to 1,200	11.92	\$5,629	\$2,831	\$2,798
1,201 to 1,700	15.13	\$7,145	\$3,580	\$3,566
1,701 to 2,200	18.65	\$8,808	\$4,134	\$4,675
2,201 to 2,700	21.45	\$10,130	\$4,574	\$5,556
2,701 to 3,200	23.97	\$11,320	\$4,943	\$6,377
3,201 to 3,700	25.86	\$12,213	\$5,256	\$6,957
3,701 to 4,200	27.35	\$12,916	\$5,526	\$7,390
4,201 to 4,700	28.68	\$13,544	\$5,767	\$7,777
4,701 or more	29.87	\$14,106	\$5,985	\$8,121

Nonresidential Fees per Square Foot				
Development Type	Avg Wkdy VMT per 1,000 Sq Ft ¹	Proposed Fees	Current Fees	Difference
Industrial	6.00	\$2.83	\$1.18	\$1.65
Commercial	30.94	\$14.61	\$5.36	\$9.25
Office / Other Services	13.37	\$6.31	\$2.32	\$3.99
Institutional	18.38	\$8.68	\$3.07	\$5.61
Lodging (per room)	10.12	\$4,779	\$1,990	\$2,789

1. See Land Use Assumptions

STREET FACILITIES DEVELOPMENT FEE REVENUE

Appendix A contains revenue forecasts required by Arizona’s Enabling Legislation (ARS § 9-463.05(E)(7)). Projected fee revenue shown in Figure S13 is based on the development projections in the *Land Use Assumptions* document and the updated street facilities development fees. If development occurs faster than projected, the demand for infrastructure will increase along with development fee revenue. If development occurs slower than projected, the demand for infrastructure will decrease and development fee revenue will decrease at a similar rate. Projected development fee revenue equals \$12,293,830 and projected expenditures equal \$12,296,849. Since Sedona will assess residential development fees based on unit size, and the analysis projects residential development fee revenue based on a residential unit with 2,000 square feet (average size residential unit), actual development fee revenue will vary based on the actual mix of future residential units.

Figure S13: Street Facilities Development Fee Revenue

Fee Component	Growth Share	Existing Share	Total
Street Improvements	\$9,780,056	\$0	\$9,780,056
Shared-Use Paths	\$993,230	\$0	\$993,230
Intersection Improvements	\$1,502,743	\$0	\$1,502,743
Development Fee Report	\$20,820	\$0	\$20,820
Total	\$12,296,849	\$0	\$12,296,849

		Residential \$8,808 per unit	Industrial \$2.83 per sq ft	Commercial \$14.61 per sq ft	Office/ Other \$6.31 per sq ft	Institutional \$8.68 per sq ft
Year		Hsg Unit	KSF	KSF	KSF	KSF
Base	2024	7,021	530	2,222	993	176
Year 1	2025	7,141	532	2,235	995	177
Year 2	2026	7,260	534	2,249	996	178
Year 3	2027	7,378	536	2,262	998	178
Year 4	2028	7,494	538	2,276	999	179
Year 5	2029	7,610	540	2,289	1,001	180
Year 6	2030	7,724	542	2,302	1,003	181
Year 7	2031	7,838	544	2,316	1,004	182
Year 8	2032	7,950	546	2,329	1,006	182
Year 9	2033	8,061	548	2,343	1,007	183
Year 10	2034	8,171	550	2,356	1,009	184
10-Year Increase		1,150	20	134	16	8
Projected Revenue		\$10,112,471	\$56,436	\$1,954,737	\$100,859	\$69,326

Projected Fee Revenue	\$12,293,830
Total Expenditures	\$12,296,849

APPENDIX A: FORECAST OF REVENUES OTHER THAN FEES

ARS § 9-463.05(E)(7) requires:

“A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.”

ARS § 9-463.05(B)(12) states,

“The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.”

REVENUE PROJECTIONS

Sedona does not have a higher-than-normal construction excise tax rate; therefore, the required offset described above is not applicable. Shown in Figure A1, Sedona provided the required forecast of non-development fee revenue from identified sources that can be attributed to future development over a period of five years. Sedona directs the revenues shown below to non-development fee eligible capital needs including maintenance, repair, and replacement.

Figure A1: Revenue Projections

Please see attached Exh B. for updated revenue projections.

APPENDIX B: PROFESSIONAL SERVICES

As stated in Arizona’s development fee enabling legislation, “a municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development, including the costs of infrastructure, improvements, real property, engineering and architectural services, financing and professional services required for the preparation or revision of a development fee pursuant to this section, including the relevant portion of the infrastructure improvements plan” (see ARS § 9-463.05.A). Because development fees must be updated at least every five years, the cost of professional services is allocated to the projected increase in service units, over five years (see Figure B1). Qualified professionals must develop the IIP, using generally accepted engineering and planning practices. A qualified professional is defined as “a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person’s license, education or experience”.

Figure B1: Cost of Professional Services

Necessary Public Service	Cost	Proportionate Share		Service Unit	5-Year Change	Cost per Service Unit
Parks and Recreational	\$17,500	Residential	83%	Park Population	1,388	\$10.46
		Nonresidential	17%	Jobs	196	\$15.17
Police	\$18,000	Residential	69%	Police Population	1,113	\$11.16
		Nonresidential	31%	Vehicle Trips	916	\$6.09
Street	\$20,820	All Development	100%	VMT	13,299	\$1.56
Total	\$56,320					

APPENDIX C: LAND USE DEFINITIONS

RESIDENTIAL DEVELOPMENT

As discussed below, residential development categories are based on data from the U.S. Census Bureau, American Community Survey. Development fees will be assessed to all new residential units. One-time development fees are determined by site capacity (i.e., number of residential units).

Single Family:

1. Single-family detached is a one-unit structure detached from any other house, that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A one-family house that contains a business is considered detached as long as the building has open space on all four sides.
2. Single-family attached (townhouse) is a one-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.
3. Mobile home includes both occupied and vacant mobile homes, to which no permanent rooms have been added. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer's lot, at the factory, or in storage are not counted in the housing inventory.

Multi-Family:

3. Includes units in structures containing two or more housing units, further categorized as units in structures with “2, 3 or 4, 5 to 9, 10 to 19, 20 to 49, and 50 or more apartments.”
1. Includes any living quarters occupied as a housing unit that does not fit the other categories (e.g., houseboats, railroad cars, campers, and vans). Recreational vehicles, boats, vans, railroad cars, and the like are included only if they are occupied as a current place of residence.

NONRESIDENTIAL DEVELOPMENT

The proposed general nonresidential development categories (defined below) can be used for all new construction. Nonresidential development categories represent general groups of land uses that share similar average weekday vehicle trip generation rates and employment densities (i.e., jobs per thousand square feet of floor area).

Commercial: Establishments primarily selling merchandise, eating/drinking places, and entertainment uses. By way of example, commercial includes shopping centers, supermarkets, pharmacies, restaurants, bars, nightclubs, automobile dealerships, and movie theaters.

Industrial: Establishments primarily engaged in the production, transportation, or storage of goods. By way of example, industrial includes manufacturing plants, distribution warehouses, trucking companies, utility substations, power generation facilities, and telecommunications buildings.

Institutional: Public and quasi-public buildings providing educational, social assistance, or religious services. By way of example, institutional includes schools, universities, churches, daycare facilities, and government buildings.

Lodging: Establishments primarily engaged in providing sleeping accommodations and supporting facilities such as restaurants, cocktail lounges, meeting and banquet rooms or convention facilities, limited recreational facilities (pool, fitness room), and/or other retail and service shops.

Office / Other Services: Establishments providing management, administrative, professional, or business services; personal and health care services; and lodging facilities. By way of example, Office and Other services includes banks, business offices; hotels and motels; assisted-living facilities, nursing homes and hospitals.

ARS § 9-463.05(E)(7) requires:

“A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved Land Use Assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.”

Sedona’s Financial Services Department projected revenues based on recent and long-term trends, characteristics of future development, and Sedona’s current revenue structure and rates (Fiscal Year 2024). The 10-year forecast of revenues is shown in Figure A1 and includes projected revenues generated by existing and future development.

Figure A1: Projected Revenue (Annual), Base Year 2024

Revenue	Actual	Projected				
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
City Sales Tax (General)	\$ 28,730,505	\$ 29,736,073	\$ 30,776,836	\$ 31,854,025	\$ 32,968,916	\$ 34,122,828
City Sales Tax (Transportation)	4,716,000	4,881,060	5,051,898	5,228,714	5,411,719	5,601,129
Recovery of Sales Tax-Audit	60,374	60,500	60,500	60,500	60,500	60,500
Bed Tax	9,340,377	9,527,184	9,717,728	9,912,082	10,110,324	10,312,530
In-Lieu Fees - Summit	560,009	571,210	582,634	594,286	606,172	618,296
Franchise Fees	932,755	946,746	960,947	975,362	989,992	1,004,842
State Sales Tax	1,477,844	1,514,790	1,552,660	1,591,477	1,631,264	1,672,045
Urban State Revenue Sharing	2,594,267	2,607,238	2,620,275	2,633,376	2,646,543	2,659,776
Vehicle License Tax - Coconino	146,441	148,638	150,867	153,130	155,427	157,759
Vehicle License Tax - Yavapai	605,353	614,433	623,649	633,004	642,499	652,137
Highway User Revenue Fund (HURF)	1,089,980	1,106,329	1,122,924	1,139,768	1,156,865	1,174,218
Total	\$ 50,253,905	\$ 51,714,202	\$ 53,220,918	\$ 54,775,724	\$ 56,380,220	\$ 58,036,059

Revenue	Projected				
	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
City Sales Tax (General)	\$ 35,317,127	\$ 36,553,226	\$ 37,832,589	\$ 39,156,730	\$ 40,527,215
City Sales Tax (Transportation)	5,797,169	6,000,070	6,210,072	6,427,424	6,652,384
Recovery of Sales Tax-Audit	60,500	60,500	60,500	60,500	60,500
Bed Tax	10,518,781	10,729,157	10,943,740	11,162,615	11,385,867
In-Lieu Fees - Summit	630,661	643,275	656,140	669,263	682,648
Franchise Fees	1,019,915	1,035,213	1,050,742	1,066,503	1,082,500
State Sales Tax	1,713,846	1,756,692	1,800,610	1,845,625	1,891,766
Urban State Revenue Sharing	2,673,075	2,686,440	2,699,872	2,713,371	2,726,938
Vehicle License Tax - Coconino	160,125	162,527	164,965	167,439	169,951
Vehicle License Tax - Yavapai	661,919	671,848	681,925	692,154	702,536
Highway User Revenue Fund (HURF)	1,191,831	1,209,708	1,227,854	1,246,272	1,264,966
Total	\$ 59,744,948	\$ 61,508,656	\$ 63,329,008	\$ 65,207,896	\$ 67,147,272

Source: City of Sedona Financial Services Department.

Using the revenue projections provided by Sedona’s Financial Services Department, Figure A2 projects the annual change in non-development fee revenue compared to the 2024 base year. Over time, state shared revenues distributed based on population are expected to slow due to Sedona’s low population growth compared to other Arizona cities. This analysis nevertheless projects that these amounts will increase slightly year-over-year due to anticipated increases in

the available revenue distributed overall. Other revenues, including sales tax and bed tax, are projected to increase based on future development. These increases in funds are available for capital investment; however, Sedona directs these revenues to non-development fee eligible capital needs including maintenance, repair, and replacement of existing infrastructure. Although the projected revenues represent an increase, these revenues will be offset by increases in operating, maintenance, and replacement capital costs, thus will not be available to fund capital projects accommodating new growth.

Figure A2: Projected Revenue, Increase/(Decrease) over Base Year (Annual)

Revenue	Base Year	Difference from Base Year				
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
City Sales Tax (General)	\$ 28,730,505	\$ 1,005,568	\$ 2,046,330	\$ 3,123,519	\$ 4,238,410	\$ 5,392,322
City Sales Tax (Transportation)	4,716,000	165,060	335,897	512,714	695,719	885,129
Recovery of Sales Tax-Audit	60,374	126	126	126	126	126
Bed Tax	9,340,377	186,808	377,351	571,706	769,947	972,154
In-Lieu Fees - Summit	560,009	11,200	22,624	34,277	46,163	58,286
Franchise Fees	932,755	13,991	28,193	42,607	57,237	72,087
State Sales Tax	1,477,844	36,946	74,816	113,632	153,419	194,201
Urban State Revenue Sharing	2,594,267	12,971	26,008	39,109	52,276	65,508
Vehicle License Tax - Coconino	146,441	2,197	4,426	6,689	8,986	11,318
Vehicle License Tax - Yavapai	605,353	9,080	18,297	27,652	37,147	46,784
Highway User Revenue Fund (HURF)	1,089,980	16,350	32,945	49,788	66,885	84,238
Total	\$ 50,253,905	\$ 1,460,297	\$ 2,967,012	\$ 4,521,819	\$ 6,126,315	\$ 7,782,153

Revenue	Difference from Base Year					10-Year Cumulative*
	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	
City Sales Tax (General)	\$ 6,586,621	\$ 7,822,721	\$ 9,102,084	\$ 10,426,224	\$ 11,796,710	\$ 61,540,510
City Sales Tax (Transportation)	1,081,168	1,284,069	1,494,072	1,711,424	1,936,384	10,101,635
Recovery of Sales Tax-Audit	126	126	126	126	126	1,260
Bed Tax	1,178,404	1,388,780	1,603,363	1,822,238	2,045,490	10,916,242
In-Lieu Fees - Summit	70,652	83,265	96,131	109,254	122,639	654,492
Franchise Fees	87,160	102,458	117,987	133,748	149,745	805,212
State Sales Tax	236,002	278,848	322,765	367,781	413,921	2,192,332
Urban State Revenue Sharing	78,807	92,173	105,605	119,104	132,671	724,233
Vehicle License Tax - Coconino	13,684	16,086	18,524	20,998	23,510	126,417
Vehicle License Tax - Yavapai	56,566	66,495	76,573	86,802	97,184	522,578
Highway User Revenue Fund (HURF)	101,851	119,729	137,874	156,292	174,986	940,939
Total	\$ 9,491,043	\$ 11,254,750	\$ 13,075,103	\$ 14,953,991	\$ 16,893,367	\$ 88,525,850

*10-Year Cumulative represents the sum of fiscal years 2025-2034



Date: October 24, 2024
To: Mayor and City Council
From: Anette Spickard, City Manager
By Barbara Whitehorn, Director of Financial Services
Re: Development Impact Fees

Development Impact Fees (DIF) are an important and necessary part of ensuring that the City can meet the needs of the community now and in the future. With a significant increase in fees proposed, it is essential for City leaders to understand the cost drivers for the fees, the relative cost for developers and options to ensure that fees do not create barriers for developments with high community benefit.

Comparison of Impact Fees to Other Cities

Because every city has unique needs, revenue streams, plans, and expectations for the community, comparing Development Impact Fees is never an “apples to apples” comparison. Staff reviewed several cities with DIF, and found that fees vary widely, depending on several factors:

1. The availability of alternative revenue for DIF eligible projects, e.g., a tax specifically dedicated to streets and roadways, or a secondary property tax;¹
2. Relative geographic size and build-out;
3. Services provided by the city; and
4. The identified community needs and infrastructure improvement plan.

The availability of alternative revenues has a significant impact on the level of DIF a city adopts for each category.

¹ Arizona distinguishes between primary and secondary property tax. Primary property taxes are used for operations of local governments and school districts. Secondary property taxes are levied for voter-approved projects, such as bonds for building new schools or infrastructure improvements.

Examples of Cities Surveyed

(See Appendix, pages i-iii for the adopted fees of the cities discussed below.)

Flagstaff

The City of Flagstaff levies a primary and secondary property tax, and has four sales taxes dedicated to transportation, totaling 1.2810%.² Annually, Flagstaff collects more than \$30 million from these sales taxes. Additionally, 33% of the City's Bed, Board and Booze Tax (2.00%), approximately \$4 million annually, is dedicated to recreation. Consequently, Flagstaff does not have DIF related to transportation or parks and recreation; however, the City has DIF for expansion of Police and Fire services.

Flagstaff is the only city evaluated that has both a primary and secondary property tax. The secondary property tax is used to fund voter-approved projects, and thus would offset the need for impact fees if such projects are impact fee eligible.

Gilbert

The City of Gilbert adopted new development impact fees in 2024; effective July 1, 2024. Gilbert is a city of about 280,000 people, located in Maricopa County, within the Phoenix metro area, east of Chandler, and south of Mesa. Gilbert levies a primary property tax for operations of 0.98%.

As the city with the most recently adopted fees, Gilbert provides insight into another city's expectations for inflation and long-range capital planning. Gilbert does not have significant offsetting revenue streams. As noted, they levy a primary property tax for operations, but do not levy a secondary property tax. The City is experiencing growth, both in population and in commercial development.

Gilbert's fees are higher than other cities surveyed; however, given that most of the other cities adopted fees between three and four years ago, this difference speaks to the significant inflation and uncertainty since the pandemic. Sedona's proposed fees are similar in scale to those in Gilbert, with key differences in expectations for growth, and the relative cost of completing capital projects.

² The City of Flagstaff transportation taxes are as follows: (1) Transportation Tax, 0.426%, effective 07/01/2020, expires 06/30/2041; (2) Road Repair and Street Safety, 0.330%, effective 01/01/2015, expires 12/31/2034; (3) RT66/Butler Overpass, 0.230%, effective 07/01/2019, expires 06/30/2039; (4) Transit Tax, 0.295%, effective 07/01/2020, expires 06/30/2030.

In developing the City of Sedona's rates, the residential fee is applied according to the size of the unit. Gilbert charges a flat \$16,707 per unit for single-family homes, and \$11,080 per unit for multi-family developments. Sedona's fees range from \$7,381 for a unit up to 700 square feet, units larger than 4,700 square feet have a fee of \$23,971. (Sedona's per unit fee for residential applies to both single family and multi-family developments and may be reviewed in the Appendix, page i.)

Fountain Hills

Located northeast of Scottsdale, Fountain Hills borders the Salt River Pima-Maricopa Indian Community on its east, and the McDowell Mountain Regional Park to the north, and is nearly built-out. Further development is limited, with only about 2,400 acres of remaining developable land. The City's adopted DIF, effective April 5, 2020, includes fees for fire, parks and streets. The City does not levy a property tax.

Key differences between Sedona and Fountain Hills include plans for parks and their relative cost. Fountain Hills' IIP focuses on amenities, including disk golf, courts, playgrounds and sports fields. Fountain Hills' fees are designed to keep the number of amenities per resident stable. The City's IIP includes the acquisition of 10.3 acres of land and addition of 5.6 amenities, for a total estimated cost of \$2.9 million. Key to note is the cost of land acquisition for amenities is significantly lower than in Sedona.

Because of the scarcity of land in Sedona, each acre is anticipated to cost \$500,000. The City plans to purchase only five acres over ten years, the cost of which is nearly as much as the total estimated parks cost for Fountain Hills for both land and amenities. Sedona also plans to build amenities, which pushes the necessary fee for parks higher.

Fountain Hills also has a dedicated revenue for streets that drives the net cost of streets per lane mile down to only \$800,000. Sedona's cost per lane mile is approximately \$3 million.

Apache Junction

Apache Junction is a small city at the western edge of the Superstition Mountains in Pinal County. Apache Junction's fees were adopted in the fall of 2022. They include fees for library facilities, parks and recreation, police and streets. While the City has an extensive list of projects in its IIP, Apache Junction benefits from investments by Pinal County through the county's ½-cent Road Maintenance and Improvement fund, as well as a developer agreement that paid off certain road bonds. These mitigating factors reduce the amount of fees needed for streets.

Both Fountain Hills and Apache Junction benefit from their proximity to Phoenix. The cost of labor, supplies, and the delivery of materials is less expensive than in more remote locations, like the City of Sedona.

Kingman

The City of Kingman adopted impact fees in 2006. In 2011, during the Great Recession, the City chose to eliminate these fees as a potential barrier to development. While the City did see an uptick in development after 2011, the rate was in line with nationwide increases as the country slowly recovered from the recession and was likely not a function of the removal of the fees.

Kingman re-implemented impact fees in 2021. The City of Kingman does not levy a property tax.

Sedona’s Proposed Fees: Impacts and Options

The City of Sedona’s proposed fees are not mitigated by offsets from dedicated revenue streams. The additional 0.5% Transaction Privilege Tax, passed as a temporary measure in 2018, was made permanent in 2021 and could be used as an offset; however, those revenues are primarily used to fund the operating costs of the City’s public transit.

To evaluate the cost and impact of the proposed fees on developments in Sedona, staff reviewed development costs (self-reported by developer/builder) for recently permitted single family homes in Sedona. Because self-reported costs vary widely, the table below also includes a normalized cost per square foot for each project of \$500.00 to create better comparability. Recent estimates from builders (not related to specific projects) suggest project costs are as high as \$700 to \$800 per square foot. Note: the square footage and self-reported cost per square foot are rounded and do not include the cost of land and finishes.

	Home 1	Home 2	Home 3	Home 4
Square Feet	4,000	2,050	1,800	1,000
Self-Reported Cost Estimates				
Cost/ Sq. Ft.	\$305.00	\$490.00	\$280.00	\$300.00
Project Cost estimate	\$1,220,000	\$1,004,500	\$504,000	\$300,000
Current DIF	\$9,082	\$6,741	\$6,741	\$4,491
% of Cost	0.7%	0.7%	1.3%	1.5%
Proposed DIF	\$21,909	\$14,763	\$14,763	\$9,419
% of Cost	1.7%	1.5%	2.9%	3.1%
Normalized Costs				

Cost/ Sq. Ft.	\$500.00	\$500.00	\$500.00	\$500.00
Project Cost estimate	\$2,000,000	\$1,025,000	\$900,000	\$500,000
Current DIF	\$9,082	\$6,741	\$6,741	\$4,491
% of Cost	0.5%	0.7%	0.8%	0.9%
Proposed DIF	\$21,909	\$14,763	\$14,763	\$9,419
% of Cost	1.1%	1.4%	1.6%	1.9%

Multi-family developments are subject to the same DIF based on the size of individual units. Below is a table with the potential cost for multi-family, based on 50 units each, with varying square footage. These are hypothetical only and do not represent any current or future projects. It is important to note that multi-family projects with higher square footage may cost more per square foot if the developer is building luxury units, versus affordable or workforce housing. The table below uses the same “normal” cost per square foot as the single-family comparison above (\$500/ sq. ft.), and the proposed DIF.

Units	Project 1			Project 2		
	# Units	Unit Sq. Ft.	Total Sq. Ft.	# Units	Unit Sq. Ft.	Total Sq. Ft.
Units 700 sq. ft. or less	0	-	-	20	700	14,000
Units 701-1,200 sq.ft.	0	-	-	20	950	19,000
Units 1,201-1,700 sq. ft.	10	1,450	14,500	10	1,450	14,500
Units 1,701-2,200 sq.ft.	30	1,950	58,500	0	-	-
Units 2,201-2,700 sq.ft.	10	2,450	24,500	0	-	-
TOTAL Units and Square Feet	50		97,500	50		47,500

DIF	Project 1			Project 2		
	# Units	DIF/unit	Total DIF	# Units	DIF/unit	Total DIF
Units 700 sq. ft. or less	0	\$ 7,381	\$ -	20	\$ 7,381	\$ 147,620
Units 701-1,200 sq.ft.	0	\$ 9,419	\$ -	20	\$ 9,419	\$ 188,380
Units 1,201-1,700 sq. ft.	10	\$ 12,018	\$ 120,180	10	\$ 12,018	\$ 120,180
Units 1,701-2,200 sq.ft.	30	\$ 14,763	\$ 442,890	0	\$ 14,763	\$ -
Units 2,201-2,700 sq.ft.	10	\$ 17,228	\$ 172,280	0	\$ 17,228	\$ -
TOTAL DIF			\$ 735,350			\$ 456,180

Estimated Project Cost, using \$500/ square foot	\$48,750,000	\$23,750,000
DIF, percentage of Estimated Cost	1.5%	1.9%

While DIF is not directly comparable between cities, the context of Sedona’s fees relative to that of other cities is nevertheless valuable. Cities that adopted fees early on during the pandemic have lower fees not only because of inflation, but also because of the economic uncertainty created by the pandemic. Long-term revenues, particularly non-property tax revenues, were difficult to forecast without an understanding of the future impact of the pandemic.

As cities update their fees, revenues are easier to forecast; however, the level of long-term uncertainty is higher than pre-pandemic. Inflation has been high, with the cost of construction increasing at a higher rate than that of the other costs. While inflation is slowing, costs are unlikely to decrease, but rather will increase at a more manageable rate.

Development Impact Fees are critical to Sedona's long-term capital plan and ensuring that community needs are addressed. While DIF are necessary to ensure that the burden of development, including the need for expanded or new infrastructure, is borne in part by developers, there are developments that provide significant community benefit. For example, developments including affordable and workforce housing. It is a specific goal of the City to add to the affordable housing stock, and encourage/incentivize the inclusion of affordable and workforce housing in developments. While DIF may not be waived for a project, the City has a number of options available to ensure that fees are not a barrier to this kind of development. Following is a list of options (not all-inclusive).

1. As previously mentioned, the City has a 0.5% additional Transaction Privilege Tax (TPT) effective in 2018 that was made permanent in 2021. Because this tax does not sunset, the revenue received, or some portion thereof, could be used as an offset for the streets portion of the City's DIF. (See Appendix, page iv for annual collections and forecast.)
2. The City may pay all or a portion of the fees for the developer if a public benefit is identified. Projects could be analyzed individually, or a policy could be adopted based on specific affordability metrics.
3. The City can (and currently does) waive other fees for developments providing affordable and workforce housing. Waiving these fees does not completely offset the DIF.

These options are not mutually exclusive, and the City could develop a policy for incentivizing housing. The policy could consider the number of affordable units, establish a minimum length of time that the property is required to maintain affordability, and add incentives for longer terms of affordability, proximity to public transit, and other factors.

When considering options, it is important to note that there is an annual transfer from the TPT fund to the Transit Fund. The transfer primarily pays for the operating costs of the City's public transit.

Below is a history of the TPT collections and transfers to the Transit Fund.

Fiscal Year	Transportation	
	Sales Tax Collections	Transfer to Transit Fund
2017/18	\$ 1,051,718	\$ -
2018/19	\$ 2,962,063	\$ -
2019/20	\$ 2,804,004	\$ -
2020/21	\$ 3,845,977	\$ 20,194
2021/22	\$ 4,595,750	\$ 806,838
2022/23	\$ 4,464,666	\$ 4,489,995
2023/24	\$ 4,716,000	\$ 3,407,600
2024/25 (Budget)	\$ 4,905,500	\$ 3,814,150

Using all or a portion of this tax to offset DIF may result in the burden of funding the ongoing operations of the Transit Fund to the General Fund.

The City’s consultant, Tischler-Bise, has developed two possible options to offset the streets portion of the impact fees. These options are attached to this memo and will be discussed in depth during the Council meeting on November 12, 2024. While the increase in fees may be more palatable with a revenue offset, any reduction in fees collected likely represents a decline in future service levels. The cost of CIP will not decrease, thus less revenue results in fewer projects.

City of Sedona Department of Financial Services

Sedona Proposed DIF (effective 2025)

Residential Development		Fees per Unit		
Unit Size (square feet)	Parks & Recreation	Police	Streets	Total
700 or less	\$ 1,734.00	\$ 1,274.00	\$ 4,373.00	\$ 7,381.00
701-1,200	\$ 2,185.00	\$ 1,605.00	\$ 5,629.00	\$ 9,419.00
1,201-1,700	\$ 2,809.00	\$ 2,064.00	\$ 7,145.00	\$12,018.00
1,701-2,200	\$ 3,433.00	\$ 2,522.00	\$ 8,808.00	\$14,763.00
2,201-2,700	\$ 4,092.00	\$ 3,006.00	\$10,130.00	\$17,228.00
2,701-3,200	\$ 4,525.00	\$ 3,325.00	\$11,320.00	\$19,170.00
3,201-3,700	\$ 4,906.00	\$ 3,605.00	\$12,213.00	\$20,724.00
3,701-4,200	\$ 5,184.00	\$ 3,809.00	\$12,916.00	\$21,909.00
4,201-4,700	\$ 5,444.00	\$ 4,000.00	\$13,544.00	\$22,988.00
4,701 or more	\$ 5,687.00	\$ 4,178.00	\$14,106.00	\$23,971.00
Nonresidential Development		Fees per Square Foot		
Development Type	Parks & Recreation	Police	Streets	Total
Industrial	\$ 1.03	\$ 0.49	\$ 2.83	\$ 4.35
Commercial	\$ 1.40	\$ 2.46	\$ 14.61	\$ 18.47
Office/ Other Services	\$ 2.15	\$ 1.09	\$ 6.31	\$ 9.55
Institutional	\$ 1.99	\$ 1.50	\$ 8.68	\$ 12.17
Lodging	\$ 3,277.00	\$ 807.00	\$ 4,779.00	\$ 8,863.00

Flagstaff DIF (2021)

Residential Development		Fees per Unit		
Development Type	Fire	Police	Total	
Single-Family				
0-1 Bedrooms	\$ 778.00	\$ 385.00	\$ 1,163.00	
2 Bedrooms	\$ 892.00	\$ 442.00	\$ 1,334.00	
3 Bedrooms	\$ 1,071.00	\$ 531.00	\$ 1,602.00	
4+ Bedrooms	\$ 1,357.00	\$ 672.00	\$ 2,029.00	
Multi-Family				
0-1 Bedrooms	\$ 643.00	\$ 319.00	\$ 962.00	
2 Bedrooms	\$ 896.00	\$ 444.00	\$ 1,340.00	
3+ Bedrooms	\$ 1,352.00	\$ 670.00	\$ 2,022.00	

Nonresidential Development		Fees per Square Foot		
Development Type	Fire	Police	Total	
Industrial/Flex	\$ 0.40	\$ 0.10	\$ 0.50	
Commercial/Retail	\$ 0.81	\$ 0.78	\$ 1.59	
Office/Institutional	\$ 1.03	\$ 0.30	\$ 1.33	
Hotel (per room)	\$ 202.00	\$ 263.00	\$ 465.00	
Nursing Home (per bed)	\$ 364.00	\$ 96.00	\$ 460.00	
Assisted Living (per bed)	\$ 212.00	\$ 82.00	\$ 294.00	

Gilbert DIF (2024)

Residential Development	Fees per Housing Unit					
Development Type	Fire	Police	Traffic Signals	Roads	Parks & Recreation	Total
Single Unit	\$ 1,447.00	\$ 1,138.00	\$ 1,754.00	\$ 3,010.00	\$ 9,358.00	\$16,707.00
2+ Units per Structure	\$ 930.00	\$ 732.00	\$ 1,253.00	\$ 2,149.00	\$ 6,016.00	\$11,080.00

Nonresidential Development	Fees per 1,000 Square Feet					
Development Type	Fire	Police	Traffic Signals	Roads	Parks & Recreation	Total
Industrial	\$ 660.00	\$ 2,345.00	\$ 907.00	\$ 1,556.00	\$ 1,201.00	\$ 6,669.00
Commercial	\$ 891.00	\$ 3,166.00	\$ 4,884.00	\$ 8,379.00	\$ 1,622.00	\$18,942.00
Office & Other Services	\$ 1,370.00	\$ 4,869.00	\$ 2,015.00	\$ 3,456.00	\$ 2,494.00	\$14,204.00

Fountain Hills DIF (2020)

Residential Development	Development Fees per Unit			
Development Type	Fire	Parks & Recreation	Streets	Total
Single-Family	\$ 122.00	\$ 1,916.00	\$ 1,935.00	\$ 3,973.00
Multi-Family	\$ 94.00	\$ 1,479.00	\$ 964.00	\$ 2,537.00

Nonresidential Development	Development Fees per Square Foot			
Development Type	Fire	Parks & Recreation	Streets	Total
Industrial	\$ 0.10	\$ 0.56	\$ 0.63	\$ 1.29
Commercial	\$ 0.14	\$ 0.81	\$ 2.86	\$ 3.81
Institutional	\$ 0.06	\$ 0.32	\$ 2.48	\$ 2.86
Office	\$ 0.18	\$ 1.03	\$ 1.24	\$ 2.45

Apache Junction DIF (2022)

Residential Fees per Unit					
Development Type	Library	Parks & Recreation	Police	Streets	Total
Single Family	\$ 550.00	\$ 1,707.00	\$ 1,229.00	\$ 3,250.00	\$ 6,736.00
Multi-Family	\$ 432.00	\$ 1,340.00	\$ 965.00	\$ 1,779.00	\$ 4,516.00
Recreational Vehicle	\$ 425.00	\$ 1,318.00	\$ 949.00	\$ 1,779.00	\$ 4,471.00

Nonresidential per Square Foot					
Development Type	Library	Parks & Recreation	Police	Streets	Total
Industrial	\$ 0.07	\$ 0.22	\$ 0.68	\$ 0.92	\$ 1.89
Commercial	\$ 0.10	\$ 0.30	\$ 3.40	\$ 4.72	\$ 8.52
Office & Other Services	\$ 0.16	\$ 0.46	\$ 1.51	\$ 2.04	\$ 4.17
Institutional	\$ 0.14	\$ 0.40	\$ 0.99	\$ 1.34	\$ 2.87
Lodging	\$ 27.00	\$ 79.00	\$ 1,115.00	\$ 1,545.00	\$ 2,766.00
Assisted Living (per bed)	\$ 29.00	\$ 86.00	\$ 362.00	\$ 490.00	\$ 967.00

Kingman DIF (2021)

Residential Development	Fees per Unit				
Development Type	Fire	Parks & Recreation	Police	Streets	Total
Single Family Residence	\$ 711.00	\$ 393.00	\$ 330.00	\$ 713.00	\$ 2,147.00
Multi-Family	\$ 459.00	\$ 254.00	\$ 213.00	\$ 421.00	\$ 1,347.00
Mobile Home	\$ 435.00	\$ 241.00	\$ 202.00	\$ 458.00	\$ 1,336.00
All Other	\$ 296.00	\$ 164.00	\$ 137.00	\$ 311.00	\$ 908.00

Nonresidential Development	Fees per Square Foot				
Development Type	Fire	Parks & Recreation	Police	Streets	Total
Industrial	\$ 0.06	\$ 0.04	\$ 0.10	\$ 0.22	\$ 0.42
Commercial	\$ 0.09	\$ 0.05	\$ 0.50	\$ 1.13	\$ 1.77
Office & Other Services	\$ 0.11	\$ 0.07	\$ 0.19	\$ 0.43	\$ 0.80
Institutional	\$ 0.11	\$ 0.06	\$ 0.14	\$ 0.31	\$ 0.62
Hotel (per room)	\$ 22.00	\$ 13.00	\$ 167.00	\$ 377.00	\$ 579.00
Assisted Living (per bed)	\$ 23.00	\$ 14.00	\$ 52.00	\$ 114.00	\$ 203.00

Sedona ½-Cent TPT collections since 2018, forecast through 2034

Actual			Forecast		
Fiscal Year		Collections	Fiscal Year		Projected
FY 2018	\$	1,051,718	FY 2025	\$	4,881,060
FY 2019	\$	2,962,063	FY 2026	\$	5,051,898
FY 2020	\$	2,804,004	FY 2027	\$	5,228,714
FY 2021	\$	3,845,977	FY 2028	\$	5,411,719
FY 2022	\$	4,595,750	FY 2029	\$	5,601,129
FY 2023	\$	4,464,666	FY 2030	\$	5,797,169
FY 2024	\$	4,716,000	FY 2031	\$	6,000,070
			FY 2032	\$	6,210,072
			FY 2033	\$	6,427,424
			FY 2034	\$	6,652,384



Development Impact Fee Discussion

Financial Services Department

Barbara Whitehorn, MBA, CTP,
Director

November 12, 2024



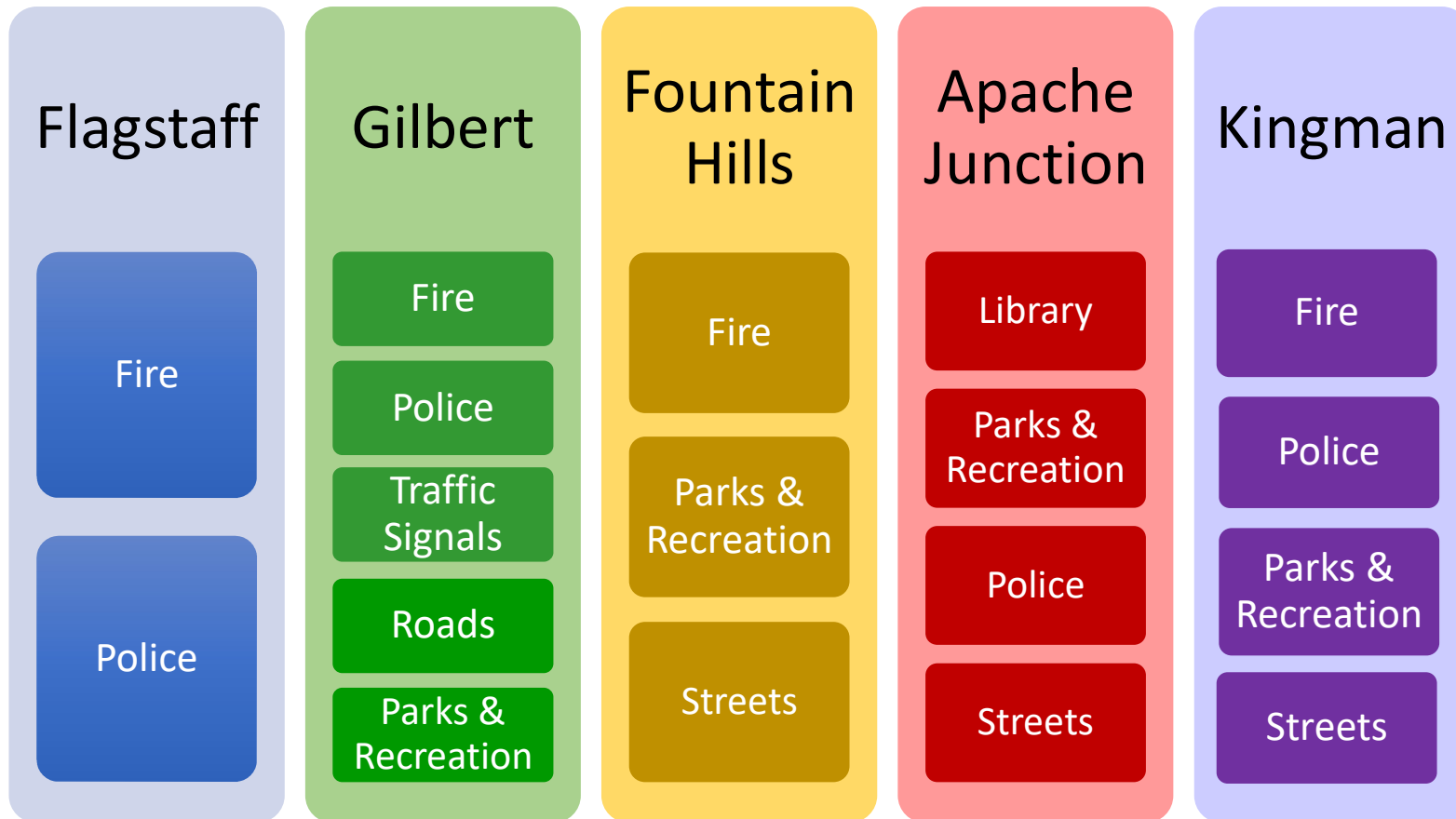
Comparing Impact Fees

Never an “apples to apples” comparison

- Community needs and capital plans
- Services provided
- Geography and build-out
- Availability of alternative revenue streams



Cities Reviewed & Impact Fee Categories



Property Tax

- There are two types of Property Taxes in Arizona
 - **Primary Property Tax:** Funds general operations of local governments. Limited to 1.0% of property's limited value.
 - **Secondary Property Tax:** Levied for voter-approved projects, such as bonds for infrastructure improvements.



Property Tax

Cities with City Property Tax

- Flagstaff: primary AND secondary
- Gilbert: primary only

Cities without City Property Tax

- Apache Junction
- Fountain Hills
- Kingman
- Sedona



Other Revenue

Other revenue sources can offset need for DIF

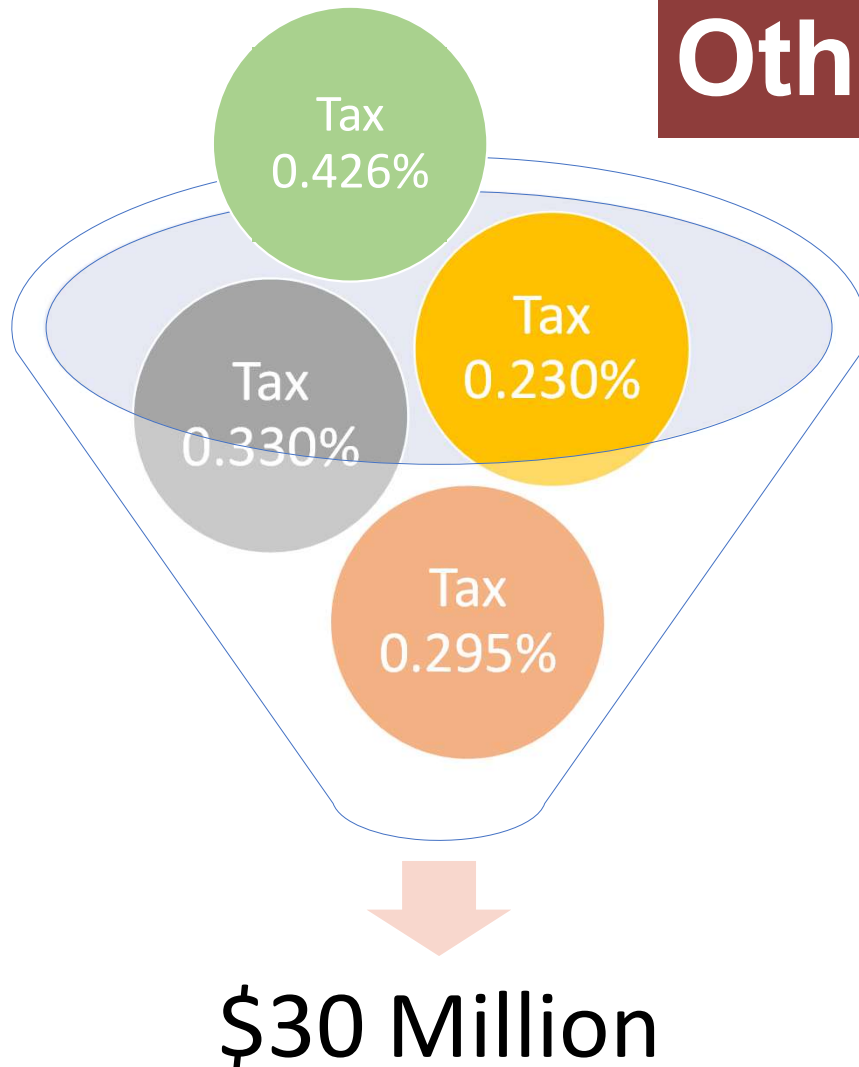
- Dedicated taxes
- County or State investments
- Assignment of other revenue

Requirements:

- Revenue source must not expire within 10 years
- Cannot be reallocated from other DIF categories



Other Revenue - Flagstaff



- 4 Transaction Privilege Taxes (TPT) dedicated to transportation
- Total of 1.281%
- More than \$30 Million collected annually
- No transportation-related DIF



Fees - Flagstaff

**Effective 2021
Levies 0.80% secondary
Property Tax**

Residential Development	Fees per Unit		
Development Type	Fire	Police	Total
Single-Family			
0-1 Bedrooms	\$ 778.00	\$ 385.00	\$ 1,163.00
2 Bedrooms	\$ 892.00	\$ 442.00	\$ 1,334.00
3 Bedrooms	\$ 1,071.00	\$ 531.00	\$ 1,602.00
4+ Bedrooms	\$ 1,357.00	\$ 672.00	\$ 2,029.00
Multi-Family			
0-1 Bedrooms	\$ 643.00	\$ 319.00	\$ 962.00
2 Bedrooms	\$ 896.00	\$ 444.00	\$ 1,340.00
3+ Bedrooms	\$ 1,352.00	\$ 670.00	\$ 2,022.00

Nonresidential Development	Fees per Square Foot		
Development Type	Fire	Police	Total
Industrial/Flex	\$ 0.40	\$ 0.10	\$ 0.50
Commercial/Retail	\$ 0.81	\$ 0.78	\$ 1.59
Office/Institutional	\$ 1.03	\$ 0.30	\$ 1.33
Hotel (per room)	\$ 202.00	\$ 263.00	\$ 465.00
Nursing Home (per bed)	\$ 364.00	\$ 96.00	\$ 460.00
Assisted Living (per bed)	\$ 212.00	\$ 82.00	\$ 294.00



Fees - Gilbert

Effective 2024, levies only primary Property Tax

Residential Development	Fees per Housing Unit					
Development Type	Fire	Police	Traffic Signals	Roads	Parks & Recreation	Total
Single Unit	\$ 1,447.00	\$ 1,138.00	\$ 1,754.00	\$ 3,010.00	\$ 9,358.00	\$16,707.00
2+ Units per Structure	\$ 930.00	\$ 732.00	\$ 1,253.00	\$ 2,149.00	\$ 6,016.00	\$11,080.00

Nonresidential Development	Fees per 1,000 Square Feet					
Development Type	Fire	Police	Traffic Signals	Roads	Parks & Recreation	Total
Industrial	\$ 660.00	\$ 2,345.00	\$ 907.00	\$ 1,556.00	\$ 1,201.00	\$ 6,669.00
Commercial	\$ 891.00	\$ 3,166.00	\$ 4,884.00	\$ 8,379.00	\$ 1,622.00	\$18,942.00
Office & Other Services	\$ 1,370.00	\$ 4,869.00	\$ 2,015.00	\$ 3,456.00	\$ 2,494.00	\$14,204.00



Fees – Fountain Hills

Effective 2020

Residential Development	Development Fees per Unit			
Development Type	Fire	Parks & Recreation	Streets	Total
Single-Family	\$ 122.00	\$ 1,916.00	\$ 1,935.00	\$ 3,973.00
Multi-Family	\$ 94.00	\$ 1,479.00	\$ 964.00	\$ 2,537.00

Nonresidential Development	Development Fees per Square Foot			
Development Type	Fire	Parks & Recreation	Streets	Total
Industrial	\$ 0.10	\$ 0.56	\$ 0.63	\$ 1.29
Commercial	\$ 0.14	\$ 0.81	\$ 2.86	\$ 3.81
Institutional	\$ 0.06	\$ 0.32	\$ 2.48	\$ 2.86
Office	\$ 0.18	\$ 1.03	\$ 1.24	\$ 2.45

No
Property
Tax



Fees – Apache Junction

Effective 2022

Residential Fees per Unit					
Development Type	Library	Parks & Recreation	Police	Streets	Total
Single Family	\$ 550.00	\$ 1,707.00	\$ 1,229.00	\$ 3,250.00	\$ 6,736.00
Multi-Family	\$ 432.00	\$ 1,340.00	\$ 965.00	\$ 1,779.00	\$ 4,516.00
Recreational Vehicle	\$ 425.00	\$ 1,318.00	\$ 949.00	\$ 1,779.00	\$ 4,471.00

Nonresidential per Square Foot					
Development Type	Library	Parks & Recreation	Police	Streets	Total
Industrial	\$ 0.07	\$ 0.22	\$ 0.68	\$ 0.92	\$ 1.89
Commercial	\$ 0.10	\$ 0.30	\$ 3.40	\$ 4.72	\$ 8.52
Office & Other Services	\$ 0.16	\$ 0.46	\$ 1.51	\$ 2.04	\$ 4.17
Institutional	\$ 0.14	\$ 0.40	\$ 0.99	\$ 1.34	\$ 2.87
Lodging	\$ 27.00	\$ 79.00	\$ 1,115.00	\$ 1,545.00	\$ 2,766.00
Assisted Living (per bed)	\$ 29.00	\$ 86.00	\$ 362.00	\$ 490.00	\$ 967.00

No
Property
Tax



Fees – Kingman

Effective 2021

Residential Development	Fees per Unit				
Development Type	Fire	Parks& Recreation	Police	Streets	Total
Single Family Residence	\$ 711.00	\$ 393.00	\$ 330.00	\$ 713.00	\$ 2,147.00
Multi-Family	\$ 459.00	\$ 254.00	\$ 213.00	\$ 421.00	\$ 1,347.00
Mobile Home	\$ 435.00	\$ 241.00	\$ 202.00	\$ 458.00	\$ 1,336.00
All Other	\$ 296.00	\$ 164.00	\$ 137.00	\$ 311.00	\$ 908.00

Nonresidential Development	Fees per Square Foot				
Development Type	Fire	Parks& Recreation	Police	Streets	Total
Industrial	\$ 0.06	\$ 0.04	\$ 0.10	\$ 0.22	\$ 0.42
Commercial	\$ 0.09	\$ 0.05	\$ 0.50	\$ 1.13	\$ 1.77
Office & Other Services	\$ 0.11	\$ 0.07	\$ 0.19	\$ 0.43	\$ 0.80
Institutional	\$ 0.11	\$ 0.06	\$ 0.14	\$ 0.31	\$ 0.62
Hotel (per room)	\$ 22.00	\$ 13.00	\$ 167.00	\$ 377.00	\$ 579.00
Assisted Living (per bed)	\$ 23.00	\$ 14.00	\$ 52.00	\$ 114.00	\$ 203.00

No
Property
Tax





Impact of Timing on Impact Fees

- Fees in cities that adopted in 2020, 2021 and 2022 are lower
 - Economic uncertainty of pandemic
 - Lower inflation and construction costs
- Over time these fees are no longer aligned with the actual cost of eligible projects



Impact of Timing on Impact Fees

Why is it important that fees align with actual costs?

- If a city's fees are too low, they must
 - 1) Use non-DIF revenue to offset increases in costs,
 - 2) Update fees to reflect actual costs of projects, or
 - 3) Allow levels of service to drop in comparison to pre-pandemic levels.



Proposed Residential
Effective 2025

Fees - Sedona

Residential Development	Fees per Unit			
Unit Size (square feet)	Parks & Recreation	Police	Streets	Total
700 or less	\$ 1,734.00	\$ 1,274.00	\$ 4,373.00	\$ 7,381.00
701-1,200	\$ 2,185.00	\$ 1,605.00	\$ 5,629.00	\$ 9,419.00
1,201-1,700	\$ 2,809.00	\$ 2,064.00	\$ 7,145.00	\$12,018.00
1,701-2,200	\$ 3,433.00	\$ 2,522.00	\$ 8,808.00	\$14,763.00
2,201-2,700	\$ 4,092.00	\$ 3,006.00	\$10,130.00	\$17,228.00
2,701-3,200	\$ 4,525.00	\$ 3,325.00	\$11,320.00	\$19,170.00
3,201-3,700	\$ 4,906.00	\$ 3,605.00	\$12,213.00	\$20,724.00
3,701-4,200	\$ 5,184.00	\$ 3,809.00	\$12,916.00	\$21,909.00
4,201-4,700	\$ 5,444.00	\$ 4,000.00	\$13,544.00	\$22,988.00
4,701 or more	\$ 5,687.00	\$ 4,178.00	\$14,106.00	\$23,971.00



Fees - Sedona

Proposed Nonresidential Effective 2025

Nonresidential Development	Fees per Square Foot			
Development Type	Parks & Recreation	Police	Streets	Total
Industrial	\$ 1.03	\$ 0.49	\$ 2.83	\$ 4.35
Commercial	\$ 1.40	\$ 2.46	\$ 14.61	\$ 18.47
Office/ Other Services	\$ 2.15	\$ 1.09	\$ 6.31	\$ 9.55
Institutional	\$ 1.99	\$ 1.50	\$ 8.68	\$ 12.17
Lodging	\$ 3,277.00	\$ 807.00	\$ 4,779.00	\$ 8,863.00



Proposed Fees in Action

Single Family Home Fees: costs using developer self-reported project cost estimates

Self-Reported Cost Estimates				
	Home 1	Home 2	Home 3	Home 4
Square Feet	\$ 4,000	\$ 2,050	\$ 1,800	\$ 1,000
Estimated Cost/Sq. Ft.	\$ 305	\$ 490	\$ 280	\$ 300
Total Estimated Cost	\$1,220,000	\$1,004,500	\$504,000	\$300,000
Current DIF	\$ 9,082	\$ 6,741	\$ 6,741	\$ 4,491
% of Cost	0.7%	0.7%	1.3%	1.5%
Proposed DIF	\$ 21,909	\$ 14,763	\$ 14,763	\$ 9,419
% of Cost	1.8%	1.5%	2.9%	3.1%



Proposed Fees in Action

Single Family Home Fees: costs using normalized project cost estimates

Normalized Cost				
	Home 1	Home 2	Home 3	Home 4
Square Feet	\$ 4,000	\$ 2,050	\$ 1,800	\$ 1,000
Normal Cost/Sq. Ft.	\$ 500	\$ 500	\$ 500	\$ 500
Total Normal Cost	\$2,000,000	\$1,025,000	\$900,000	\$500,000
Current DIF	\$ 9,082	\$ 6,741	\$ 6,741	\$ 4,491
% of Cost	0.5%	0.7%	0.7%	0.9%
Proposed DIF	\$ 21,909	\$ 14,763	\$ 14,763	\$ 9,419
% of Cost	1.1%	1.4%	1.6%	1.9%



Multi-Family Fees

Proposed Fees in Action

Units	Project 1			Project 2		
	# Units	Unit Sq. Ft.	Total Sq. Ft.	# Units	Unit Sq. Ft.	Total Sq. Ft.
Units 700 sq. ft. or less	0	-	-	20	700	14,000
Units 701-1,200 sq.ft.	0	-	-	20	950	19,000
Units 1,201-1,700 sq. ft.	10	1,450	14,500	10	1,450	14,500
Units 1,701-2,200 sq.ft.	30	1,950	58,500	0	-	-
Units 2,201-2,700 sq.ft.	10	2,450	24,500	0	-	-
TOTAL Units and Square Feet	50		97,500	50		47,500

DIF	Project 1			Project 2		
	# Units	DIF/unit	Total DIF	# Units	DIF/unit	Total DIF
Units 700 sq. ft. or less	0	\$ 7,381	\$ -	20	\$ 7,381	\$ 147,620
Units 701-1,200 sq.ft.	0	\$ 9,419	\$ -	20	\$ 9,419	\$ 188,380
Units 1,201-1,700 sq. ft.	10	\$ 12,018	\$ 120,180	10	\$ 12,018	\$ 120,180
Units 1,701-2,200 sq.ft.	30	\$ 14,763	\$ 442,890	0	\$ 14,763	\$ -
Units 2,201-2,700 sq.ft.	10	\$ 17,228	\$ 172,280	0	\$ 17,228	\$ -
TOTAL DIF			\$ 735,350			\$ 456,180

Estimated Project Cost, using \$500/ square foot	\$48,750,000	\$23,750,000
DIF, percentage of Estimated Cost	1.5%	1.9%
Existing DIF %	0.7%	0.9%
Increase	0.8%	1.0%

Costs using normalized project cost estimates (\$500/sq. ft.)



Fee Offsets and Mitigation Options

Fee Offset Revenue

- Dedicated taxes
- 0.5% TPT added in 2018, permanent as of 2021
- Currently used for Transit operations and project

Other Options

- City may pay all or a portion of DIF for a development with a public benefit
- City may waive other permit fees



Street Development Fee Credits

Sedona, AZ

October 24, 2024

Bethesda, MD | 301.320.6900

TischlerBise.com

Alternative Street Fees

DRAFT

Option 1

Fee Component	Cost per VMT
Street Improvements	\$375.00
Shared-Use Paths	\$38.08
Intersection Improvements	\$57.62
Subtotal, Gross Cost	\$470.70
Revenue Credit (41.9%)	(\$197.22)
Subtotal, Net Cost	\$273.48
Development Fee Report	\$1.56
Total	\$275.04

Option 2

Fee Component	Cost per VMT
Street Improvements	\$375.00
Shared-Use Paths	\$38.08
Intersection Improvements	\$57.62
Subtotal, Gross Cost	\$470.70
Revenue Credit (49.4%)	(\$232.53)
Subtotal, Net Cost	\$238.17
Development Fee Report	\$1.56
Total	\$239.73

Residential Fees per Unit

Unit Size	Avg Wkdy VMT per Unit ¹	Proposed Fees	Current Fees	Difference
700 or less	9.26	\$2,547	\$2,088	\$459
701 to 1,200	11.92	\$3,278	\$2,831	\$447
1,201 to 1,700	15.13	\$4,161	\$3,580	\$582
1,701 to 2,200	18.65	\$5,129	\$4,134	\$996
2,201 to 2,700	21.45	\$5,900	\$4,574	\$1,326
2,701 to 3,200	23.97	\$6,593	\$4,943	\$1,650
3,201 to 3,700	25.86	\$7,113	\$5,256	\$1,857
3,701 to 4,200	27.35	\$7,522	\$5,526	\$1,996
4,201 to 4,700	28.68	\$7,888	\$5,767	\$2,121
4,701 or more	29.87	\$8,215	\$5,985	\$2,230

Residential Fees per Unit

Unit Size	Avg Wkdy VMT per Unit ¹	Proposed Fees	Current Fees	Difference
700 or less	9.26	\$2,220	\$2,088	\$132
701 to 1,200	11.92	\$2,858	\$2,831	\$27
1,201 to 1,700	15.13	\$3,627	\$3,580	\$48
1,701 to 2,200	18.65	\$4,471	\$4,134	\$338
2,201 to 2,700	21.45	\$5,142	\$4,574	\$568
2,701 to 3,200	23.97	\$5,746	\$4,943	\$803
3,201 to 3,700	25.86	\$6,199	\$5,256	\$943
3,701 to 4,200	27.35	\$6,557	\$5,526	\$1,031
4,201 to 4,700	28.68	\$6,875	\$5,767	\$1,108
4,701 or more	29.87	\$7,161	\$5,985	\$1,176

Nonresidential Fees per Square Foot

Development Type	Avg Wkdy VMT per 1,000 Sq Ft ¹	Proposed Fees	Current Fees	Difference
Industrial	6.00	\$1.65	\$1.18	\$0.47
Commercial	30.94	\$8.51	\$5.36	\$3.15
Office / Other Services	13.37	\$3.68	\$2.32	\$1.36
Institutional	18.38	\$5.06	\$3.07	\$1.99
Lodging (per room)	10.12	\$2,783	\$1,990	\$793

Nonresidential Fees per Square Foot

Development Type	Avg Wkdy VMT per 1,000 Sq Ft ¹	Proposed Fees	Current Fees	Difference
Industrial	6.00	\$1.44	\$1.18	\$0.26
Commercial	30.94	\$7.42	\$5.36	\$2.06
Office / Other Services	13.37	\$3.21	\$2.32	\$0.89
Institutional	18.38	\$4.41	\$3.07	\$1.34
Lodging (per room)	10.12	\$2,426	\$1,990	\$436

1. See Land Use Assumptions

1. See Land Use Assumptions

Fee Summary – Option 1

DRAFT

Proposed Fees

Residential Fees per Unit				
Unit Size	Parks & Recreational	Police	Street	Proposed Fees
700 or less	\$1,734	\$1,274	\$2,547	\$5,555
701 to 1,200	\$2,185	\$1,605	\$3,278	\$7,068
1,201 to 1,700	\$2,809	\$2,064	\$4,161	\$9,034
1,701 to 2,200	\$3,433	\$2,522	\$5,129	\$11,084
2,201 to 2,700	\$4,092	\$3,006	\$5,900	\$12,998
2,701 to 3,200	\$4,525	\$3,325	\$6,593	\$14,443
3,201 to 3,700	\$4,906	\$3,605	\$7,113	\$15,624
3,701 to 4,200	\$5,184	\$3,809	\$7,522	\$16,515
4,201 to 4,700	\$5,444	\$4,000	\$7,888	\$17,332
4,701 or more	\$5,687	\$4,178	\$8,215	\$18,080

Nonresidential Fees per Square Foot				
Development Type	Parks & Recreational	Police	Street	Proposed Fees
Industrial	\$1.03	\$0.49	\$1.65	\$3.17
Commercial	\$1.40	\$2.46	\$8.51	\$12.37
Office / Other Services	\$2.15	\$1.09	\$3.68	\$6.92
Institutional	\$1.99	\$1.50	\$5.06	\$8.55
Lodging (per room)	\$3,277	\$807	\$2,783	\$6,867

Current Fees

Residential Fees per Unit				
Unit Size	Parks & Recreational	Police	Street	Current Fees
700 or less	\$717	\$468	\$2,088	\$3,273
701 to 1,200	\$1,004	\$656	\$2,831	\$4,491
1,201 to 1,700	\$1,363	\$890	\$3,580	\$5,832
1,701 to 2,200	\$1,578	\$1,030	\$4,134	\$6,741
2,201 to 2,700	\$1,721	\$1,124	\$4,574	\$7,419
2,701 to 3,200	\$1,865	\$1,218	\$4,943	\$8,025
3,201 to 3,700	\$2,008	\$1,311	\$5,256	\$8,575
3,701 to 4,200	\$2,151	\$1,405	\$5,526	\$9,082
4,201 to 4,700	\$2,223	\$1,452	\$5,767	\$9,442
4,701 or more	\$2,295	\$1,498	\$5,985	\$9,778

Nonresidential Fees per Square Foot				
Development Type	Parks & Recreational	Police	Street	Current Fees
Industrial	\$0.74	\$0.16	\$1.18	\$2.09
Commercial	\$1.07	\$0.83	\$5.36	\$7.25
Office / Other Services	\$1.36	\$0.32	\$2.32	\$4.00
Institutional	\$0.42	\$0.43	\$3.07	\$3.92
Lodging (per room)	\$1,434	\$278	\$1,990	\$3,702

Fee Summary – Option 2

DRAFT

Proposed Fees

Residential Fees per Unit				
Unit Size	Parks & Recreational	Police	Street	Proposed Fees
700 or less	\$1,734	\$1,274	\$2,220	\$5,228
701 to 1,200	\$2,185	\$1,605	\$2,858	\$6,648
1,201 to 1,700	\$2,809	\$2,064	\$3,627	\$8,500
1,701 to 2,200	\$3,433	\$2,522	\$4,471	\$10,426
2,201 to 2,700	\$4,092	\$3,006	\$5,142	\$12,240
2,701 to 3,200	\$4,525	\$3,325	\$5,746	\$13,596
3,201 to 3,700	\$4,906	\$3,605	\$6,199	\$14,710
3,701 to 4,200	\$5,184	\$3,809	\$6,557	\$15,550
4,201 to 4,700	\$5,444	\$4,000	\$6,875	\$16,319
4,701 or more	\$5,687	\$4,178	\$7,161	\$17,026

Nonresidential Fees per Square Foot				
Development Type	Parks & Recreational	Police	Street	Proposed Fees
Industrial	\$1.03	\$0.49	\$1.44	\$2.96
Commercial	\$1.40	\$2.46	\$7.42	\$11.28
Office / Other Services	\$2.15	\$1.09	\$3.21	\$6.45
Institutional	\$1.99	\$1.50	\$4.41	\$7.90
Lodging (per room)	\$3,277	\$807	\$2,426	\$6,510

Current Fees

Residential Fees per Unit				
Unit Size	Parks & Recreational	Police	Street	Current Fees
700 or less	\$717	\$468	\$2,088	\$3,273
701 to 1,200	\$1,004	\$656	\$2,831	\$4,491
1,201 to 1,700	\$1,363	\$890	\$3,580	\$5,832
1,701 to 2,200	\$1,578	\$1,030	\$4,134	\$6,741
2,201 to 2,700	\$1,721	\$1,124	\$4,574	\$7,419
2,701 to 3,200	\$1,865	\$1,218	\$4,943	\$8,025
3,201 to 3,700	\$2,008	\$1,311	\$5,256	\$8,575
3,701 to 4,200	\$2,151	\$1,405	\$5,526	\$9,082
4,201 to 4,700	\$2,223	\$1,452	\$5,767	\$9,442
4,701 or more	\$2,295	\$1,498	\$5,985	\$9,778

Nonresidential Fees per Square Foot				
Development Type	Parks & Recreational	Police	Street	Current Fees
Industrial	\$0.74	\$0.16	\$1.18	\$2.09
Commercial	\$1.07	\$0.83	\$5.36	\$7.25
Office / Other Services	\$1.36	\$0.32	\$2.32	\$4.00
Institutional	\$0.42	\$0.43	\$3.07	\$3.92
Lodging (per room)	\$1,434	\$278	\$1,990	\$3,702

Alternative Fees in Action, Option 1

Single Family Home Fees: costs using normalized cost per square foot

Normalized Cost OPTION 1				
	Home 1	Home 2	Home 3	Home 4
Square Feet	\$ 4,000	\$ 2,050	\$ 1,800	\$ 1,000
Normal Cost/Sq. Ft.	\$ 500	\$ 500	\$ 500	\$ 500
Total Normal Cost	\$2,000,000	\$1,025,000	\$900,000	\$500,000
Current DIF	\$ 9,082	\$ 6,741	\$ 6,741	\$ 4,491
% of Cost	0.5%	0.7%	0.7%	0.9%
Proposed DIF	\$ 16,515	\$ 11,048	\$ 11,048	\$ 7,068
% of Cost	0.8%	1.1%	1.2%	1.4%

Proposed DIF %	1.1%	1.4%	1.6%	1.9%
% difference	-0.3%	-0.3%	-0.4%	-0.5%



Alternative Fees in Action, Option 2

Single Family Home Fees: costs using normalized cost per square foot

Normalized Cost OPTION 2				
	Home 1	Home 2	Home 3	Home 4
Square Feet	\$ 4,000	\$ 2,050	\$ 1,800	\$ 1,000
Normal Cost/Sq. Ft.	\$ 500	\$ 500	\$ 500	\$ 500
Total Normal Cost	\$2,000,000	\$1,025,000	\$900,000	\$500,000
Current DIF	\$ 9,082	\$ 6,741	\$ 6,741	\$ 4,491
% of Cost	0.5%	0.7%	0.7%	0.9%
OPTION 2 DIF	\$ 15,550	\$ 10,426	\$ 10,426	\$ 5,228
% of Cost	0.8%	1.0%	1.2%	1.0%

Proposed DIF %	1.1%	1.4%	1.6%	1.9%
% difference	-0.3%	-0.4%	-0.4%	-0.9%



Alternative Fees in Action, Option 1

OPTION 1	Project 1			Project 2		
Units	# Units	Unit Sq. Ft.	Total Sq. Ft.	# Units	Unit Sq. Ft.	Total Sq. Ft.
Units 700 sq. ft. or less	0	-	-	20	700	14,000
Units 701-1,200 sq.ft.	0	-	-	20	950	19,000
Units 1,201-1,700 sq. ft.	10	1,450	14,500	10	1,450	14,500
Units 1,701-2,200 sq.ft.	30	1,950	58,500	0	-	-
Units 2,201-2,700 sq.ft.	10	2,450	24,500	0	-	-
TOTAL Units and Square Feet	50		97,500	50		47,500

DIF	# Units	DIF/unit	Total DIF	# Units	DIF/unit	Total DIF
Units 700 sq. ft. or less	0	\$ 5,555	\$ -	20	\$ 5,555	\$ 111,100
Units 701-1,200 sq.ft.	0	\$ 7,068	\$ -	20	\$ 7,068	\$ 141,360
Units 1,201-1,700 sq. ft.	10	\$ 9,034	\$ 90,340	10	\$ 9,034	\$ 90,340
Units 1,701-2,200 sq.ft.	30	\$ 11,084	\$ 332,520	0	\$ 11,084	\$ -
Units 2,201-2,700 sq.ft.	10	\$ 12,998	\$ 129,980	0	\$ 12,998	\$ -
TOTAL DIF			\$ 552,840			\$ 342,800

Estimated Project Cost, using \$500/ square foot	\$48,750,000	\$23,750,000
DIF, percentage of Estimated Cost OPTION 1	1.1%	1.4%
Proposed DIF %	1.5%	1.9%
Difference	-0.37%	-0.48%

Multi-Family Fees

Costs using normalized project cost estimates



Alternative Fees in Action, Option 2

OPTION 2 Units	Project 1			Project 2		
	# Units	Unit Sq. Ft.	Total Sq. Ft.	# Units	Unit Sq. Ft.	Total Sq. Ft.
Units 700 sq. ft. or less	0	-	-	20	700	14,000
Units 701-1,200 sq.ft.	0	-	-	20	950	19,000
Units 1,201-1,700 sq. ft.	10	1,450	14,500	10	1,450	14,500
Units 1,701-2,200 sq.ft.	30	1,950	58,500	0	-	-
Units 2,201-2,700 sq.ft.	10	2,450	24,500	0	-	-
TOTAL Units and Square Feet	50		97,500	50		47,500

DIF	Project 1			Project 2		
	# Units	DIF/unit	Total DIF	# Units	DIF/unit	Total DIF
Units 700 sq. ft. or less	0	\$ 5,228	\$ -	20	\$ 5,228	\$ 104,560
Units 701-1,200 sq.ft.	0	\$ 6,648	\$ -	20	\$ 6,648	\$ 132,960
Units 1,201-1,700 sq. ft.	10	\$ 8,500	\$ 85,000	10	\$ 8,500	\$ 85,000
Units 1,701-2,200 sq.ft.	30	\$ 10,426	\$ 312,780	0	\$ 10,426	\$ -
Units 2,201-2,700 sq.ft.	10	\$ 12,240	\$ 122,400	0	\$ 12,240	\$ -
TOTAL DIF			\$ 520,180			\$ 322,520

Estimated Project Cost, using \$500/ square foot	\$48,750,000	\$23,750,000
DIF, percentage of Estimated Cost OPTION 1	1.1%	1.4%
Proposed DIF %	1.5%	1.9%
Difference	-0.44%	-0.56%

Multi-Family Fees

Costs using normalized project cost estimates



Impact of Reducing Impact Fees

- Proposed Streets DIF funds \$12.3M
 - Street Improvements
 - Shared Use Paths
 - Intersection Improvements
- Reduction in available funds
 - Option 1: \$7.1M **(\$5.2M)**
 - Option 2: \$6.2M **(\$6.1M)**
- Less Funding = Fewer Projects; Declining Service

To maintain
the existing
level of service





Discussion





**CITY COUNCIL
AGENDA BILL**

**AB 3107
November 12, 2024
Regular Business**

Agenda Item: 8c
Proposed Action & Subject: Discussion/possible action regarding approval of a Resolution authorizing the execution of an Intergovernmental Agreement (IGA) between the City of Sedona and the Arizona Department of Transportation (ADOT) regarding the construction of Shelby Drive Shared Use Path Phase II (SIM11Q).

Department	Public Works, Sandy Phillips
Time to Present	5 minutes
Total Time for Item	15 minutes
Other Council Meetings	10/8/2024 – Design contract with SEC Inc.
Exhibits	A. IGA B. Award Letter/USDOT Memorandum C. Resolution

Finance Approval	Reviewed 10/21/24 BGW
City Attorney Approval	Reviewed 10/22/24 KWC
City Manager's Recommendation	Recommend approval of IGA with ADOT ABS 10/25/24

Expenditure Required	\$ 1,530,000
Amount Budgeted	\$ 1,400,000
Account No.	22-5320-89-68E7 Shelby Road II SUP (FY25 & FY26)

SUMMARY STATEMENT

Requesting Council approval to execute the IGA with ADOT to move forward on the Shelby Drive Shared Use Path Phase II project. The IGA provides \$500,000 in state funding toward the construction costs of the project. The City is responsible for the design, NEPA process, and a portion of the construction costs, currently estimated to be \$1,030,000, plus any additional costs.

Background:

The City of Sedona received Congressionally Directed Spending (CDS) funding for the development of Shelby Drive in 2022. However, costs were incurred prior to funding authorization for the Shelby Drive Roadway Improvements (ST-04), so the funds were rolled over towards this project, Shelby II Shared Use Path or "Shelby Drive Business Development Phase 2" (ADOT Project Name). This project involves widening the existing sidewalk on Shelby

Drive to 8 to 10 feet for approximately 0.6 miles in length, from Sedona Recycles to W. State Route 89A.

The IGA calls for the City to complete engineering design and to complete environmental and cultural clearances. ADOT will advertise, bid, and award, and administer the construction phase if the project is approved by the Federal Highway Administration (FHWA).

Southwest Environmental Consultants (SEC) Inc., is currently working on the preliminary design of the project. Staff will be working with utility companies individually to relocate conflicts prior to construction.

Budget:

The agreement includes the State providing \$500,000.00 towards construction of the pathway, and a City match of \$1,030,000.00 plus any additional costs. The budget includes \$675,000 in FY25 and \$725,000 in FY26. As the design is developed, the estimated cost will be refined, which may result in the need to adjust the FY26 project budget.

Public Outreach:

There has not been an official public outreach effort yet because we have been waiting for IGA authorization from Council first. We have identified 5 properties from which we will need easements (APN's 408-24-025K, 408-24-025S, 408-28-375B, 408-28-365B, 408-29-275).

Schedule:

IGA Execution – November/December 2024

30%-100% design – Now through Spring 2025

FHWA authorization – By September 30th, 2025

Construction – Fall 2025 through Spring 2026

Project Features:

This project includes widening the existing sidewalk from the existing 4 to 6 feet to 8 to 10 feet, accompanied by some retaining walls and pavement narrowing to avoid removing trees and parking spaces. This will also require utility and sign relocation.



Figure 1: Proposed Path Alignment

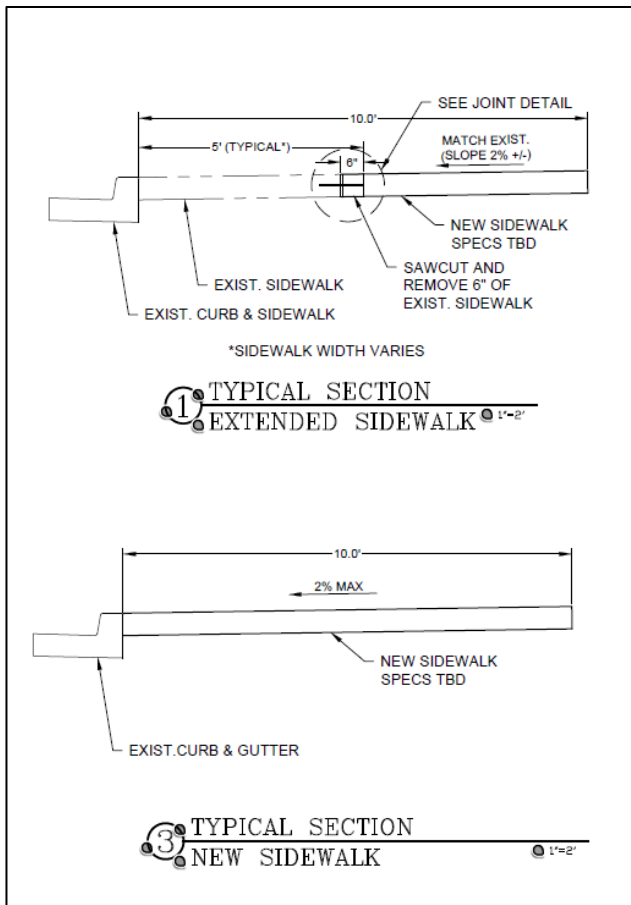


Figure 2: Typical Cross Section



Figure 3: Current SUP Termination

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

In the Climate Action Plan’s Implementation Matrix, one of the recommendations is to accelerate the development of ST&PS and to implement the Sedona GO! Pathways Plan. The GO! Sedona Pathways plan shows Shelby Drive as one of the “Proposed Pathways”.

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): The Council may choose to not approve the IGA, resulting in the forfeit of \$500,000 in federal funding.

MOTION

I move to: approve Resolution No 2024-__, authorizing the execution of an Intergovernmental Agreement between the City of Sedona and Arizona Department of Transportation contributing an amount not-to-exceed \$500,000 in funds to be used for the construction of Shelby Drive Business Development Phase 2.

EXHIBIT A

ADOT CAR No.: IGA 24-0009800-I
AG Contract No.: P0012024001928
Project Location/Name: Shelby Dr
Business Development Phase 2
Type of Work: Shared Use Path
Federal-aid No.: SED-0(204)T
ADOT Project No.: T0620 01D/01C
TIP/STIP No.: ERMK 22-001C
CFDA No.: 20.205 - Highway Planning and
Construction
Budget Source Item No.: 102766

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF SEDONA

THIS AGREEMENT (“Agreement”) is entered into this date _____, pursuant to the Arizona Revised Statutes (“A.R.S.”) §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the “State” or “ADOT”) and the CITY OF SEDONA, acting by and through its MAYOR and CITY COUNCIL (the “City” or “Local Agency”). The State and the Local Agency are each individually referred to as a “Party” and are collectively referred to as the “Parties.”

I. RECITALS

1. The State is empowered by A.R.S. § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The Local Agency is empowered by A.R.S. § 9-499.01 and its City Code to enter into this Agreement and has by resolution, if required, a copy of which is attached and made a part of, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the Local Agency.
3. The City has received funding through the Fiscal Year (FY) 2022 Allocation of Highway Infrastructure Programs (HIP) Congressionally Directed Spending Projects (Earmarks) for the work proposed under this Agreement consisting of the widening of an existing Shared Use Pathway (SUP) along approximately 0.6 miles of Shelby Drive, from the intersection of Stanley Steamer Drive to State Route 89A, (the “Project”). The current SUP is four to six feet wide and will be widened to approximately eight feet to ten feet wide. The Project cost, shown in Exhibit A, is estimated at \$1,530,000, which includes federal aid and the Local Agency’s contribution. The Local Agency will administer the design and the State will advertise, bid and award, and administer the construction phase of the Project.
4. The interest of the State in this Project is the acquisition of federal funds for the use and benefit of the Local Agency and authorization of such federal funds for the Project pursuant

EXHIBIT A

to federal law and regulations. The State shall be the designated agent for the Local Agency for the Project, if the Project is approved by Federal Highway Administration (FHWA) and funds for the Project are available.

5. The foregoing Recitals and all Exhibits referred to herein and attached are incorporated into this Agreement.

In consideration of the mutual terms expressed herein, the Parties agree as follows:

II. SCOPE OF WORK

1. The Parties agree:
 - a. The Project will be completed, accepted, and paid for in accordance with the requirements of the Project plans and specifications.
 - b. The final cost estimate may exceed the initial estimate identified in Exhibit A, and in such case, the Local Agency is responsible for and agrees to pay, the difference prior to bid advertisement.
 - c. The final Project amount may exceed the initial estimate(s) identified in Exhibit A, and in such case, the Local Agency is responsible for, and agrees to pay, any and all actual costs exceeding the initial estimate. If the final Project amount is less than the initial estimate, the difference between the final bid amount and the initial estimate will be de-obligated or otherwise released from the Project. The Local Agency acknowledges it remains responsible for actual costs and agrees to pay according to the terms of this Agreement.
 - d. The Local Agency and ADOT will each separately file a Notice of Intent (NOI) under the Construction General Permit (CGP) with the Arizona Department of Environmental Quality (ADEQ) before construction begins, if applicable to the Project.
 - e. The Project will be completed in accordance with the memorandum dated June 28, 2022 shown in Exhibit B.
2. The State will:
 - a. Execute this Agreement, and if the Project is approved by FHWA and funds for the Project are available, be the Local Agency's designated agent for the Project.
 - b. After this Agreement is executed, and prior to performing or authorizing any work on the Project, invoice the Local Agency for the Local Agency's share of the initial Project Development Administration (PDA) costs, estimated at \$30,000. If PDA costs exceed the estimate during the review of design, notify the Local Agency, obtain concurrence prior to continuing with the review of design, and invoice as determined by ADOT and the Local Agency for additional costs to complete PDA for the Project. After the Project costs

EXHIBIT A

are finalized invoice or reimburse the Local Agency for the difference between actual costs and the amount the Local Agency has paid for PDA.

- c. After receipt of the PDA costs, review design plans, specifications, cost estimates and other such documents required for the construction bidding and construction of the Project, including scoping/design plans and documents required by FHWA to qualify projects for and to receive federal funds; provide design review comments to the Local Agency as appropriate.
 - d. After completion of design review and prior to bid advertisement, invoice the Local Agency for the actual PDA costs, as applicable, and the Local Agency's share of the Project construction costs, estimated at \$1,000,000. After the Project costs for construction are finalized, the State will either invoice or reimburse the Local Agency for the difference between estimated and actual costs. De-obligate or otherwise release any remaining federal funds from the scoping/design phase of the Project.
 - e. After receipt of the actual PDA costs, if applicable, and the Local Agency's estimated share of the Project construction costs, including the difference between the final and the initial construction cost estimates, if applicable, submit all required documentation to FHWA with the recommendation that the maximum federal funds programmed for construction of this Project be approved. Should costs exceed the maximum federal funds available, it is understood and agreed that the Local Agency will be responsible for any overage.
 - f. After receipt of FHWA authorization, proceed to advertise for, receive and open bids, award and enter into a contract with the firm for the construction of the Project. If the bid amounts exceed the construction cost estimate, obtain the Local Agency's concurrence and invoice the Local Agency for the difference between the construction cost estimate and the bid amount prior to awarding the contract.
 - g. Notify the Local Agency of completion and final acceptance of the Project. At such time, file a Notice of Termination (NOT) with ADEQ transferring CGP responsibilities to the Local Agency, and provide a copy to the Local Agency indicating that the State's maintenance responsibility of the Project is terminated, as applicable.
 - h. Notify the Local Agency of completion and final acceptance of the Project; coordinate with the Local Agency and turn over full responsibility of the Project improvements.
 - i. Not be obligated to maintain the Project, should the Local Agency fail to budget or provide for proper and perpetual maintenance as set forth in this Agreement.
3. The Local Agency will:
- a. Designate the State as the Local Agency's authorized agent for the Project.
 - b. Within 30 days of receipt of an invoice from the State, pay the initial PDA costs, estimated at \$30,000. Agree to be responsible for actual PDA costs, if during the review of design, PDA costs exceed the initial estimate. Be responsible for the difference between the estimated and actual PDA and design costs of the Project.

EXHIBIT A

- c. Prepare and provide design plans, specifications, cost estimates and other such documents required for the construction bidding and construction of the Project, including scoping/design plans and documents required by FHWA to qualify projects for and to receive federal funds; incorporate design review comments from the State, as appropriate.
- d. Enter into an agreement with the design consultant which states that the design consultant will provide professional post-design services as required and requested throughout and at completion of the construction phase of the Project. After final acceptance of the Project, provide an electronic version of the record drawings to the ADOT Project Manager.
- e. After completion of design, within 30 days of receipt of an invoice from the State and prior to bid advertisement, pay to the State any outstanding PDA costs, the Local Agency's share of the Project construction costs, estimated at \$1,000,000, and if applicable, the difference between the final and initial construction cost estimates. Be responsible for and pay the difference between the estimated construction cost and Project bid amount prior to award. After Project completion, be responsible for and pay any outstanding Project costs, within 30 days of receipt of an invoice.
- f. Be responsible for all costs incurred in performing and accomplishing the work as set forth under this Agreement, that are not covered by federal funding. Should costs be deemed ineligible or exceed the maximum federal funds available, it is understood and agreed that the Local Agency is responsible for these costs; payment for these costs shall be made within 30 days of receipt of an invoice from the State.
- g. Certify that all necessary rights of way have been or will be acquired prior to advertisement for bid and also certify that all obstructions or unauthorized encroachments of whatever nature, either above or below the surface of the Project area, shall be removed from the proposed right of way, or will be removed prior to the start of construction, in accordance with The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended; 49 CFR 24.102 Basic Acquisition Policies; 49 CFR 24.4 Assurances, Monitoring and Corrective Action, parts (a) & (b) and ADOT Right of Way Procedures Manual: 8.02 Responsibilities, 8.03 Prime Functions, 9.06 Monitoring Process and 9.07 Certification of Compliance. Coordinate with the appropriate State's Right of Way personnel during any right of way process performed by the Local Agency, if applicable.
- h. As applicable, the Local Agency shall certify that it has adequate resources to discharge the Local Agency's real property related responsibilities and ensures that its Title 23-funded projects are carried out using the FHWA approved and certified ADOT Right of Way Procedures Manual and that it will comply with current FHWA requirements whether or not the requirements are included in the FHWA approved ADOT Right of Way Procedures Manual (23 CFR 710.201). Additionally the Local Agency shall certify that all real estate related activities requiring licensure are performed by licensed individuals as defined by the Arizona Department of Real Estate (A.R.S. §§ 32-2121 & 32-2122).
- i. Not permit or allow any encroachments on or private use of the right of way, except those authorized by permit. In the event of any unauthorized encroachment or

EXHIBIT A

improper use, the Local Agency shall take all necessary steps to remove or prevent any such encroachment or use. Provide a copy of encroachment permits issued within the Project limits to the State.

- j. Automatically grant to the State, by execution of this Agreement, its agents and/or contractors, without cost, the temporary right to enter the Local Agency's rights of way, as required, to conduct any and all construction and preconstruction related activities for the Project, on, to and over said Local Agency's rights of way. This temporary right will expire with completion of the Project.
- k. Investigate and document utilities within the Project limits; submit findings to ADOT determining prior rights or no prior rights; approve a location within the final right of way to re-establish the prior rights location for those utilities with prior rights.
- l. Be obligated to incur any expenditure should unforeseen conditions or circumstances increase Project costs. Be responsible for the cost of any Local Agency requested changes to the scope of work of the Project, such changes will require State and FHWA approval. Be responsible for any contractor claims for additional compensation caused by Project delay attributable to the Local Agency. Payment for these costs will be made to the State within 30 days of receipt of an invoice from the State.
- m. After notification of final acceptance by the State, assume and maintain full responsibility of the Project, including Storm Water Pollution Prevention Plans (SWPPP) inspections, maintenance, and required documentation, until final stabilization is reached. Provide the NOI number to the State and the Contractor, accept CGP responsibilities at time of transfer, and file a NOT with ADEQ when final stabilization is reached, as applicable.
- n. After completion and final acceptance of the Project, agree to maintain and assume full responsibility of the Project and all Project components.

III. MISCELLANEOUS PROVISIONS

- 1. **Effective Date.** This Agreement shall become effective upon signing and dating of all Parties.
- 2. **Amendments.** Any change or modification to the Project will only occur with the mutual written consent of both Parties.
- 3. **Duration.** The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of the Project and all related deposits and/or reimbursements are made. Any and all obligations of maintenance hereunder shall remain perpetual and shall survive any termination hereof and the assignment or assumption of this Agreement or the Project by another competent jurisdiction or entity.
- 4. **Cancellation.** This Agreement may be cancelled at any time up to 30 days before the award of the Project contract, so long as the cancelling Party provides at least 30 days' prior written notice to the other Party. It is understood and agreed that, in the event the Local Agency terminates this Agreement, the Local Agency shall be responsible for all costs incurred by the State up to the time of termination. It is further understood and agreed that

EXHIBIT A

in the event the Local Agency terminates this Agreement, the State shall in no way be obligated to complete or maintain the Project.

5. Indemnification. The Local Agency shall indemnify, defend, and hold harmless the State, any of its departments, agencies, boards, commissions, officers or employees (collectively referred to in this paragraph as the "State") from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including reasonable attorneys' fees and/or litigation expenses (collectively referred to in this paragraph as the "Claims"), which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the Local Agency, its employees, officers, directors, agents, representatives, or contractors, their employees, agents, or representatives in connection with or incident to the performance of this Agreement. The Local Agency's obligations under this paragraph shall not extend to any Claims to the extent caused by the negligence of the State, except the obligation does apply to any negligence of the Local Agency which may be legally imputed to the State by virtue of the State's ownership or possession of land. The Local Agency's obligations under this paragraph shall survive the termination of this Agreement.
6. Third-Party Indemnification. The State shall include Section 107.13 of the 2021 version of the Arizona Department of Transportation Standard Specifications for Road and Bridge Construction, incorporated into this Agreement by reference, in the State's contract with any and all contractors, of which the Local Agency shall be specifically named as a third-party beneficiary. This provision may not be amended without the approval of the Local Agency.
7. Programmed Federal Funds. The cost of construction and construction engineering work under this Agreement is to be covered by the federal funds programmed for this Project, up to the maximum available. The Local Agency acknowledges that actual Project costs may exceed the maximum available amount of federal funds, or that certain costs may not be accepted by FHWA as eligible for federal funds. Therefore, the Local Agency agrees to pay the difference between actual costs of the Project and the federal funds received.
8. Termination of Federal Funding. Should the federal funding related to this Project be terminated or reduced by the federal government, or Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this Agreement.
9. Indirect Costs. The cost of the Project under this Agreement includes indirect costs approved by FHWA, as applicable.
10. Federal Funding Accountability and Transparency Act. The Parties warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the Local Agency will provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.

EXHIBIT A

11. Governing Law. This Agreement shall be governed by and construed in accordance with Arizona laws.
12. Conflicts of Interest. This Agreement may be cancelled in accordance with A.R.S. § 38-511.
13. Inspection and Audit. The Local Agency shall retain all books, accounts, reports, files and other records relating to this Agreement which shall be subject at all reasonable times to inspection and audit by the State for five years after completion of the Project. Such records shall be produced by the Local Agency, electronically or at the State office as set forth in this Agreement, at the request of ADOT.
14. Title VI. The Local Agency acknowledges and will comply with Title VI of the Civil Rights Act Of 1964.
15. Non-Discrimination. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The Parties to this Agreement shall comply with Executive Order Number 2009-09, as amended by Executive Order 2023-01, issued by the Governor of the State of Arizona and incorporated in this Agreement by reference regarding “Non-Discrimination.”
16. Non-Availability of Funds. Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.
17. Arbitration. In the event of any controversy, which may arise out of this Agreement, the Parties agree to abide by arbitration as is set forth for public works contracts if required by A.R.S. § 12-1518.
18. E-Verify. The Parties shall comply with the applicable requirements of A.R.S. § 41-4401.
19. Contractor Certifications. The Parties shall certify that all contractors comply with the applicable requirements of A.R.S. §§ 35-393.01 and 35-394.
20. Other Applicable Laws. The Parties shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.
21. Notices. All notices or demands upon any Party to this Agreement shall be in writing and shall be delivered electronically, in person, or sent by mail, addressed as follows:

For Agreement Administration:

Arizona Department of Transportation
Joint Project Agreement Group
205 S. 17th Avenue, Mail Drop 637E
Phoenix, AZ 85007
JPABranch@azdot.gov

City of Sedona
Attn: Sandra Phillips, Assistant
City Engineer
102 Roadrunner Drive
Sedona, AZ 86336

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928.203.5076
SPhillips@SedonaAZ.gov

For Project Administration:

Arizona Department of Transportation
Project Management Group
205 S. 17th Avenue, Mail Drop 614E
Phoenix, AZ 85007
PMG@azdot.gov

City of Sedona
Attn: Sandra Phillips, Assistant
City Engineer
102 Roadrunner Drive
Sedona, AZ 86336
928.203.5076
SPhillips@SedonaAZ.gov

For Financial Administration:

Arizona Department of Transportation
Project Management Group
205 S. 17th Avenue, Mail Drop 614E
Phoenix, AZ 85007
PMG@azdot.gov

City of Sedona
Attn: Sandra Phillips, Assistant
City Engineer
102 Roadrunner Drive
Sedona, AZ 86336
928.203.5076
SPhillips@SedonaAZ.gov

22. Revisions to Contacts. Any revisions to the names and addresses above may be updated administratively by either Party and shall be in writing.
23. Legal Counsel Approval. In accordance with A.R.S. § 11-952 (D), the written determination of each Party's legal counsel providing that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form is set forth below.
24. Electronic Signatures. This Agreement may be signed in an electronic format using DocuSign.

Remainder of this page is intentionally left blank.

(Signatures begin on the next page)

EXHIBIT A

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective upon the full completion of signing and dating by all Parties to this Agreement.

By _____ Date _____
SCOTT JABLOW
Mayor

ATTEST:

By _____ Date _____
JOANNE COOK
City Clerk

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its Department of Transportation, and the City of Sedona, an agreement among public agencies which, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and declare this Agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement. Approved as to Form:

By _____ Date _____
KURT CHRISTIANSON
City Attorney

EXHIBIT A

ARIZONA DEPARTMENT OF TRANSPORTATION

By _____ Date _____
STEVE BOSCHEN, PE
Infrastructure Delivery and Operations Division
Division Director

This Agreement between public agencies, the State of Arizona and the City of Sedona, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 28-401, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona. No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Agreement.

By _____ Date _____
Assistant Attorney General

EXHIBIT A

EXHIBIT A

Cost Estimate

T0620 01D/01C

The Project costs are estimated as follows:

ADOT Project Development Administration (PDA) Cost, non-federal-aid:

Local Agency's costs @ 100%	<u>\$ 30,000</u>
-----------------------------	------------------

Construction:*

Federal-aid funds (Earmark) @ 94.3%	\$ 500,000
Local Agency's costs @ 5.7%	30,223
Local Agency's contribution @ 100%	<u>969,777</u>

Subtotal - Construction	\$ 1,500,000
--------------------------------	---------------------

Estimated TOTAL Project Cost	\$ 1,530,000
-------------------------------------	---------------------

Total Estimated Local Agency Funds	\$ 1,030,000
Total Federal Funds	\$ 500,000

* (Includes a minimum 20% construction engineering (CE) and administration cost (this percentage is subject to change, any change will require concurrence from the Local Agency) and 5% Project contingencies)

EXHIBIT B



U.S. Department
of Transportation
**Federal Highway
Administration**

Memorandum

Subject: **ACTION:** Allocation of Highway Infrastructure Programs Projects designated in Division L of the Consolidated Appropriations Act, 2022 [CFDA No. 20.205]

Date: June 28, 2022

In Reply
Refer to: HISM-40

From: Peter J. Stephanos
Director, Office of Stewardship, Oversight,
and Management

PETER JOHN
STEPHANOS

Digitally signed by PETER JOHN
STEPHANOS
Date: 2022.06.28 13:25:36 -0400

To: Brian R. Bezio
Chief Financial Officer

Division Administrator

The Consolidated Appropriations Act, 2022 (Public Law 117-103) appropriates a total of \$2,444,927,823 for Highway Infrastructure Programs (HIP) from the General Fund of the Treasury for fiscal year (FY) 2022. Of such amount, \$846,927,823 is set aside for “Community Project Funding / Congressionally Directed Spending.” The project descriptions for the 309 projects can be found in the “Community Project Funding / Congressionally Directed Spending” table in the Joint Explanatory Statement incorporated by reference in Division L of the Consolidated Appropriations Act, 2022. State departments of transportation (DOTs) are the recipients for 307 projects totaling \$845,719,823 and the Office of Federal Lands Highway (FLH) was allotted funding for two Gila River Indian Community projects totaling \$1,208,000. These funds are in addition to any other funds, including contract authority, provided in FY 2022.

With this memorandum, we are allocating \$845,719,823 for 307 projects to the States, as indicated in the attachment to this memorandum, to be administered in the Fiscal Management Information System (FMIS) (FMIS program code Y928; DELPHI fund value 1550574B50 050). This funding is not subject to any obligation limitation that applies to Federal-aid contract authority.

These funds remain available for obligation through September 30, 2025. Any such amounts not obligated on or before September 30, 2025, shall expire. Once the period for obligation has expired, these funds will only remain available for adjusting and liquidating obligations as authorized in accordance with title 31, United States Code (U.S.C.), section 1553.

EXHIBIT B

Obligated earmark balances are available for expenses properly charged to the account and incurred until September 30, 2030. After that date, any unexpended balances of obligated earmark funds shall be cancelled in accordance with 31 U.S.C. 1552 and shall no longer be available for obligation or expenditure.

Demo IDs have been assigned for each project to properly track these funds to ensure that they are only obligated and expended for the specific project for which they were designated. Each project has been assigned a unique Demo ID that links the funding to the specific project description as listed in the Joint Explanatory Statement accompanying the Consolidated Appropriations Act, 2022. Since the project description defines the scope of work on which the funds may be legally expended, the funding for the project can only be utilized for the activities within the scope and physical limits of the project as defined by the project description. The Demo IDs under which these funds are being distributed are also included in the attachment to this memorandum.

Except as otherwise provided, these funds are to be administered as if apportioned under chapter 1 of title 23, U.S.C. Therefore, these projects are to be administered as title 23 projects in accordance with the applicable statutory and regulatory provisions contained in title 23, U.S.C. and Code of Federal Regulations (CFR), as well as other applicable Federal requirements, such as the National Environmental Policy Act (42 U.S.C. 4321, et seq.) and the Disadvantaged Business Enterprise Program. The State, through its DOT in accordance with 23 U.S.C. 302, is the direct recipient of these funds and is responsible for administration of these funds. If the State DOT acts as a pass-through entity of Federal assistance, the State DOT maintains the passthrough responsibilities specified in 2 CFR 200.332.¹

The Federal share for these State projects is governed by 23 U.S.C. 120, as amended by the Infrastructure Investment and Jobs Act (IIJA) (Public Law 117-58, also known as the “Bipartisan Infrastructure Law”) (BIL). It is generally 80 percent (See 23 U.S.C. 120(b)). The Federal share for projects on the Interstate System is 90 percent unless the project adds lanes that are not high-occupancy-vehicle or auxiliary lanes (See 23 U.S.C. 120(a)). For projects that add single occupancy vehicle capacity, that portion of the project will revert to the 80 percent level. An upward sliding scale adjustment is available to States having public lands ([Sliding Scale Rates In Public Land States](#)). States may use a lower Federal share on Federal-aid projects as provided in 23 U.S.C. 120(h). These funds may not be used as the non-Federal match for other Federal programs unless there is specific statutory authority (2 CFR 200.306(b)(5)). The Consolidated Appropriations Act, 2022, does not provide authority for use of these funds as a non-Federal match for other Federal programs, including Federal-aid programs under title 23, U.S.C.

Generally, Project Agreements should not be modified to replace one Federal fund category with another unless specifically authorized by statute (23 CFR 630.110(a)). For additional information on earmarked funds, see [Q&As on Obligation of Earmarked Funds for Federal-Aid Projects](#).

¹ Tribal projects funded from these amounts are to be administered as if allocated under chapter 2 of title 23, U.S.C.

EXHIBIT B

Earmarked funds shall not participate in costs incurred prior to the date of project agreement (23 CFR 630.106(b)).

By copy of this memorandum, we request that the Office of the Chief Financial Officer:

- 1) create the Demo IDs identified in the attached table, and
- 2) process these allocations.

If there are any questions, please contact Tony DeSimone at 317-226-5307 or by email at Anthony.DeSimone@dot.gov or Amy Inglis at 605-776-1009 or by email at Amy.Inglis@dot.gov.

Attachment

EXHIBIT B

FHWA: HIPA: AINGLIS: 06/27/2022

S:\HIPA10\Correspondence\FY_2022\Legislative Projects - Demos\20220627 Allocation of HIP Projects

cc:

HISM-1 (Stephanos, Peter)

HISM-40 (Marrero, Moises; Bartz, David; Amy Inglis, DeSimone, Anthony)

HIF (Young, Charlena; Sullivan, Amy)

HCF (HCFB_SystemsTeam@dot.gov; Sim, Miranda; Kwok, Lily)

HPLS (Arnade, Tim; Lomax, Brian; Zaidi, Alina; Dane, Heather)

FHWA-#ALLDA-OfficialMailbox

FHWA-#ALLDFS-OfficialMailbox

FHWA Financial Management-All

EXHIBIT B

Consolidated Appropriations Act, 2022									
(Public Law 117-103) Division L, Title I, Highway Infrastructure Programs									
State	Demo ID	Project Description in Explanatory Statement Accompanying Pub. L. No. 117-103	Designated Amounts in Explanatory Statement Accompanying Pub. L. No. 117-103	Amount available under P.L. 117-103		Allocation of Y928 Funds This Memorandum		Obligation Authority This Memorandum (DELPHI Code 1550574B50.2022.050Y928500)	
				Project	State Total	Project	State Total	Project	State Total
AL	AL207	Baldwin County - Eastern Shore Trail construction	633,050	633,050		633,050		633,050	
AL	AL208	Fairground Road Expansion	702,941	702,941		702,941		702,941	
AL	AL209	Millry Road Resurfacing	265,000	265,000		265,000		265,000	
Alabama						1,600,991		1,600,991	1,600,991
AK	AK177	Kotzebue Cape Blossom Road	27,662,000	27,662,000		27,662,000		27,662,000	
Alaska						27,662,000		27,662,000	27,662,000
AZ	AZ078	Highline Canal Recreational Path Lighting Replacement, Guadalupe	501,824	501,824		501,824		501,824	
AZ	AZ079	Gila River Indian Community Traffic Sign Replacement *See Note 1	915,000	915,000		0		0	
AZ	AZ080	32nd Street and Thomas Road Intersection Safety Improvements	960,000	960,000		960,000		960,000	
AZ	AZ081	Shelby Drive Business Development Improvements to Roadways	500,000	500,000		500,000		500,000	
AZ	AZ082	Snowflake Street Light and Sidewalk Improvements to SR 77	1,200,000	1,200,000		1,200,000		1,200,000	
AZ	AZ083	SR 87 Capacity and Safety Improvements - Gila River Indian Community *See Note 1	293,000	293,000		0		0	
Arizona						4,369,824		3,161,824	3,161,824
AR	AR147	Future I-57 Corridor	5,000,000	5,000,000		5,000,000		5,000,000	
AR	AR148	Future I-69 Corridor Improvements	18,000,000	18,000,000		18,000,000		18,000,000	
AR	AR149	Highway 67 Corridor Improvements	18,000,000	18,000,000		18,000,000		18,000,000	
AR	AR150	Future I-49	18,000,000	18,000,000		18,000,000		18,000,000	
Arkansas						59,000,000		59,000,000	59,000,000
CA	CA870	Tillotson Parkway Extension	320,000	320,000		320,000		320,000	
CA	CA871	Interstate 15 Smart Freeway Pilot Project	5,000,000	5,000,000		5,000,000		5,000,000	
CA	CA872	Bradley Road Bridge Over Salt Creek	5,000,000	5,000,000		5,000,000		5,000,000	
CA	CA873	Concord Smart Signals Project	1,200,000	1,200,000		1,200,000		1,200,000	
CA	CA874	Iron Horse Trail Bridge, Nature Park, and Pedestrian Safety Project	350,000	350,000		350,000		350,000	
CA	CA875	Danville Townwide Traffic Signal Modernization/ITS Project	1,000,000	1,000,000		1,000,000		1,000,000	
CA	CA876	Traffic and Safety Improvement Along the Alameda de las Pulgas Corridor	2,000,000	2,000,000		2,000,000		2,000,000	
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CA	CA878	Henry Mayo Hospital Ingress and Egress Access Improvement	1,120,000	1,120,000		1,120,000		1,120,000	
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CA	CA880	Pennsylvania Avenue Widening Project, Beaumont	1,500,000	1,500,000		1,500,000		1,500,000	
CA	CA881	County of Los Angeles Rosemead Boulevard Complete Street Improvements	1,500,000	1,500,000		1,500,000		1,500,000	
CA	CA882	US 101/SR 92 Area Improvement Project	1,000,000	1,000,000		1,000,000		1,000,000	
CA	CA883	La Media Improv. Siempre Viva to Truck Rte, San Diego, CA	400,000	400,000		400,000		400,000	
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CA	CA890	California State University, Fullerton Titan Gateway Bridge	5,000,000	5,000,000		5,000,000		5,000,000	

EXHIBIT B



U.S. Department
of Transportation
**Federal Highway
Administration**

Memorandum

Subject: **ACTION:** Allocation of Highway Infrastructure Programs Projects designated in Division L of the Consolidated Appropriations Act, 2022 [CFDA No. 20.205]

Date: June 28, 2022

In Reply
Refer to: HISM-40

From: Peter J. Stephanos
Director, Office of Stewardship, Oversight,
and Management

PETER JOHN
STEPHANOS

Digitally signed by PETER JOHN
STEPHANOS
Date: 2022.06.28 13:25:36 -0400

To: Brian R. Bezio
Chief Financial Officer

Division Administrator

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EXHIBIT B

FHWA: HIPA: AINGLIS: 06/27/2022

S:\HIPA10\Correspondence\FY_2022\Legislative Projects - Demos\20220627 Allocation of HIP Projects

cc:

HISM-1 (Stephanos, Peter)

HISM-40 (Marrero, Moises; Bartz, David; Amy Inglis, DeSimone, Anthony)

HIF (Young, Charlena; Sullivan, Amy)

HCF (HCFB_SystemsTeam@dot.gov; Sim, Miranda; Kwok, Lily)

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FHWA-#ALLDA-OfficialMailbox

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FHWA Financial Management-All

EXHIBIT B

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CA	CA882	US 101/SR 92 Area Improvement Project	1,000,000	1,000,000		1,000,000		1,000,000	
CA	CA883	La Media Improv. Siempre Viva to Truck Rte, San Diego, CA	400,000	400,000		400,000		400,000	
CA	CA884	Telfair Avenue Multi-Modal Bridge Over Pacoima Wash Project	5,000,000	5,000,000		5,000,000		5,000,000	
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CA	CA889	Hammond Trail Bridge Replacement	5,000,000	5,000,000		5,000,000		5,000,000	
CA	CA890	California State University, Fullerton Titan Gateway Bridge	5,000,000	5,000,000		5,000,000		5,000,000	

RESOLUTION NO. 2024-__

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF ARIZONA FOR THE SHELBY DRIVE BUSINESS DEVELOPMENT IMPROVEMENTS TO ROADWAY TO WIDEN 0.6 MILES OF THE CURRENT SHARED USE PATHWAY; PROVIDING AUTHORIZATION FOR THE MAYOR TO EXECUTE SAID AGREEMENT.

WHEREAS, the City of Sedona (“City”) and the State of Arizona, acting by and through its Department of Transportation (“ADOT”), have prepared an Intergovernmental Agreement (IGA) for the Shelby Drive Business Development Improvements to Roadways to widen 0.6 miles of the current Shared Use Pathway (SUP); and

WHEREAS, the City and ADOT are mutually agreeable to entering into an IGA to complete the design and construction to widen the current 4’ to 6’ wide SUP to an 8’ to 10’ wide SUP along Shelby Drive from the intersection of Stanley Steamer Drive to W. State Route 89A, approximately 0.6 miles; and

WHEREAS, the City Council has authorized entering into this IGA pursuant to A.R.S. § 11-952(A) and by this resolution has authorized the undersigned to execute the IGA on behalf of the City; and

WHEREAS, the City has reviewed the terms of the IGA and determined that it is in the proper form required by A.R.S. §§ 11-951 through 11-954.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA THAT:

The City of Sedona, through its Mayor and Council, hereby approves the Intergovernmental Agreement with the State of Arizona for the Shelby Drive Business Development Improvements to Roadways to widen 0.6 miles of the current Shared Use Pathway, and the Mayor is authorized to execute said Agreement on behalf of the City.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona this 12th day of November, 2024.

Scott M. Jablow, Mayor

ATTEST:

JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:

Kurt W. Christianson, City Attorney



**CITY COUNCIL
AGENDA BILL**

**AB 3124
November 12, 2024
Regular Business**

Agenda Item: 8d

Proposed Action & Subject: Discussion/possible action regarding the award of a construction contract for the PR-03C Improvements for the Build-Out of Ranger Station Park – Restroom to Danson Construction, LLC in the amount of \$487,760.00.

Department	Public Works, Sandy Phillips
Time to Present	5 Minutes
Total Time for Item	15 Minutes
Other Council Meetings	January 9, 2024 DG SUP and Parking Lot Contract; October 24, 2023 Landscape Contract; Sept 26, 2023 Concrete & Gabion Contract
Exhibits	A. Construction Contract

Finance Approval	Reviewed 10/21/24 BGW		
City Attorney Approval	Reviewed 10/22/24 KWC		
City Manager's Recommendation	Recommend approval ABS 10/25/24	Expenditure Required	
		\$	487,760
		Amount Budgeted FY25	
		\$	488,000
		Account No. (Description)	22-5242-89-68AA (Construction) PR-03C Build-Out of Ranger Station Park
			46-5242-89-68AA (Construction) PR-03C Build-Out of Ranger Station Park
			22-5242-89-68A7 PR-03B Ranger Station Interior House & Barn

SUMMARY STATEMENT

Staff is requesting City Council approval of a construction contract with Danson Construction, LLC in the amount of \$487,760 for the PR-03C Build-Out of Ranger Station Park Project - Restroom. The scope of work for this project includes the construction of a four private stall restroom, bottle fill station with storage area.



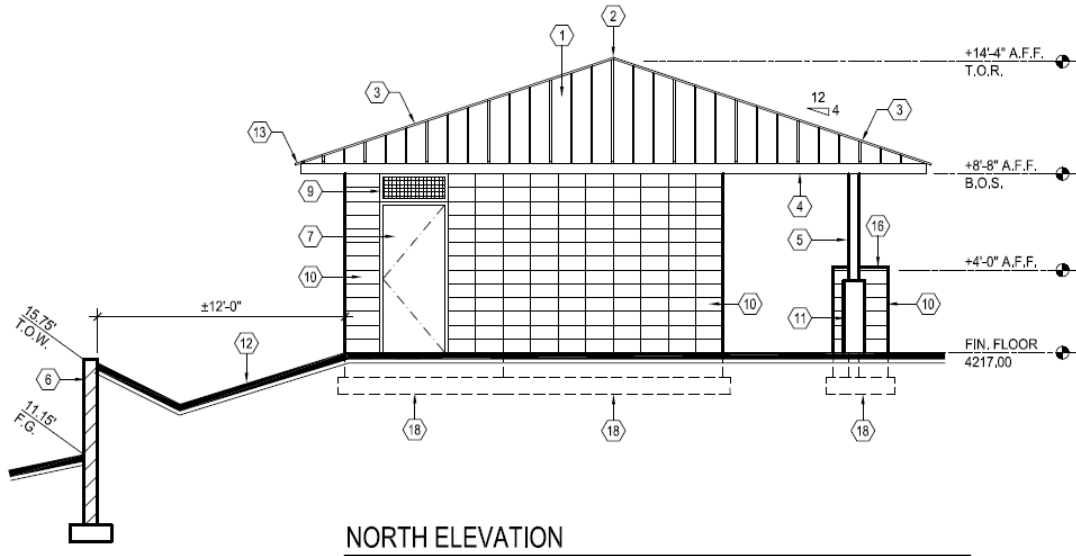
Background: The City purchased the 3.5 acre “Old Ranger Station” at 250 Brewer Road in 2014 to preserve the historic buildings, and develop a community park through a master plan for the site. The master plan reflects the future community vision for this property. The project was accelerated at the request of the City Council. The projects followed the intent of the Master and concept plan, as we wrap up the last items on the grounds to serve multiple purposes for as wide a range of interests and activities as possible. Some minor adjustments have been made through the design process.

Summit Construction and Morning Dew Landscaping have completed the concrete, DG shared use path and plaza area, ABC Parking lot and driveways and landscaping of the site, and we are ready to move to the next phase of construction.

The contract before Council is to construct the restroom building, shown on the next page. River rock will be installed from the ‘chair rail’ down (lower portion of the wall) to soften and blend in the structure with the surroundings.



Ranger Station Park Restroom location shown inside red box.



Staff's effort to represent the building's look, but colors will be darker and compliant with Code.

Building Features:

- Four private (non-gender) stalls, one is ADA accessible,
- Metal copper toned roof,
- Mountain Brown, stained cement block structure,



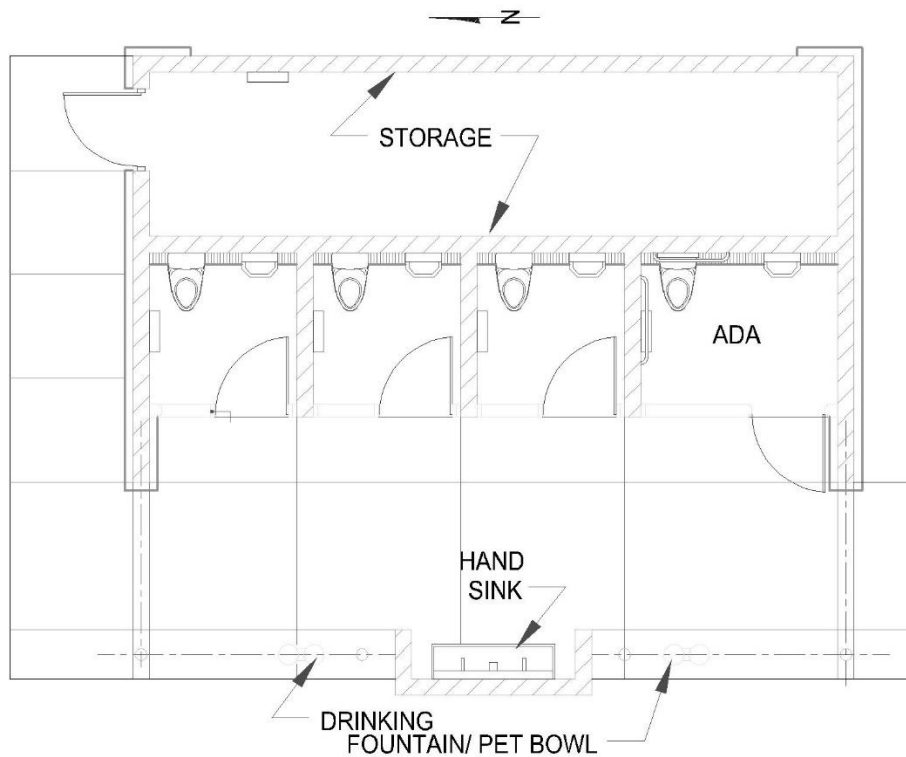
- Outdoor hand sinks that are foot activated, bottle fill station and pet bowl,
- Stainless steel fixtures with dark cavern green doors, posts and trim,



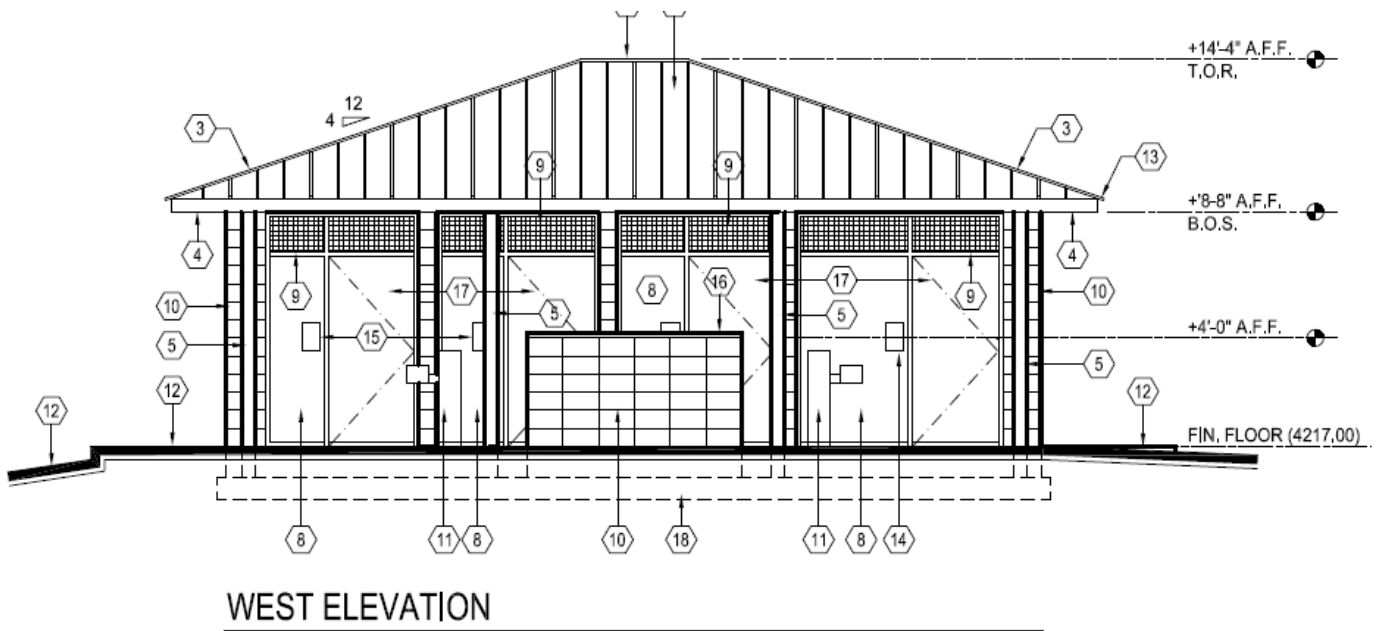
- River rock siding on the lower portion of the walls,



- Ventilation and dark sky compliant lighting, interior and exterior,
- Mechanical room with hot water heater, chase, irrigation controller and custodial sink and supply storage,
- Red Rock Sedona sidewalk and bollards.



Four private (non-gender) stalls accessible from the exterior with outdoor sinks



WEST ELEVATION

Project Area Outreach Efforts:

- Staff has been in contact with Los Abrigados and El Portal every step of the process.
- Staff has been in contact with the Historic Preservation Commission with multiple meetings and site visits.

Schedule and Access:

- The construction timeframe is set at 160 days and is anticipated to begin in early December 2024.
- Throughout the construction period, it will be the contractor's responsibility to coordinate directly with owners/residents regarding impacts to property access.

Procurement Method:

The project was advertised for public bidding. A non-mandatory pre-bid site walk occurred with bidders on September 25, 2024. Bids were opened on October 16, 2024, with five bids received. They are listed as follows:

Bidder, (Office Location)	Base Bid
DANSON CONSTRUCTION, LLC (Prescott/Phoenix, AZ)	\$487,760
Neve LLC (Scottsdale AZ)	\$522,516
BILL RALSTON CONSTRUCTION LLC (Sedona, AZ)	\$538,820
HOPE CONSTRUCTION (Flagstaff, AZ)	\$678,500
TSG CONSTRUCTORS, LLC (Cave Creek, AZ)	\$717,000

The low bid was submitted by Danson Construction, LLC. The staff has researched their references and licenses and have found it to be responsive and responsible with no reason to not award the contract. Staff is recommending the award of the Danson Construction Company LLC's bid in the amount of \$487,760.

Budget

The FY25 PR-03C project construction budget has approximately \$453,000 available. The original budget was \$500,000. The wastewater capacity fee was not anticipated and has reduced the budget balance available. The balance needed to cover the remaining portion will be transferred from another project. \$35,000 will be utilized from the budget available on PR-03B Improvements at Ranger Station/ Interior Restoration of House and Barn project due to delay of this project resulting from the Architect completing the plans slower than anticipated.

Staff believes the low bid is good, and it is reflective of the current bid environment.

Climate Action Plan/Sustainability Consistent:

In the Climate Action Plan, utilizing LED lighting, foot bar activated low flow faucets, electric water heater and minimizing the use of concrete to the greatest extent possible while meeting the ADA access requirements is encouraged and accomplished with this project. Minimizing the amount of concrete and increasing the amount of green foliage also helps offset any heat

effect and helps change carbon dioxide into oxygen. This project addresses those desired actions and strategies.

Board/Commission Recommendation:

Historic Preservation Commission and Community Development have supported the work, including reviewing colors and design, etc.

Alternative(s): Council may choose to not approve this contract. However, not approving this contract would result in delaying park improvements.



Art work, Stormy Bay, at Ranger Station Park

MOTION

I move to: approve award of the construction contract with Danson Construction LLC for the PR-03C Build-Out of Ranger Station Park Project - Restroom in an amount not to exceed \$487,760 subject to approval of the written contract by the City Attorney's Office.

CONSTRUCTION CONTRACT

THIS CONTRACT, made and entered into this ____ day of _____, 2024 by and between the City of Sedona, Arizona, hereinafter called the "Owner", and **Danson Construction LLC**, hereinafter called the "Contractor."

WHEREAS, the City has caused Contract Documents to be prepared for the construction of the **PR-03C Build-Out of Ranger Station Park Project**, City of Sedona, Arizona, as described therein; and

WHEREAS, the Contractor has offered to perform the proposed work in accordance with the terms of the Contract; and

WHEREAS, the Contractor, as will appear by reference to the minutes of the proceedings of the City Council was duly awarded the work.

NOW, THEREFORE, the parties hereto hereby stipulate, covenant and agree as follows:

1. The Contractor promises and agrees to and with the City that it shall perform everything required to be performed and shall provide and furnish all the labor, materials, necessary tools, expendable equipment, and all utility and transportation services required to perform and complete in a workmanlike manner all of the work required in connection with construction of the Project all in strict accordance with the Specifications and Drawings, including any and all Addenda, and in strict compliance with the Contractor's Proposal and all other Contract Documents, which are a part of the Contract; and the Contractor shall do everything required by this Contract and the other documents constituting a part thereof.
2. The Contractor agrees to perform all of the work described above in accordance with the Contract Documents and comply with the terms therein for the initial estimated Contract price of **\$487,760**, subject to increase or decrease in accordance with the Contract Documents, and the Bid Schedule set forth therein; and the City agrees to pay the Contract Prices in accordance with the Bid Schedule for the performance of the work described herein in accordance with the Contract Documents.
3. The Contractor and the City agree that the terms, conditions, and covenants of the Contract are set forth in the Contract Documents and the Plans and Technical Specifications, and the Drawings, all defined as the Contract Documents, and by this reference made a part hereof as if fully set forth herein.
4. The Contractor and the City agree that each will be bound by all terms and conditions of all of the Plans and Technical Specifications, and Contract Documents, as if the same were fully set forth herein, and hereby incorporate all of the foregoing into this Agreement.

5. The Contractor shall abide by all the laws of the United States of America, State of Arizona, Coconino/Yavapai Counties, and the City of Sedona, including a requirement that Contractor obtain an annual Sedona Business License for every year that they do business with Sedona or within the City limits.
6. The Contractor shall carry Workers' Compensation Insurance and require all Subcontractors to carry Workers' Compensation Insurance as required by the Law of the State of Arizona, and all other insurance as set forth in the General Conditions.
7. Contractor, its agents, employees, and subcontractors, shall not discriminate in any employment policy or practice. "Discrimination" means to exclude individuals from an opportunity or participation in any activity or to accord different or unequal treatment in the context of a similar situation to similarly situated individuals because of race, color, gender, gender identity, sexual orientation, religion, national origin or ancestry, marital status, familial status, age, disability, or veteran status. (Ordinance 2015-10 (2015)).
8. Work under this Contract shall commence on the date specified in the written Notice to Proceed from the City to the Contractor. Upon receipt of said Notice, the Contractor shall diligently and continuously prosecute and complete all work under this Contract within the time specified on page A-2.
9. The Contract Document consist of the following component parts, all of which are a part of this Contract whether herein set out verbatim, or attached hereto:

- Advertisement for Bids
- Information for and Instructions to Bidders
- Bid Proposal and Bid Guaranty Bond
- Contract (this document)
- Change Orders
- Addenda
- Performance Bond, Labor and Material Payment Bond
- Special Conditions
- General Conditions
- Technical Specifications
- Notice of Award
- Notice to Proceed
- Plans and Drawings
- Design Reports
- Standard Specifications
- Insurance Certificates

The above-named documents are essential parts of the Contract, and a requirement occurring in one is as binding as though occurring in all. They are intended to be complementary and to describe and provide for a complete work. In case of discrepancy, the order of precedence is as follows:

1. Change Orders
2. Contract (this document), including addenda
3. Payment and Performance Bonds
4. Advertisement for Bids
5. Information for and Instructions to Bidders
6. Notice of Award
7. Notice to Proceed
8. Special Conditions
9. Bid Proposal
10. Technical Specifications
11. Plans and Drawings
12. General Conditions
13. Bid Guaranty Bond
14. Standard Specifications

In the event there is a conflict between any of the above listed documents, the provision of the document with the lower numerical value shall govern those documents with a higher numerical value. Within a category, the last in time is first in precedence.

The Contractor shall not take advantage of any apparent error or omission in the Plans or Specifications. In the event the Contractor discovers such an error or omission, he shall immediately notify the Owner. The City will then make such corrections and interpretations as may be deemed necessary for fulfilling the intent of the Plans and Specifications.

10. As part of the inducement for City to enter into this Agreement, Contractor makes the following representations:

- A. Contractor has familiarized himself with the nature and extent of the Contract Documents, work, locality, and with all local conditions and federal, state and local laws, ordinances, rules and regulations that in any manner may affect cost, progress, or performance of the work.
- B. Contractor has studied carefully all reports of investigations and tests of subsurface and latent physical conditions at the site or those reports that otherwise may affect cost, progress or performance of the work, which were utilized by Design Engineer in the preparation of the Drawings and Specifications and which have been identified in the Contract Documents.
- C. Contractor has made or caused to be made examinations, investigations and tests, and studies of such reports and related data as he deems necessary for the performance of the work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents; and no additional examinations, investigations, tests, reports or similar data are or will be required by Contractor for such purposes.
- D. Contractor has correlated the results of all such observations, examinations,

investigations, tests, reports and data with the terms and conditions of the Contract Documents.

- E. **Contractor has given the City Engineer written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents** and the written resolution thereof by City Engineer is acceptable to Contractor.
 - F. Contractor has attended mandatory pre-bid meetings and walk-throughs.
- 11.A. No assignment by a party hereto of any rights under or interest in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation, monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- B. City and Contractor each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, and its partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.
 - C. Pursuant to Arizona Revised Statutes Section 38-511, the provisions of which are incorporated by reference as if fully set forth herein, all parties are hereby given notice that this Agreement is subject to cancellation by the City if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract or Contract Documents on behalf of the City is, at any time while the Contract or Contract Document or any extension thereof is in effect, an employee or agent of any other party to the Contract or Contract Documents in any capacity or a consultant to any other party to the Contract or Contract Documents with respect to the subject matter of the Contract or Contract Documents.
12. During the performance of this Agreement, Contractor may also be under contract with the City for performance of work on other projects. A breach in the performance of any of Contractor's obligations under this Agreement shall constitute a breach of Contractor's obligations under any other agreement with the City and the breach by Contractor under other agreement with the City shall also constitute a breach of Contractor's obligations under this Agreement. The City may offset any amounts owed by Contractor under any such other agreement from any amounts owed to Contractor under this Agreement.
13. The Contract Documents constitute the entire Agreement between the parties.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement which shall be deemed an original on the date first above written.

CITY: City of Sedona, Arizona

BY: _____

NAME: _____

TITLE: _____

(SEAL)

Attest:

BY: _____

NAME: _____

Approved as to Legal Form:

BY:

(City Attorney)

CONTRACTOR:

BY: _____

NAME: _____

TITLE: _____

(SEAL)

ATTEST:

BY: _____

NAME: _____



**CITY COUNCIL
AGENDA BILL**

**AB 3129
November 12, 2024
Regular Business**

Agenda Item: 8e

Proposed Action & Subject: Presentation/discussion/possible direction regarding a tourism update including results of summer marketing campaign, branding concepts, and winter marketing campaign concepts and strategy.

Department	Communications, Tourism and Economic Initiatives/ Lauren Browne
Time to Present	30 minutes
Total Time for Item	1.5 hours
Other Council Meetings	March 27, 2024, May14, 2024
Exhibits	A. Logo and taglines B. Winter-ongoing destination marketing campaign concepts

Finance Approval	Reviewed 10/21/24 BGW	Expenditure Required	
City Attorney Approval	Reviewed 10/22/24 KWC		\$ N/A
City Manager's Recommendation	Reviewed 10/23/24		Amount Budgeted
		\$ N/A	
		Account No. (Description)	

SUMMARY STATEMENT

Background:

Summer Campaign Results

As one of the main functions of the official Destination Marketing and Management Organization (DMMO) is to market the destination responsibly, the Tourism Program launched the 2024 destination marketing Summer Stewardship Campaign. \$105,000 was spent on advertising in an all-digital campaign via website, social media and paid Google search advertising, with a campaign theme of Embrace the Moment. \$80,000 was spent on attribution-based advertising, \$20,000 was spent on Meta advertising and \$5,000 was spent on paid Google search advertising. The links in the ads drove website traffic to a campaign landing page on ScenicSedona.com. The goal of the campaign was to deliver a positive Return on Ad Spend (ROAS) and show direct attribution from the marketing dollars and how they resulted in driving hotel stays and broader economic impact.

The messaging in these ads centered around stewardship with messages like: Genuine, Inspired, Embrace the Moment.





The social media ads were placed to people in-market (within a 25-mile radius) and in Phoenix with more directive language: Be Aware, Be Informed, Be in the Moment.

The campaign placed attribution-based ads in the following markets, which were based on past summer visitation and spending trends:

- Phoenix
- L.A.
- Tucson
- San Diego
- New York City
- Chicago
- Seattle
- Denver
- San Francisco
- Las Vegas





There are two different attribution reports: one shows the visits to the destination from people who saw the ads, and the other shows hotel stays in the destination from people who saw the ads.

Here are the attribution results for *visits* to the destination from 6-1-24 to 8-31-24. Note that with an average spend of \$190 per day per person, the estimated economic impact is \$3,665,480:

Destination		Top DMAs	Share	Avg Length of Stay
 Total Trips/Visits 11,460	 Total Visitor Days Observed 19,292	Phoenix -Prescott	50%	1.6 Days
		Los Angeles	15.8%	1.7 Days
 Est. Average Length of Visit 1.7 Days	 Est. Campaign Impact \$3,665,480	Tucson -Sierra Vista	9.8%	1.7 Days
		Las Vegas	5.1%	1.7 Days
		San Diego	4.5%	1.8 Days

Here are the attribution results for *hotel stays* in Sedona from 6-1-24 to 8-31-24. Note that with the average daily room rate this summer at \$261, the estimated economic impact is \$3,035,691:

Hotels

	Total Trips/Visits 6,278	Top DMAs	Share	Avg Length of Stay
	Est. Room Nights Observed 11,631	Phoenix -Prescott	57%	1.7 Days
	Est. Average Length of Visit 1.9 Days	Los Angeles	13.5%	1.9 Days
	Est. Campaign Impact \$3,035,691	Tucson -Sierra Vista	7.8%	1.9 Days
		Las Vegas	4.7%	1.9 Days
		San Diego	4%	2 Days

Looking at the campaign’s total economic impact of **\$6,701,171** this gives a ROAS of **89:1**. Note: ROAS is calculated by: (Hotel Impact + Destination impact) / Ad Spend. The estimated sales and bed tax received back to the City from the campaign is \$340,790.17, or a return on tax investment spend of 4.5:1.

Regarding Return on Investment (ROI) on the markets from the campaign, all target markets showed positive ROI, with Phoenix, Tucson, Las Vegas, L.A. and San Diego as stand outs:

Note: ROI is calculated by: ((Hotel Impact + Destination Impact)-Ad Spend) / Ad Spend

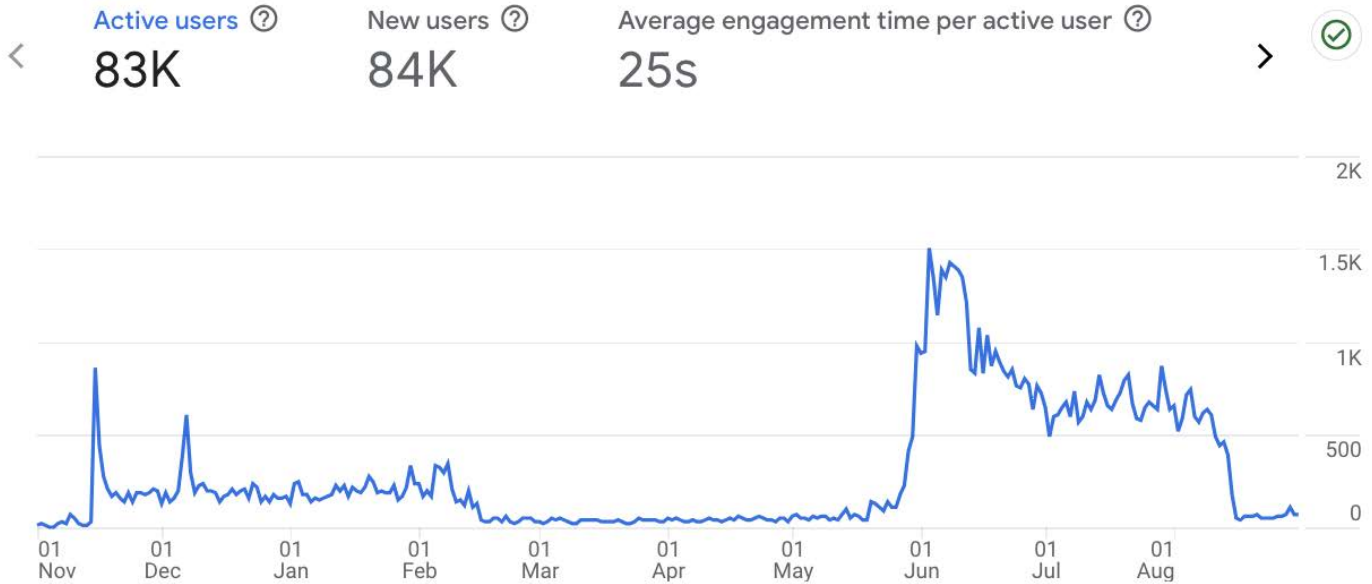
Market	Spend	Visits	Hotel Visits	Return By Market	ROI
New York, NY	\$13,675.17	203	88	\$47,863	\$3.50
Seattle, WA	\$9,198.48	196	86	\$50,488	\$5.49
Los Angeles, CA	\$7,046.17	1771	823	\$544,247	\$77.24
Chicago, IL	\$5,436.12	291	133	\$84,567	\$15.56
Dallas, TX	\$4,837.71	314	138	\$90,840	\$18.78
Denver, CO	\$4,750.94	223	115	\$67,634	\$14.24
San Francisco	\$3,631.82	186	88	\$54,676	\$15.05
San Diego, CA	\$2,101.91	508	245	\$158,363	\$75.34
Las Vegas, NV	\$1,923.09	573	292	\$183,159	\$95.24
Phoenix, AZ	\$1,539.99	5674	3537	\$1,999,677	\$1,298.50

Tucson, AZ	\$495.78	1100	483	\$334,567	\$674.83
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Included in winter markets

With Phoenix, Tucson, and Los Angeles all in the summer targeting, this helps explain the large increase in ROAS over the winter campaign, where they were absent.

Regarding website traffic metrics on ScenicSedona.com, which is where the links in the ads pointed to, during the campaign there were 83,000 active users. In this chart note the uptick during winter and summer destination marketing campaigns:



Regarding social media metrics on Meta, there were 2,752,185 impressions and almost 42,000 link clicks on Scenic Sedona social media accounts. More specifically, there were 439,219 engagements, 1,176,184 video views, 6,601 reactions, 977 shares, and 324 comments. The click-through rate (CTR) was 1.52% and the cost per click (CPC) was \$.45. The industry benchmarks for CTR are .90% and for CPC are \$.63.

Regarding paid search, there were 237,361 impressions with 11,319 link clicks. This is a CTR of 4.77% and a CPC of \$.40. The industry benchmarks for CTR are 4.68%, with a CPC of: \$1.53.

Branding Concepts: Logo and Tagline

Additionally, over the last year, the DMMO has gone through a branding exercise to determine how the DMMO is represented to the world through a logo and tagline. At the Tourism Advisory Board (TAB) October meeting, there was overwhelming support for the following logo and tagline.

The logo shown below, in different color treatments based on the Sedona landscape shows typeface that is inspired by the raw beauty and rock formations in Sedona and is accented by the outline of the Thunder Mountain range, running through the letters like a vein.

The tagline Stay Inspired was created to speak to the emotional experience of both the visitor and the resident, and focuses on how people are inspired by the connection to the land,

adventure, novelty, arts and culture, and more before, during and after their time here. Because of this, anyone who comes to Sedona is changed forever. There's also an imperative in the word stay, as it subtly says to stay in Sedona, whether that be in a hotel, in a restaurant, a gallery, etc.

SEDONA

stay inspired



See the full logo and tagline execution in Exhibit A. Staff would like direction on if the logo and tagline are acceptable to finalize and use in all applications going forward.

Winter Marketing Campaign Concepts and Advertising Strategy

Last, as an extension of the new brand, staff proposes a destination marketing campaign that will be used in subsequent destination marketing campaigns for up to two years, with this year's Winter campaign as the first execution.

The preferred concept by the TAB is the campaign: Redefine Desert. This concept challenges the viewer to redefine their preconceived notions of the desert in general and Sedona in particular. It shows the viewer a different version of the desert than they may be used to: the images and graphics break the frame, while the directive to redefine something can range from inspirational topics like yourself and discovery to specific aspects of the Sedona culture like nightlife, family time and stopping to smell the roses. Depending on what words come after Redefine: _____, a stewardship message is interwoven into campaigns, in addition to the word redefine itself signifying a change in behavior than what the visitor is used to.

See the draft campaign concepts in Exhibit B with the new logo and tagline used.

The advertising strategy for the Winter campaign will include the following use of \$127,000, with ads running from Nov. 15, 2024 to Feb. 28, 2025:

- Paid Google search: \$12,000
- Meta (attraction messaging): \$21,000
- Meta (in-market education/stewardship messaging with a 25-mile radius and Phoenix): \$14,500
- Attribution-based: \$80,000

Additionally, outside of the \$127,000, staff is planning from March 1, 2025 to May 31, 2025:

- Continuously running monthly stewardship photo/graphics or video advertising via Meta: \$15,000
- Continuously running monthly paid Google search advertising to increase visibility and search results of www.scenicsedona.com and support stewardship goals: \$9,000

The markets the Meta attraction ads and the attribution-based ads will be placed in are:

- New York City
- Chicago
- Minneapolis
- Seattle
- San Diego
- Las Vegas
- San Francisco
- Denver
- L.A.
- Tucson
- Phoenix

These are the same as the attribution-based ads for the last Winter Campaign, plus the Phoenix, Tucson and L.A. markets because of the large return on investment seen in the Summer Campaign, and minus the Santa Fe, Durango and Park City markets because the return on investment in those areas wasn't as high. All of the recommended markets were based on prior visitation and spending trends.

For ROI comparison, here are the list of the top markets and their ROI from last year's Winter Campaign:

Market	Spend	Visit	Hotel	Return By Market	ROI
New York, NY	\$9,583.84	67	5	\$4,651	\$0.49
Seattle-Tacoma, WA	\$8,279.79	38	2	-\$458	-\$0.06
Minneapolis-St. Paul, MN	\$3,895.55	83	3	\$12,777	\$3.28
Chicago, IL	\$3,589.56	75	18	\$16,078	\$4.48
San Diego, CA	\$2,991.79	186	39	\$44,087	\$14.74
Denver, CO	\$2,722.63	44	10	\$8,647	\$3.18
San Francisco, CA	\$2,082.92	68	19	\$16,556	\$7.95
Las Vegas, NV	\$2,049.74	79	4	\$14,164	\$6.91

Even though Seattle showed a negative ROI, staff still believes it's worth the risk to invest in this market because these travelers have a high household income, weather is harsh in the winter there, and in general it takes time to establish a presence in the market.

People in the target campaign markets who have already visited Sedona, new visitors with a household income of \$100,000 or more, and the following visitor profiles will be targeted in the Winter Campaign:

- the Eco-Conscious Explorer
 - Interested in outdoor activities, sustainable travel practices and local culture
 - Education of college degree or higher
 - Ages 35 -50, both male and female
 - Prefers eco-friendly accommodations and locally sourced dining options
- the Wellness Seeker
 - Interested in health and wellness retreats and mindfulness activities
 - Education of college degree or higher
 - Ages 45 – 60, usually female
 - Prefers wellness resorts or boutique hotels with a spa
- the Adventure Enthusiast

- Interested in high-adrenaline activities and exploring national parks and protected areas
- Education of college degree or higher
- Ages 30 – 45, usually male
- Prefers planning trips well in advance and adventure seeking solo or with friends
- the Cultural Explorer
 - Interested in indigenous culture, history and art and exploring galleries and museums
 - Education of college degree or higher
 - Ages 40 – 60, both male and female
 - Prefers high-end accommodations that offer cultural experiences
- the Uniformed Adventurer
 - Interested in casual hiking and outdoor activities, visiting popular landmarks and capturing scenic landscapes for social media
 - Education of either high-school or college degree
 - Ages 30 – 40, both male and female
 - Prefers quick getaways and sometimes only daytrips, which is why they should be targeted for longer stays

People who fit these profiles are served ads based on where they live and what their search history indicates about their interests.

This ad strategy is congruent with the soon-to-be completed Tourism Program Marketing Plan.

Staff would like direction on if City Council approves of the campaign creative and advertising strategy, with the goal that staff will work quickly to put the campaign in market.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

The Tourism Advisory Board recommends the presented logo and Stay Inspired tagline and the Winter Campaign destination marketing concepts.

Alternative(s): None

MOTION

I move to: For discussion and direction to staff on implementing the proposed marketing strategy.



Sedona Tourism Program branding



SEDONA
stay inspired

The logo features the word "SEDONA" in a bold, black, sans-serif font. A white, jagged line representing a mountain range or a road winds through the letters, starting from the bottom of the 'S', passing through the 'D', and ending at the top of the 'A'. Below "SEDONA" is the tagline "stay inspired" in a smaller, lowercase, black, sans-serif font.



Tagline – Stay Inspired

- Sedona is endlessly inspiring. This tagline speaks to the emotional experience of residents and visitors.
- Why do people live here? Why do people visit? To be inspired by beauty, adventure, relaxation, self-discovery.
- Speaks directly to experience of residents – Sedona never gets old. It's about the quality of that experience.
- It has "before/during/after" qualities. You come seeking inspiration; you discover it while here (unexpected); take it with you when you leave; relive it looking back; visit again.
- It has a timeless feeling. Sedona changes you forever.
- If paired with a campaign, it provides opportunity for variation. For example: Stay. Inspired.
- “Stay” is an imperative – a call to action, a challenge, an ask.



Logo

- Type inspired by the natural and raw beauty of rock formations
- Friendly and inviting
- A stroke through the mark evokes a sense of place with the Sedona skyline



Color Palette



Sedona Red



Juniper Ochre



Succulent Green



Sunrise Terracotta

SEDONA
stay inspired

SEDONA
stay inspired

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SEDONA
stay inspired

STAY EAT PLAY SHOP

SEDONA

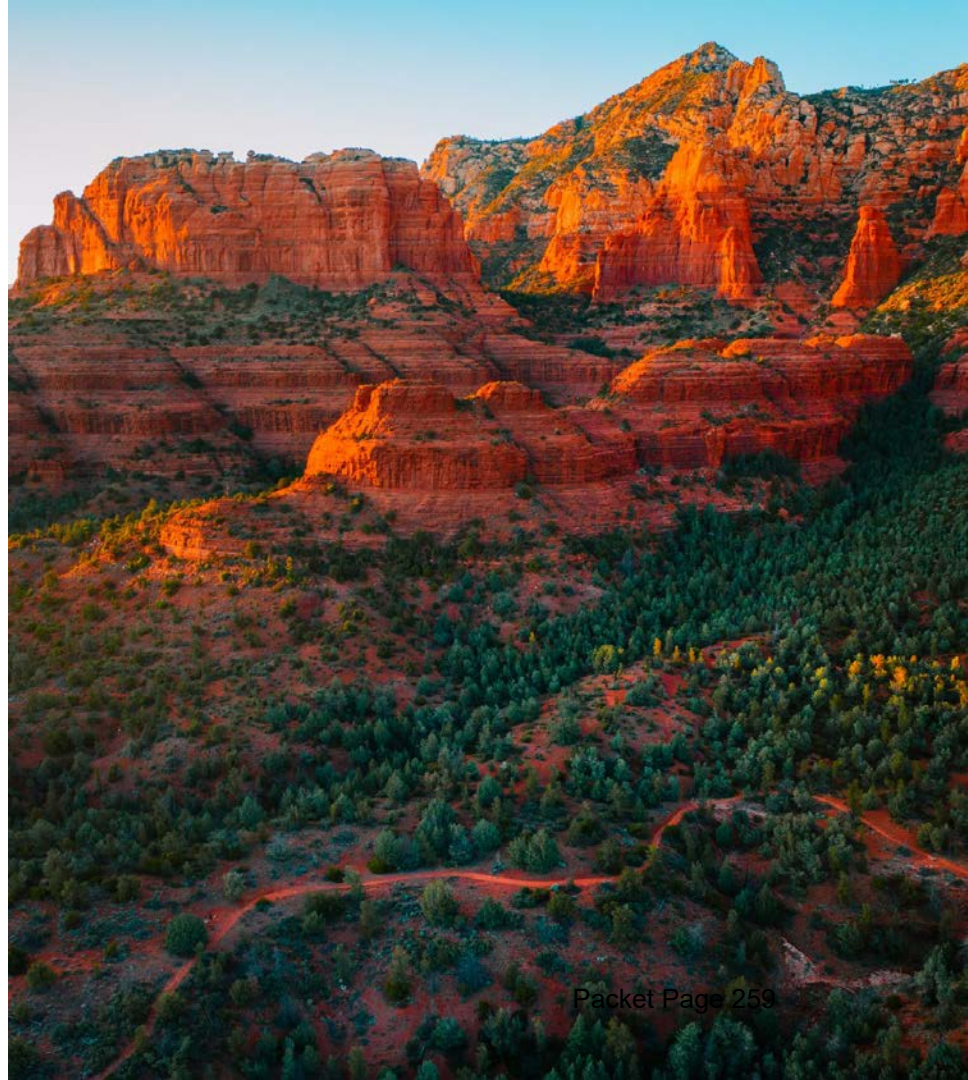
stay inspired

WELCOME TO SEDONA

You haven't been anywhere quite like Sedona. Small-town charm, world-class beauty. Local shops, restaurants and lodging, epic views in every direction. We know you'll love it here because we love it here. And we want you to enjoy it, appreciate it, and care for it like we do.

SEDONA stay inspired

Destination Marketing Concept



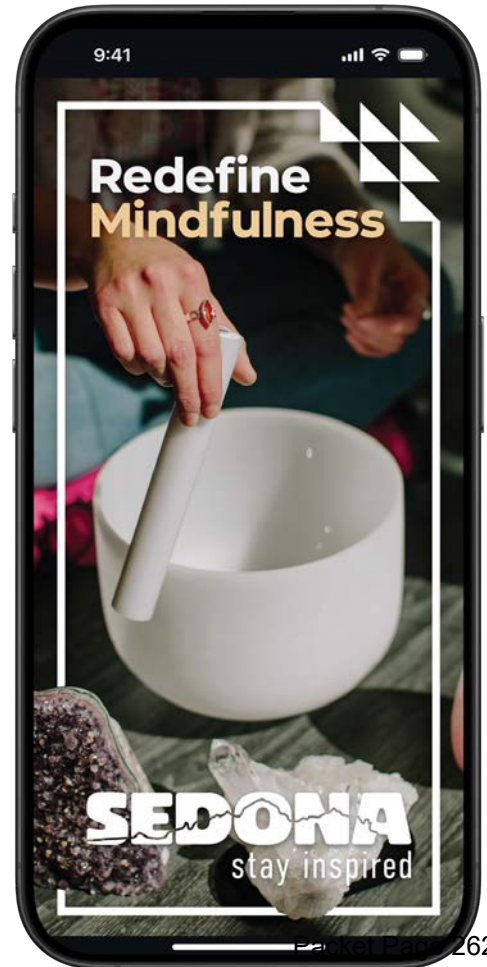
Redefine Desert

This concept invites the viewer to redefine their preconceived notions of the desert in general and Sedona in particular. To challenge, reimagine and rethink what the area has to offer. We show images breaking the frame, words highlight experiences and a graphic element that speaks to long held traditions.

Through all these elements we can position Sedona as a different kind of desert., a different kind of experience. One to be valued.





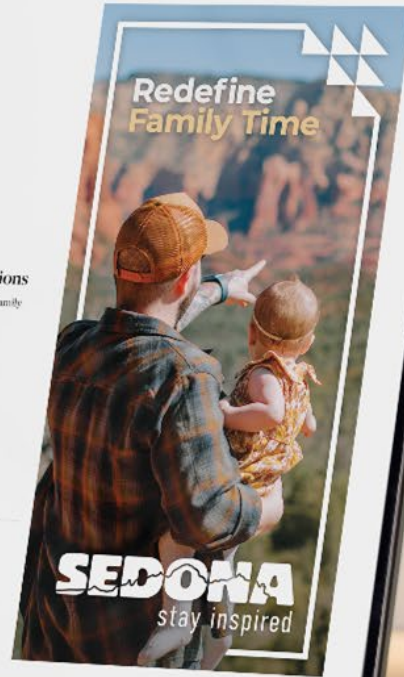




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**CITY COUNCIL
AGENDA BILL**

**AB 3147
Nov. 12, 2024
Regular Business**

Agenda Item: 8f
Proposed Action & Subject: Discussion/possible action regarding approval of a contract amendment for Day Vengley & Associates dba DVA to extend the term, amend the scope, and increase compensation in an amount not-to-exceed \$516,000 for marketing services.

Department	Communications, Tourism and Economic Initiatives/ Lauren Browne
Time to Present	5 minutes
Total Time for Item	10 minutes
Other Council Meetings	March 27, 2024 May 14, 2024 Nov. 12, 2024
Exhibits	A. Amendment #2 to the DVA Professional Services Agreement

Finance Approval	Reviewed 10/21/24 BGW
City Attorney Approval	Reviewed 10/22/24 KWC
City Manager's Recommendation	Recommend approval. ABS 10/24/24

Expenditure Required	
	\$ 466,000 FY25 Budget 50,000 FY26 Budget
Amount Budgeted	
	\$ 466,000
Account No. (Description)	10-5227-72-6511 (Advertising) \$350,000 10-5227-72-6413 (Marketing) \$116,000

SUMMARY STATEMENT

Background:

Through a Request for Proposal (RFP) process, Day Vengley & Associates Advertising and Public Relations (DVA) was chosen in 2023 to assist the Tourism Program with branding and marketing services. DVA has completed the original work outlined in the RFP, in addition to the work in the first amendment to the contract, brought to City Council on May 14, 2024. The first amendment gave staff the spending authority to execute the Summer Stewardship

Campaign. A second amendment and scope of work (Exhibit A) is now needed to extend the contract and allow spending authority for account management services; travel; advertising, advertising planning, and advertising placement costs for upcoming Summer and Winter destination marketing campaigns; and creative asset production.

The work is conducted on a Time and Materials Basis with a Not to Exceed Amount as set forth in the amendment.

Schedule:

The Winter Campaign, if approved by Council is expected to begin Nov. 15, 2024. The Summer Campaign advertising strategy will come before City Council in Spring 2025 for approval.

Budget:

The \$350,000 in advertising costs will come from the Council-approved budgeted amount for destination marketing campaigns in the Fiscal Year 2025 (FY25) budget process. \$116,000 will be used from the FY25 marketing fund for the Tourism Program. As a portion of the scope of work of this contract crossed into the FY26 budget year, the remaining \$50,000 payment will be accounted for in the FY26 Tourism Program budget after those services are provided.

Council's approval on this item will amend DVA's contract and give staff the spending authority to execute Fiscal Year 2025 destination marketing campaigns.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): None

MOTION

I move to: approve Amendment #2 to the Professional Services Agreement with Day Vengley & Associates dba DVA to extend the term, amend the scope, and increase compensation in an amount not-to-exceed \$516,000 for marketing services.

**AMENDMENT #2
TO PROFESSIONAL SERVICES AGREEMENT**

This Amendment to the Professional Services Agreement (“Agreement”) by and between the City of Sedona, an Arizona municipal corporation ("CITY") and Day Vengley & Associates dba DVA Advertising & Public Relations (“CONSULTANT”) is made and entered into on this ____ day of _____, 20 ____ (“Effective Date”).

RECITALS

- A. WHEREAS, CITY and CONSULTANT previously entered into an Agreement for CONSULTANT to perform certain professional consulting and coordinating services for CITY, in connection with Branding and Marketing Services (the “Project”) on or about the 25th day of October 2023; and
- B. WHEREAS, CITY and CONSULTANT entered into Amendment #1 on or about May 14, 2024 to increase the compensation of the Agreement to account for the Summer Stewardship Destination Marketing Campaign (Embrace the Moment).
- C. WHEREAS, CITY and CONSULTANT now desire to further amend the Agreement to amend the scope of work and increase the compensation accordingly, and extend the term.

AMENDMENT

The parties agree to amend the following section(s) of the Agreement as follows:

1. SCOPE OF WORK.

A. Scope of Work.

The “Scope of Work” attached as Exhibit A to the Agreement is amended as follows: Consultant shall provide additional services to deliver Destination Marketing and Management Campaigns for Winter 2024/2025 and Summer 2025.

2. COMPENSATION; BILLING.

A. Compensation.

The not to exceed amount of compensation the City agrees to pay the CONSULTANT is amended from \$431,000 to \$947,000.

3. TERM; TERMINATION.

A. Term.

The termination date of the Agreement is extended from October 24, 2024 to June 30, 2026. The Agreement is being extended by exercising an optional renewal.

ALL OTHER CONTRACT PRICES, TERMS, AND CONDITIONS REMAIN THE SAME.

CITY OF SEDONA, ARIZONA

City Manager or City Department Head

ATTEST:

JoAnne Cook, City Clerk

APPROVED AS TO LEGAL FORM:

Kurt W. Christianson, City Attorney

CONSULTANT FIRM NAME

By: _____

Title: _____

I hereby affirm that I am authorized to enter into and sign this Agreement on behalf of CONSULTANT

Exhibit A
City of Sedona & DVA Advertising & Public Relations
FY25 Scope of Work
Branding and Marketing Services

Project Description: The City of Sedona (Sedona) is partnering with DVA Advertising & Public Relations (Consultant) to assist with design, implementation, and reporting of Sedona’s Destination Marketing and Management campaigns and public relations services.

Project Deliverables: The services provided under this Scope of Work will include the following deliverables from Consultant:

1. Account Management Services
 - a. Consultant shall meet at least monthly with Sedona to discuss the work included in this scope of work, review progress to date, and agree on upcoming actions to complete.
 - b. Consultant shall develop and implement systems to report on the execution and return on investment of the Sedona Destination Marketing and Management campaigns, including, but not limited to:
 - i. Developing a production schedule for each Sedona Destination Marketing and Management campaign that includes campaign timelines, costs, and expected results.
 - ii. Developing and executing a system to determine attribution and the financial return on investment from digital advertising.
 - c. Consultant shall assist Sedona to implement public relations strategies that help advance the goals of the Tourism Program as needed.
 - d. Consultant shall provide input on Sedona’s Destination Marketing and Management strategies.
2. Travel
 - a. Consultant shall travel as needed and when appropriate to Sedona to help with presentation of Destination Marketing and Management campaigns and/or results from these campaigns.
3. Media, Media Planning, and Buying
 - a. Consultant shall assist with the Sedona Destination Marketing and Management campaigns, including, but not limited to:
 - i. Developing a tactical plan for each Sedona Destination Marketing and Management campaign that includes target markets, target audiences, and distribution channels.
 - ii. Placing ads in agreed upon channels.
 - iii. Monitoring throughout the campaign if advertising or creative adjustments need to be made to maximize return on investment.

- b. Consultant shall develop and implement systems to report on the execution and return on investment of the Sedona Destination Marketing and Management campaigns, including, but not limited to:
 - i. Developing a production schedule for each Sedona Destination Marketing and Management campaign that includes campaign timelines, costs, and expected results.
 - ii. Developing and executing a system to determine attribution and the financial return on investment from digital advertising.
4. Creative Production
- a. Consultant shall provide creative assistance services to Sedona on activities that support the launch of the new Sedona Tourism Program brand, including, but not limited to:
 - i. Creating online, print, social media, etc. ads
 - b. Consultant shall conduct creative asset production shoots that could include a combination of still images, video production, and drone footage.

Fee: The total fee for the provision of services described herein (the “Fee”) shall not exceed \$516,000 USD.

Sedona agrees to pay the following amounts for each deliverable after it is performed and agreed upon by the Tourism Manager or their designee:

Activity	Budget
Account Management Services & Travel	\$106,000
Media and Media Planning, Buying	\$350,000
Creative Asset Production	\$60,000
TOTAL	\$516,000

Payment Terms: Sedona to pay Consultant after the completion of each deliverable. Payment is due 30 days after receipt of an invoice from Consultant.

Consultant will charge a 6% commission for purchased media.

Review and Approval Process: For the purpose of this SOW, all deliverables will be created using an iterative process in which Sedona has a chance to review and provide feedback/requests for revision over up to two (2) rounds of feedback.



**CITY COUNCIL
AGENDA BILL**

**AB 3066
November 12, 2024
Regular Business**

Agenda Item: 8g
Proposed Action & Subject: Discussion/possible direction regarding future agenda items.

Department	City Manager
Time to Present	2 Minutes
Total Time for Item	5 Minutes
Other Council Meetings	Included in City Council regular meeting agenda packets as of May 14, 2024
Exhibits	A. Future Agenda Items

Finance Approval	Reviewed 10/21/24 BGW	
City Attorney Approval	Reviewed 10/22/24 KWC	Expenditure Required
		\$ N/A
City Manager's Recommendation	For discussion and direction only. ABS	Amount Budgeted
		\$ N/A
		Account No. N/A (Description)

SUMMARY STATEMENT

Background: Council requested a document showing future agenda items be added to the Council packet going forward. Attached as Exh. A is the Future Agenda Items document for review and discussion, and possible direction purposes.

Climate Action Plan/Sustainability Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): None

MOTION

I move to: For presentation and direction only.

Date	Day	Time	Type	Topic	Agenda Section	Requestor	Estimated Total Time
PENDING ITEMS							
				AB 3091 Discussion/possible action regarding an additional \$600,000 into the SIM 1B -Uptown Road Improvements Project for the completion of the paving northbound areas from Forest Road to Owenby Roundabout, but to also include the southbound areas.	Regular	Hall/Harris	30 min
				AB 3054 Presentation/discussion with Yavapai College, Dr. Irina Del Genio, Dean of Verde Valley Campus Administration and Mr. Richard Hernandez, Executive Director of Government Relations, regarding a general update on activities and plans of the College.	Regular	Spickard	1 hour
				AB 3111 Discussion / possible action regarding the Extreme Weather Overnight Lodging Program to shelter 'rough sleepers' during inclement or extreme weather conditions.	Regular	Frieder	20 min
11/26/2024	Tuesday	4:30 p.m	Regular Meeting				
				AB 3978 Approval of the City's Chief Fiscal Officer (CFO) Designation Resolution Amendment – changing the CFO from Anette Spickard to Barbara Whitehorn.	Consent	Whitehorn	NA
				AB 3154 Discussion/possible direction regarding presentation of initial findings, recommendations, cost analyses of potential homelessness prevention and mitigation strategies by Consultants Jonathan Danforth and Matt White of Viam Advising, LLC.	Regular	Freider	90 min
				AB 3133 Discussion/possible action regarding approval of PT-04B SR179 Park and Ride Construction Contract.	Regular	Hall/Harris	
				AB 3131 Discussion / possible action PT-01 Maintenance and Operations Facility – Design Contract for Professional Services Approval.	Regular	Hall	5 min
				AB 3121 Approval of sustainably adding grass to the Sedona Dog Park to better serve the dog park community and relocate the Yappy Hour weekly event to the Sedona Dog Park.	Regular	Frewin	45 min
				AB 3095 Public hearing/discussion/possible action regarding adoption of a Resolution and Ordinance updating the City of Sedona's Fee Schedule.	Regular	Cook	30 min

11/27/2024	Wednesday	3:00 p.m.	Special Meeting	No work session due to holiday			
12/10/2024	Tuesday	4:30 p.m.	Regular Meeting				
				AB 3128 Presentation/discussion regarding Arts & Culture Program Update including details on how the arts are supported through various creative programs, as well as through our Public Art Ordinance and Small Grants Program.	Regular	Lattanzi	1 hour
				AB 3145 Discussion/possible action regarding approval of a contract for professional services with XXXXXXXXXXXXXXXX and Associates, Inc, for the Coffee Pot Shared-Use Path Project, in the amount of \$XXXXXXXX.	Regular	Phillips	15 min
				AB 3150 Discussion/possible action regarding approval of a contract for professional services with XXXXXXXXXXXXXXXX and Associates, Inc, for the Forest Rd. Improvements Associated With New Parking Garage Project, in the amount of \$XXXXXXXX.			
				AB 3148 Discussion/possible action regarding approval of a contract for professional services with XXXXXXXXXXXXXXXX and Associates, Inc, for the Forest Rd. Improvements between the New Parking Garage site and the east SR 89A/Forest Road Intersection, in the amount of \$XXXXXXXX.	Regular	Welch	15 Min
				PENDING AB TRANS Auditor Report to the City Council from 11/26 to the 12/10 meeting, please.	Regular	Whitehorn	XX
				AB 3149 Discussion/possible action regarding approval of a contract for professional services with Ardurra Group for the Portal Lane to Brewer Road Connection Project, in the approximate amount of \$15,000 to complete existing design and incorporate Tlaquepaque parking improvements.	Regular	Harris	30 Min
12/11/2024	Wednesday	8:00 a.m.	Special Meeting				
				Hold for Council Retreat - Tentative			
12/12/2024	Thursday	8:00 a.m.	Special Meeting				
				Hold for Council Retreat - Tentative			
1/14/2025	Tuesday	4:30 p.m.	Regular Meeting				