

AGENDA

4:30 P.M.

CITY OF SEDONA, CITY COUNCIL MEETING

TUESDAY, NOVEMBER 22, 2016

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. 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

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.

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/ROLL CALL

2. CITY'S VISION

3. CONSENT ITEMS - APPROVE

LINK TO DOCUMENT = 

- a. Minutes - November 9, 2016 City Council Regular Meeting. 
- b. Minutes - November 10, 2016 City Council Special Meeting. 
- c. AB 2180 Approval of a Special Event Liquor License for the Sedona Chamber of Commerce for an event scheduled for Thursday, December 1, 2016 located at the Sedona Airport Terminal, 235 Air Terminal Drive, Sedona, AZ. 

4. SUMMARY OF CURRENT EVENTS BY MAYOR/COUNCILORS/CITY MANAGER

5. PROCLAMATIONS, RECOGNITIONS, & AWARDS - None

6. PUBLIC FORUM/RECOGNITION OF OUTGOING COUNCIL MEMBERS (Including any recognition from the public) (This is the time for the public to comment on matters 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.)

7. SWEARING IN OF NEWLY ELECTED COUNCIL MEMBERS BY MAGISTRATE JUDGE LEWIS LEVIN

8. ROLL CALL

9. APPOINTMENTS

- a. AB 2185 Discussion/possible action regarding appointment of a Vice Mayor. 

10. REGULAR BUSINESS

- a. AB 2179 Discussion/possible direction regarding the destination marketing, visitor services, and product development efforts of the Sedona Chamber of Commerce & Tourism Bureau (SCoC&TB) during FY16, and an overview of plans for tourism promotion services in FY17. 
- b. AB 2175 Public hearing/discussion/possible action regarding the adoption of a resolution and ordinance updating the City of Sedona's Consolidated Fee Schedule. 
- c. Reports/discussion on Council assignments.
- d. Discussion/possible action on future meeting/agenda items.

11. EXECUTIVE SESSION

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

- a. To consult with legal counsel for advice 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.

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.

AGENDA

4:30 P.M.

CITY OF SEDONA, CITY COUNCIL MEETING

TUESDAY, NOVEMBER 22, 2016

Page 2, City Council Meeting Agenda Continued

12. ADJOURNMENT

Posted: _____

By: _____

Susan L. Irvine, CMC
City Clerk

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

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

CITY COUNCIL CHAMBERS
102 ROADRUNNER DRIVE, SEDONA, AZ

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

Action Minutes
Regular City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Wednesday, November 9, 2016, 4:30 p.m.

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

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

Roll Call: Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Jessica Williamson.

Staff Present: City Manager Justin Clifton, Assistant City Manager Karen Osburn, City Attorney Robert Pickels, Jr., Engineering Supervisor Stephen Craver, Interim Chief of Police Ron Wheeler, Lieutenant Lucas Wilcoxson, Lieutenant James Pott, Officer Nathan Dorfman, Officer Bill Knuth, Officer Brandon Bergstad, Police Administrative Assistant Sherri O'Connor, Arts & Culture Coordinator Nancy Lattanzi, City Clerk Susan Irvine.

2. City's Vision/Moment of Art

A video of the City's vision was played. Nancy Lattanzi introduced Nichole Garrison, owner and artistic director of a new local theater company called Take Flight Repertory Theatre. Take Flight performers Christina Kiepper, Michael Rende, and Jan Rominger presented a scene from "Wanda's Visit", a play they will be performing at The Hub the next two weekends.

3. Consent Items

- a. **Minutes - October 25, 2016 City Council Regular Meeting.**
- b. **Minutes - October 26, 2016 City Council Special Meeting.**

Motion: Councilor Thompson moved to approve consent items 3a and 3b. Seconded by Vice Mayor Martinez. Vote: Motion carried unanimously with six (6) in favor and zero (0) opposed.

4. Appointments

- a. **AB 2177 Discussion/possible action regarding the appointment of commissioners to the Historic Preservation Commission.**

Presentation by Mayor Moriarty.

Motion: Councilor Thompson moved to reappoint Brynn Burke Unger and appoint John Fiene and Derek Pfaff to seats on the Historic Preservation Commission with terms beginning December 1, 2016 and ending November 31, 2019 or until successors are appointed, whichever is later. Seconded by Councilor Williamson. Vote: Motion carried unanimously with six (6) in favor and zero (0) opposed.

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

Councilor Lamkin stated that Friday, November 4th, was National Prison and Aftercare Awareness Day hosted by the Social Justice Committee and encouraged anyone who feels they could help to consider working on this issue. The Sedona Heritage Museum will host a Veterans Day tribute on November 11th at 11:00 a.m. at 735 Jordan Road,

and all are invited to attend. On December 6th at 11:30 a.m., Betty Delano the Outreach Coordinator at the Attorney General's office will make presentation at the Heartline Cafe about Cyber Security and Identity Theft. Councilor Jablow introduced a video from the 9-11 dedication ceremony which was subsequently shown. He also recommended an app from APS which provides information on outages. Councilor Williamson advised that APS will host an open house about the proposed rate increase on November 10th from 4:30 to 6:30 p.m. at the Cottonwood Recreation Center. Vice Mayor Martinez stated that people should check the City's website for information on Yappy Hour, Piano, and Guitar Lessons. Councilor Thompson advised that there will be a public open house for the kickoff on the Land Development Code revisions on Tuesday, November 15th, at 1:00 p.m. at the Sedona Public Library. This will be followed by a Planning & Zoning Commission meeting at City Hall at 5:30 p.m. the same day.

6. Public Forum

Kent Wood, Sedona, asked that the City consider installing a salt water wave pool at either the Posse Grounds Park pool or another location in Sedona.

7. Proclamations, Recognitions, and Awards

a. Presentation of Game Changer Awards by the Greater Sedona Substance Abuse Coalition (GSSAC) to the Sedona Police Department.

Merilee Fowler of MATFORCE and Maureen Nealon of GSSAC presented a Game Changer Award to the officers of the Sedona Police Department. This award recognizes those in the community that MATFORCE feels are "changing the game" to encourage positive and healthy activities and opportunities. The Sedona Police Department assisted MATFORCE with Dump the Drugs, Prescription Drug Take Back, and Covert Underage Drinking Buys programs; speaker bureau presentations; drug recognition trainings; and substance abuse education in the schools. The award was accepted by Interim Chief of Police Ron Wheeler who was accompanied by Lieutenant Lucas Wilcoxson, Lieutenant James Pott, and Officer Nathan Dorfman.

8. Regular Business

a. AB 2147 Discussion regarding the status of the Transportation Master Plan Update Project.

Introduction by Karen Osburn. Presentation by Brent Crowther of Kimley-Horn and Stephen Craver.

Questions and comments from Council.

Opened to the public at 6:24 p.m.

William Spring, Sedona, stated that he has a problem with the initial premise of the study, as he believes it identifies that hotels have no impact on traffic. He requested that this issue be studied further since hotels have a definite impact on traffic and trip counts. He also felt that health, safety, and welfare issues and emergency response times need to be examined with input from the Fire District.

Brought back to Council at 6:27 p.m.

Reopened to the public at 6:31 p.m.

Marcia Ellis, Oak Creek Canyon, stated that she feels more data needs to be obtained on Oak Creek Canyon and the related traffic impacts. This is particularly important for emergency services.

Brought back to Council at 6:33 p.m.

This was for discussion only, and no action was taken.

- b. Reports/discussion on Council assignments – None.**
 - c. Discussion/possible action on future meeting/agenda items - None.**
- 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.**

No Executive Session was held.

10. Adjournment

Mayor Moriarty adjourned the meeting at 6:34 p.m. without objection.

I certify that the above are the true and correct actions of the Regular City Council Meeting held on November 9, 2016.

Susan L. Irvine, CMC, City Clerk

Date

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Action Minutes
Special City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Thursday, November 10, 2016, 3:00 p.m.

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

Mayor Moriarty called the meeting to order at 3:01 p.m.

2. Roll Call

Roll Call: Mayor Sandy Moriarty, Vice Mayor Martinez, Councilor Scott Jablow, Councilor Tom Lamkin, Councilor Jon Thompson, Councilor Jessica Williamson.

Staff Present: City Manager Justin Clifton, Assistant City Manager Karen Osburn, City Attorney Robert Pickels, Jr., Community Development Director Audree Juhlin, Assistant Community Development Director Warren Campbell, Senior Planner Cynthia Lovely, Parks and Recreation Manager Rachel Murdoch, Arts and Culture Coordinator Nancy Lattanzi, Deputy City Clerk JoAnne Cook.

3. Special Business

a. AB 2043 Discussion/possible direction on the Draft Ranger Station Park Master Plan.

Presentation by Cynthia Lovely, Andy Dickey, and Rachel Murdoch.

Questions and comments from Council.

Opened to the public at 3:54 p.m.

Bradley Bell, Sedona, spoke in favor of the pickleball courts. He stated that, although players do enjoy the social interactions during the events, he did not think that there would be a problem with moving it to the southwest corner.

Patti Childers, Sedona, USA Pickleball Association Ambassador for Sedona, spoke in favor of the pickleball courts. She stated that there is a need for permanent courts. She said that if the pickleball courts are not included in the Park that they would like to see a tennis court at Posse Grounds Park converted to a pickleball court. She thanked Council for their consideration.

Steve Segner, Sedona, Historic Preservation Commission (HPC) member, Sedona, spoke on behalf of the HPC and stated that they did not vote for the pickleball courts because they felt that they out of character, not because they are against pickleball. He said the HPC believes the Park should have an old atmosphere, and requested that historic vegetation be planted. He suggested that the City seek public donations for trees and vegetation. Steve also spoke for himself and advised that, if the City would grade and fence the garden area, he would be willing to manage and build the garden. He advised that a system could be put into place for all to use. He believes a garden would benefit the community. He commented against the use of plastic materials and amenities in the Park.

Brought back to Council at 4:02 p.m.

Questions and comments from Council.

By majority consensus Council agreed to keep the pickleball courts in the Park Plan; to move forward with the process of obtaining an updated assessment and report for the cost of repairs, renovation, and purposes of the buildings; and to prepare a decision package for Council consideration.

- b. AB 2120 Discussion/possible direction regarding the impact to neighborhoods from trailhead parking on City streets including specific discussion/possible direction regarding expanding “No Parking” zones in the Rim Shadows neighborhood.**

Presentation by Justin Clifton and Andy Dickey.

Questions and comments from Council.

Opened to the public at 4:44 p.m.

Del Weston, Sedona, spoke about the negative impacts of the high traffic in the neighborhood. He suggested increased signage prohibiting street parking, permit parking for residents, and to increase usage at other trailheads.

Craig Sigler, Sedona, spoke about the negative impacts of the high traffic in the neighborhood. He requested that more stenciled bicycles be added in the bike lanes on behalf of Officer Kurtz. He believes the area is over loved.

Brought back to Council at 4:50 p.m.

Questions and comments from Council.

By a majority consensus, Council agreed that staff should move forward with Option B.

- c. Discussion/possible action on Future Meeting/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 was held.

5. Adjournment

Mayor Moriarty adjourned the meeting at 5:17 p.m. without objection.

I certify that the above are the true and correct actions of the Special City Council Meeting held on November 10, 2016.

JoAnne Cook, Deputy City Clerk

Date

Sedona City Council
Special Meeting
Thursday, November 10, 2016
3:00 p.m.



**CITY COUNCIL
AGENDA BILL**

**AB 2180
November 22, 2016
Consent Items**

Agenda Item: 3c
Proposed Action & Subject: Approval of a Special Event Liquor License for the Sedona Chamber of Commerce for an event scheduled for Thursday, December 1, 2016 located at the Sedona Airport Terminal, 235 Air Terminal Drive, Sedona, AZ.

Department	City Clerk
Time to Present	N/A
Total Time for Item	
Other Council Meetings	N/A
Exhibits	Special Event Liquor License Application is available for review in the City Clerk's office.

City Attorney Approval	Reviewed 11/15/16 RLP	Expenditure Required	\$ 0
City Manager's Recommendation	Approve a Special Event Liquor License application for a Sedona Chamber of Commerce networking mixer.	Amount Budgeted	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: State liquor laws require the City of Sedona's governing body to approve or disapprove applications for a Special Event Liquor License [A.R.S. § 4-203.02.A].

The Sedona Chamber of Commerce has submitted an application for a Special Event Liquor License for a networking mixer scheduled for Thursday, December 1, 2016 at the Sedona Airport Terminal, 235 Air Terminal Drive, Sedona, AZ.

Attendees will have age verified by professional bartenders serving the alcohol. Consumption of alcoholic beverages, along with monitoring of the entrance/exit, will be by volunteers.

Community Development, Finance, the Sedona Police Department (SPD), and Sedona Fire District (SFD) have conducted a review of the application and did not note any objections regarding its approval. Staff recommends that the City Council approve this application.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Do not approve a Special Event Liquor License application for a Sedona Chamber of Commerce networking mixer scheduled for Thursday, December 1, 2016 located at the Sedona Airport Terminal, 235 Air Terminal Drive, Sedona, AZ.

MOTION

I move to: approve a Special Event Liquor License application for a Sedona Chamber of Commerce networking mixer scheduled for Thursday, December 1, 2016 located at the Sedona Airport Terminal, 235 Air Terminal Drive, Sedona, AZ.



CITY COUNCIL
AGENDA BILL

AB 2185
November 22, 2016
Appointments

Agenda Item: 9a
Proposed Action & Subject: Discussion/possible action regarding appointment of a Vice Mayor.

Table with 2 columns: Label (Department, Time to Present, Total Time for Item, Other Council Meetings, Exhibits) and Value (City Clerk, N/A, 15 minutes, N/A, None)

Table with 3 columns: City Attorney Approval (Reviewed 11/15/16 RLP), City Manager's Recommendation (Appoint a Vice Mayor.), and Expenditure Required/Amount Budgeted (\$ 0) with Finance Approval checked.

SUMMARY STATEMENT

Background: Per our City Code Section 2.10.020, "At the first meeting of the council following an election, the council shall designate one of its members as vice mayor, who shall serve at the pleasure of the council."

City Council will nominate from the six eligible Councilors and a vote will be taken to select a new Vice Mayor.

Community Plan Consistent: [] Yes - [] No - [x] Not Applicable

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

Alternative(s):

MOTION

I move to: appoint _____ to fill the office of Vice Mayor.

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**CITY COUNCIL
AGENDA BILL**

**AB 2179
November 22, 2016
Regular Business**

Agenda Item: 10a

Proposed Action & Subject: Discussion/possible direction regarding the destination marketing, visitor services, and product development efforts of the Sedona Chamber of Commerce & Tourism Bureau (SCoC&TB) during FY16, and an overview of plans for tourism promotion services in FY17.

Department City Manager

Time to Present 30 minutes

Total Time for Item 90 minutes

Other Council Meetings N/A

Exhibits
A. SCoC&TB Annual Report
B. FY2015-2016 Year-End Report to City

City Attorney Approval	Reviewed 11/15/16 RLP	Expenditure Required
		\$ 0
City Manager's Recommendation	Discuss and give direction regarding FY16 accomplishments and FY17 proposed direction.	Amount Budgeted
		\$ 0
		Account No. N/A (Description)
		Finance <input checked="" type="checkbox"/> Approval

SUMMARY STATEMENT

Background: On September 17, 2013, the City Council approved an ordinance amending section 8-447 of the Tax Code of the City of Sedona by increasing the transient lodging (Bed) tax from 3% to 3.5%; designating the use of those increased tax proceeds for destination marketing and the promotion of tourism effective January 1, 2014; and allocating 55% of the total bed tax collections to a destination marketing organization for destination marketing, product development, and operation of the Visitor's Center.

On June 10, 2014, the City Council approved a contractual agreement and associated exhibits, between the SCoC&TB and the City of Sedona for tourism promotion services for FY2015 – FY2017.

- The total FY15 contract budget for all categories of tourism promotion was \$1,248,500.
- The total contract budget for FY16 was \$1,453,100 plus a \$214,109 "true up" from FY2015, for a FY16 total of \$1,667,209.

The purpose of this agenda item is to provide an opportunity for the SCoC&TB to present their annual report for Fiscal Year 2016 (July 1, 2015-June 30, 2016) to the City Council, and update Council on performance metrics and key indicators of overall performance and return on investment for the tourism promotion services during year two of the contract.

SCoC&TB representatives will also provide an overview of current and prospective product development efforts.

The SCoC&TB organizational Annual Report for FY15-16 is attached as Exhibit A. The FY15-16 year-end report to the City of Sedona is included as Exhibit B.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s):

MOTION

I move to: for information, discussion, and possible direction only.



SEDONA
CHAMBER OF COMMERCE
& TOURISM BUREAU

ANNUAL REPORT

2015 / 2016



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The Sedona Chamber of Commerce & Tourism Bureau is an accredited organization from the Destination Marketing Association International's Accreditation Program (DMAI's DMAP). DMAP is an internationally recognized accreditation program. DMAP accreditation standards cover a wide variety of topics including governance, finance, management, visitor services, sales, communications, brand management, and stakeholder relationships to name a few. The Sedona Chamber of Commerce & Tourism Bureau is one of fewer than 250 DMOs worldwide with this esteemed accreditation.

LETTER FROM CHAIRMAN AND PRESIDENT/CEO

Dear Valued Partners,

This year has been chock-full of exciting and award-winning destination marketing programs and innovative sustainability efforts. We launched inventive promotions such as the Cooler By Nature Summer marketing program in Phoenix and Tucson; product development initiatives to promote arts, wellness and help mitigate transportation issues; and, focused on collaborative sales efforts that promote rural travel during mid-week and off-peak seasons. The staff has been hard at work promoting all that Sedona has to offer and the results of these efforts are showing – especially in our slow periods. In fact, 2/3 of the new visitation generated by our efforts was produced in the summer and winter.

During Fiscal Year 2016 (FY16), Sedona continued to improve in all key tourism indicators:

- 3% increase in Occupancy
- 8.3% increase in Average Daily Rate
- Nearly 12% increase in Revenue Per Available Room
- An amazing 16% increase in bed tax revenues
- Over \$1.4 million more dollars collected in sales tax compared to the last eleven months of the previous year

These record-breaking achievements could not have been reached without the help of our area partners, stakeholders and residents.

In Fiscal Year 2017 (FY17), we will continue to balance the positive impacts of tourism with quality of life expectations of our residents. With more than 30% of our marketing budget dedicated to product development, we will shift our efforts and focus less on how we market our existing product, to an emphasis on what products we need to attract the visitors we want and when we want them. Several of our new initiatives will deliver significant funds to the USFS to maintain existing trails and build new ones. We'll develop programs that deliver on the goals of the City's Community Plan: to be a walkable community with a focus on arts, wellness, and the environment.

Our work continues to make a positive impact on Sedona's economy and it's our privilege to share our accomplishments and plans with you.

Best Regards,



LONNIE LILLIE
Chairman of the Board



JENNIFER WESSELHOFF
President/CEO



VISION

Sedona, with its legendary red rock beauty, is a world class, year-round destination providing inspiring arts and culture, exhilarating outdoor adventure and personal enrichment in a friendly environment.

MISSION

To enhance the economic vitality of Sedona and to attract visitors by promoting Sedona as the world's most desirable destination for residents, businesses and travelers.

CORE VALUES

Professionalism
Accountability
Community-minded
Partnership-oriented
Innovation
Dedication
Effectiveness
Exceptional customer service



STAFF

Jennifer Wesselhoff President/CEO
Michelle Conway Director of Marketing
Debbie Ellington Director of Finance
Donna Retegan Director of Visitor Services
Teri Ruiz Director of Partner Services
Sachiko Sado Director of Tourism Development
Brenda Andrusyszyn Visitor Center Manager
Debi Brumbaugh Office Manager
Sheryl Curtis Digital Marketing Manager
Kegn Moorcroft Public Relations Manager
Joanne Pineau Sales Manager
Jeff Brumbaugh Visitor Center
David Keeber Special Projects
Jason Schrader Partner Services Coordinator

BOARD MEMBERS

Lonnie Lillie Chairman, Best Western PLUS Arroyo Roble Hotel & Creekside Villas
Stephanie Giesbrecht Vice Chairman, Northern Arizona Healthcare
Marc Sterling Treasurer, Sterling Financial Services, LLC
Jeremy Hayman Secretary, Sedona Golf Resort
Linda Goldenstein Immediate Past Chairman, Goldenstein Gallery
Desiree Brackin Brackin Benefits
Al Comello Comello Media Services
Whitney Cunningham Aspey, Watkins and Diesel, P.L.L.C.
Greg Hanss L'Auberge de Sedona and Orchards Inn
Joel Gilgoff SCORE
Mike Hermen Pink Jeep Tours
Darla Deville APS
Kyle Larson Larson Newspapers
Ralph Woellmer Matterhorn Inn & Shoppes

AFFINITY GROUPS AND CONTACTS

Sedona Lodging Council

Steve Segner
 (928) 203-9405
steve@elportalsedona.com

Sedona Events Alliance

Al Comello
 (928) 862-0210
al@comellomedia.com

Sedona Gallery Association

Peggy Lanning-Eiseler
 (928) 282-6865
mail@lanninggallery.com
SedonaGalleryAssociation.com

Sedona Metaphysical Spiritual Association (SMSA)

Nirup Barnum
 (928) 300-8338
info@sedonaspiritual.com
SedonaSpiritual.com

CONTACT INFORMATION

Sedona Chamber of Commerce & Tourism Bureau

Administrative Office
 45 Sunset Drive
 Sedona, AZ 86336
 (928) 204-1123

Visitor Center
 331 Forest Road
 Sedona, AZ 86336
 1 (800) 288-7336

SedonaChamber.com
VisitSedona.com Page 18

TOURISM ECONOMIC IMPACT

SEDONA TOURISM IS A
\$600 MILLION
 INDUSTRY

SEDONA VISITORS ADD

\$10 MILLION
 IN LOCAL TAX DOLLARS

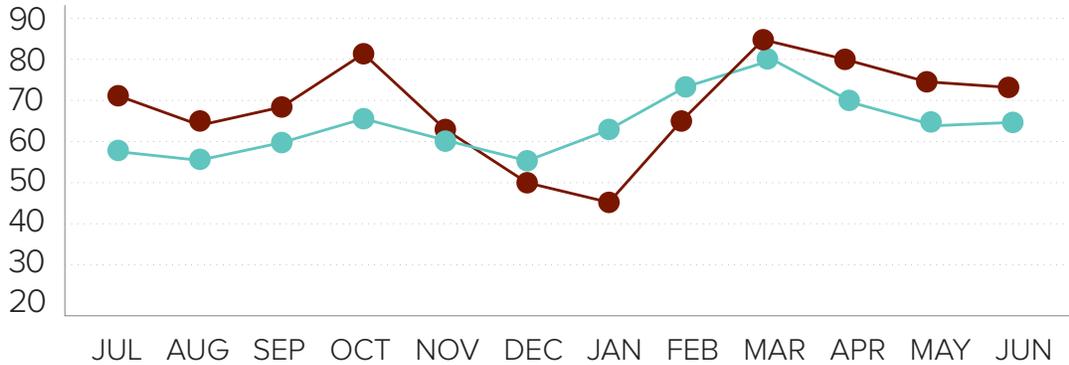
VISITORS GENERATE MORE THAN
65%
 OF THE CITY'S GENERAL OPERATING FUND

TOURISM SUPPORTS MORE THAN
10,000 JOBS

SEDONA TOURISM INDUSTRY MEASUREMENTS (JULY 2015 – JUNE 2016)

OCCUPANCY

UP
3.0%
 YTD

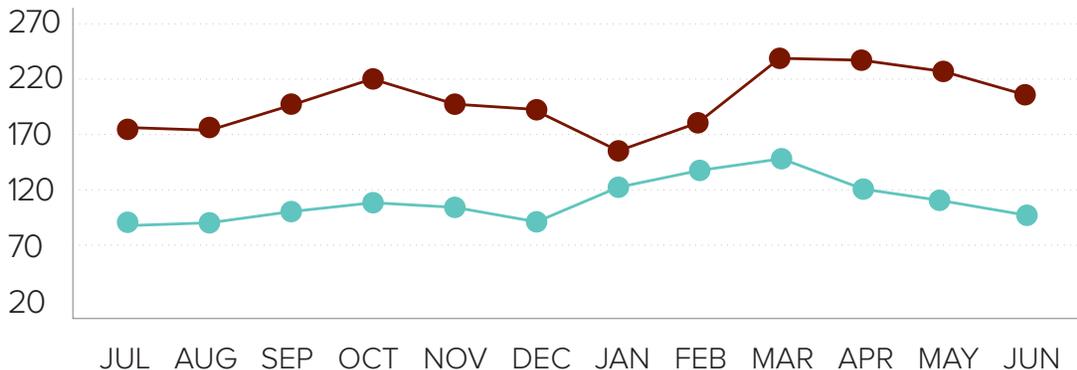


OCCUPANCY COMPARISON

● SEDONA+ ● ARIZONA

AVERAGE DAILY RATE

UP
8.3%
 YTD



ADR COMPARISON

● SEDONA+ ● ARIZONA

Source: Smith Travel Research, Inc. Republications or other re-use of this data without the express written permission of STR is strictly prohibited.

ECONOMIC IMPACT

JULY – MAY

FY16 VS FY15

(11 MONTH COMPARISON)

BED TAX COLLECTED

(JULY 2015 – MAY 2016)

\$2,725,396

↑ \$383,409
— ↑ 16% —

\$14,400,000

MORE SPENT ON LODGING IN
FY16 VS FY15 (JULY-MAY)

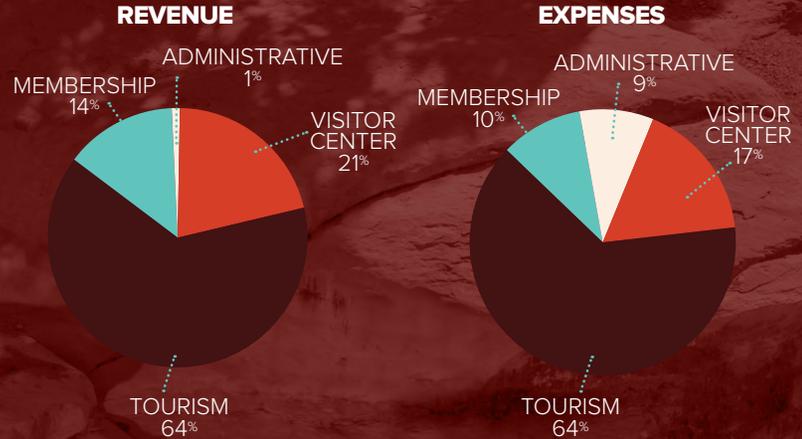
SALES TAX COLLECTED

(JULY 2015 – MAY 2016)

\$13,566,459

↑ \$1,409,445
— ↑ 12% —

FINANCE



FY16 REVENUE AND EXPENSES

PARTNERSHIP REVENUE

Partner Revenue Collected	\$262,808
Event Revenue	\$56,748
Other Revenue	\$27,709
Total Chamber Revenue	\$347,265

TOURISM BUREAU REVENUE

Tourism Bureau Partnership Revenue	\$109,905
City of Sedona Bed Tax Re-investment	\$1,313,109
Other Revenue	\$218,320
Total Tourism Bureau Revenue	\$1,641,334

VISITOR CENTER REVENUE

City of Sedona Bed Tax Reinvestment	\$320,000
Retail Sales and Other Revenue	\$208,774
Total Visitor Center Revenue	\$528,774

ADMINISTRATIVE REVENUE

Total Administrative Revenue	\$30,015
Total Revenue	\$2,547,388
Total Cost of Goods Sold & Events Produced	\$168,788
Total Net Revenue	\$2,378,600

EXPENSE

Chamber Services	\$237,546
Tourism Bureau Marketing/Programs	\$1,497,027
Visitor Center/Visitor Services	\$413,458
Administrative	\$218,925
Total Expenses	\$2,366,956
Net Increase in Unrestricted Assets	\$11,644

PARTNER SERVICES

For more than 65 years, the Sedona Chamber of Commerce & Tourism Bureau has been the voice of business for the Sedona area. Through the Chamber, local professionals and businesses work together to provide products and services, as well as to identify, define and find solutions for community issues.

in
FY16

911 TOTAL PARTNERS

131 NEW PARTNERS

85% PARTNER RETENTION RATE

2,092 PARTNERS

ATTENDED NETWORKING, TRAINING & ISSUES EVENTS

OUR DIVERSE PARTNERS	TOTAL	TOURISM LEVELS
Accommodations	85	83
Arts & Culture	49	37
Associate Partners	22	0
Associations & Organizations	64	12
Attractions & Entertainment	54	40
Business & Financial Services	47	2
Churches & Places of Worship	20	4
Community & Professional Services	95	10
Construction Services	27	3
Marketing / Media Services	45	13
Medical / Healthcare	31	2
Outdoor Recreation	33	24
Personal & Spiritual Enrichment	108	78
Real Estate	52	29
Restaurants Food & Beverage	85	62
Retail Shopping	117	70
Tours & Sightseeing	61	55
Transportation	13	9
Travel Services	18	14
Wedding / Meeting Services	51	43

Total Listings by Category	1,077
Total Chamber Partners	911
Total Tourism Level Partners	590

*Please note that some members may be listed in multiple categories.

35%

of our Partners have been with the Chamber for 10 years or more.

63%

of Chamber Partner Businesses are inside in the city limits of Sedona.



TOP REASONS BUSINESSES JOIN

The top reasons businesses belong to the Chamber are:

- #1 ACCESS**
Be an insider in the local business community
- #2 BUSINESS EXPOSURE**
Market their business at many levels
- #3 NETWORKING**
Make professional and personal connections
- #4 COMMUNITY INVOLVEMENT & SUPPORT**
Recognition of the interdependencies between people, place and responsibility

ADVOCACY & LEGISLATIVE PRIORITIES

Advocacy is at the core of the Sedona Chamber of Commerce & Tourism Bureau's mission. Being a partner means being a part of a proactive organization, supporting businesses and working on issues that affect your bottom line; and it means being part of a progressive organization that is advocating for the quality of life we all enjoy in Sedona. The Sedona Chamber of Commerce & Tourism Bureau recognizes the value of a "collective voice". Our legislative agenda is a culmination of the priorities of statewide businesses and issues identified by our own Public Policy/Community Issues Committee.

*To read our Legislative Agenda in full, go to SedonaChamber.com.

TOP PRIORITIES

- Education
- Transportation and Infrastructure
- Taxation
- Regulations
- Quality of Life

SHOP LOCAL



The Sedona Chamber of Commerce & Tourism Bureau invites residents to do business locally where our merchants and service providers create local jobs and contribute to local sales taxes that fund our community services and quality of life.

**THINK -
SHOP -
BUY Locally**

FOR EVERY \$1
SPENT AT A
LOCAL BUSINESS
45 CENTS IS
REINVESTED
LOCALLY



ENGAGING WITH LOCALS



SedonaChamber.com
132,542 page views



Sedona Chamber Facebook
9,007 fans



@SedonaChamber Twitter
1,004 followers



Local e-News
6,266 subscribers

DESTINATION MARKETING & MANAGEMENT

Tourism marketing, sales and management efforts are made possible through private investments and a reinvestment of the Hotel Occupancy Tax collected by the City of Sedona.



Tourism efforts focus on brand-centered, integrated campaigns to position Sedona as a premier travel destination. These efforts increase the economic impact of tourism, thus improving the overall revenue to the City of Sedona.

Destination Marketing Organizations today are involved in more than just destination marketing, sales and communications. Destination management involves coordinated and integrated management of the destination mix (attractions and events, facilities, transportation, infrastructure, and hospitality resources). Destination management is the new era for organizations like the Sedona Chamber of Commerce & Tourism Bureau, in which they perform a more holistic set of roles in all parts of tourism in the destination. They are not merely “promotion or sales agencies” but leaders and coordinators in every aspect of tourism development and management.



THE BRAND



It is important to rely on the beauty of Sedona to act as the leading star of the brand. In order to keep the Sedona brand top-of-mind with all potential visitors, it’s crucial that the brand aesthetic, look, feel, and voice have a consistent application across all touch points. The SCC&TB takes the brand one step further, by implementing its philosophy across all departments of the SCC&TB to further the cohesion of the brand. The brand is at the center of all the work that is accomplished, every phone call that is taken, and every visitor that is served.

TARGET AUDIENCE

AGE 35-54 PRIMARY,
AGE 55+ SECONDARY

ANNUAL HOUSEHOLD INCOMES
\$125,000+

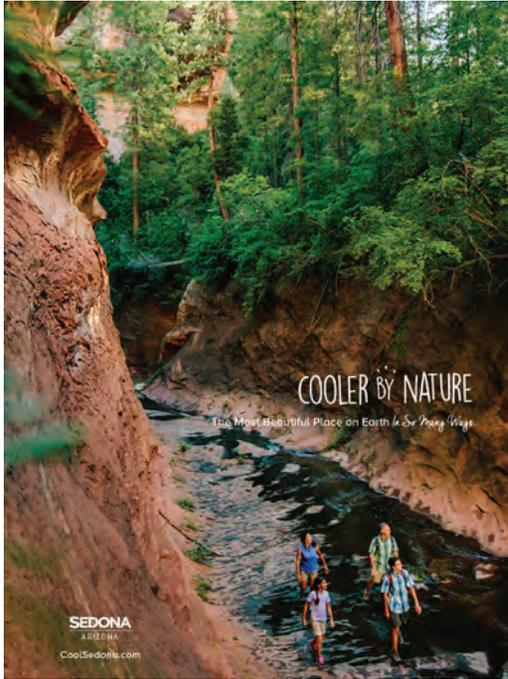
**COLLEGE-
EDUCATED**



HIGH-IMPACT SEASONAL CAMPAIGNS THAT DROVE VISITOR SPENDING

SUMMER CAMPAIGN: **COOLER BY NATURE**

OVER 14 MILLION IMPRESSIONS FROM PAID MEDIA



Print



Outdoor



Airport Baggage Claim Video



Digital Ad

WINTER CAMPAIGN: **RED ROCK WONDERLAND**

NEARLY 27 MILLION IMPRESSIONS FROM PAID MEDIA



Outdoor

INTERNET MARKETING

Our efforts capture the attention of potential visitors and provides them the information they need to plan their visit. Through Internet marketing, we develop more targeted and personal connections with our visitors.

VisitSedona.com

..... SITE

WEBSITE TRAFFIC

1,356,333

UNIQUE SESSIONS
(previously known as "visits")



USE DESKTOP



USE MOBILE



USE TABLET

OVER
4.2
MILLION
PAGE VIEWS

CONSUMER E-NEWSLETTER

TOTAL SENT

1,675,915

TOTAL OPENS

283,517

OR 17% OPEN RATE

TOTAL CLICK THRU

30,497

OR 11% CTR

ENGAGING WITH VISITORS



FACEBOOK
@VisitSedona

39%

95,631
fans

VS
FY15



TWITTER
@SedonaAZ

20%

9,200
followers

VS
FY15



PINTEREST

20%

1,000
followers

VS
FY15



INSTAGRAM
@VisitSedona

268%

17,000
followers

VS
FY15



Sedona Videos

2,599,760 views

PUBLIC RELATIONS

The Sedona Chamber of Commerce & Tourism Bureau tells the story of our destination to garner positive publicity and word-of-mouth while promoting niche markets and the amenities of our partners. Focused, positive media exposure helps to generate consumer interest and drives demand in our targeted markets world-wide.

BUILDING RELATIONSHIPS WITH MEDIA RESULTS IN EXTENSIVE EDITORIAL COVERAGE

432 MILLION

readers/viewers reached

(26% increase from 2015)

\$17 MILLION

in advertising value

ASSISTED

359

media with Sedona stories

HOSTED MORE THAN

132 MEDIA

HOSTED

6 MEDIA FAM TOURS



China, Europe, Canada, Mexico, SATW and one mixed domestic and international media FAM

DISTRIBUTED

30 press releases and media newsletters

ATTENDED

6 MEDIA EVENTS



Media Events in Vancouver, New York, Toronto, San Francisco, Los Angeles, Arizona

FEATURED IN TOP TIER PRINT PUBLICATIONS AND INFLUENTIAL WEBSITES SUCH AS

BuzzFeed **bike** magazine Chicago Tribune **CONDÉ NAST** Traveler **food** THE HUFFINGTON POST **Outside** **Sunset** **VOGUE** **USA TODAY**



TOURISM PRODUCT DEVELOPMENT

Tourism product development has become a stronger focus for the SCC&TB over recent years. The shift towards product development has allowed the SCC&TB to move from asking the traditional question of: This is our product – how do we sell it? To asking a more strategic question: This is our target customer – what product do they want? This type of development requires proactive efforts that either create, link or enhance products or experiences that make Sedona even more attractive to Sedona’s target audience.

SEDONA VERDE VALLEY GEOTOURISM PROGRAM



OBJECTIVE: To create and implement a shared vision within the community that supports tourism-related economic development, gives value to our natural landscape as a vital economic asset, and helps raise awareness of our natural assets as major contributors to our quality of life.

- November 12, 2015 – Toast to Tourism Event – Celebration of geotourism and launch of the National Geographic Society co-branded online interactive website (sedonaverdevalley.natgeotourism.com). The event was attended by approximately 200 tourism industry partners, city and state dignitaries and National Geographic.
- The website aims to promote the culture, heritage and ecological diversity within Sedona and the Verde Valley through the stories of those who live here.

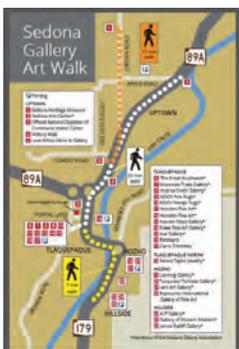
SEDONA PERFORMING ARTS CENTER ASSESSMENT & COMMUNITY ARTS FUND



OBJECTIVE: To more fully integrate Sedona Performing Arts Center (SPAC) into the cultural and educational fabric of Sedona.

- Completed wide-ranging assessment of policies and procedures regarding SPAC’s usage, rental fees and technical needs.
- Community-focused private and public donors committed to establishing the SPAC Community Arts Fund which provides a 50% grant fund for non-profits to use the facility. The initial seed donation came from the City of Sedona and the Sedona Chamber of Commerce & Tourism Bureau.

WALK SEDONA PROGRAM



OBJECTIVE: To fulfill the City of Sedona’s Community Plan to position the city as a walk-friendly destination. The Walk Sedona Program was developed to mitigate the effects of vehicle traffic by luring in-market visitors out of their cars to explore Sedona on foot.

- Program launched in FY16 with hotel lobby map signage and postcards, in-room TV spots, a “web map” digital version, public relations and social media.
- FY17 will see the second phase of this concept with inclusion of restaurants, public art and recycling stations.

GROUP/MEETING SALES

99 HOTEL LEADS

29 MEETINGS CONFIRMED FOR AREA LODGING

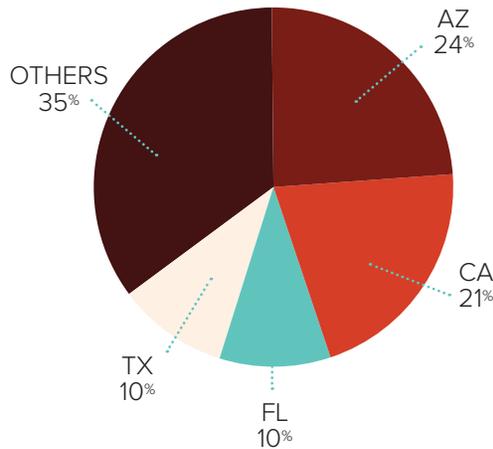
3,794 ROOM NIGHTS REQUESTED FOR MEETINGS

\$663,950

ESTIMATED ECONOMIC IMPACT OF MEETINGS CONFIRMED

The Sedona Chamber of Commerce & Tourism Bureau introduces meeting planners to Sedona while positioning Sedona as a premier meeting destination and uses meeting sales to drive mid-week and off-peak business. We educate planners on Sedona's destination services and amenities ensuring their planning needs are met for a successful and memorable program. Our efforts generate incremental meeting business for our community.

JULY 2015 - JUNE 2016 SEDONA GROUP BOOKINGS BY STATE



CONVERSION
30% From leads to bookings

SITE INSPECTIONS & FAM TRIPS

Familiarization (FAM) Trips are a strategic means of targeting the meetings sector by offering meeting planners the opportunity to experience Sedona, its attractions and meeting venues.

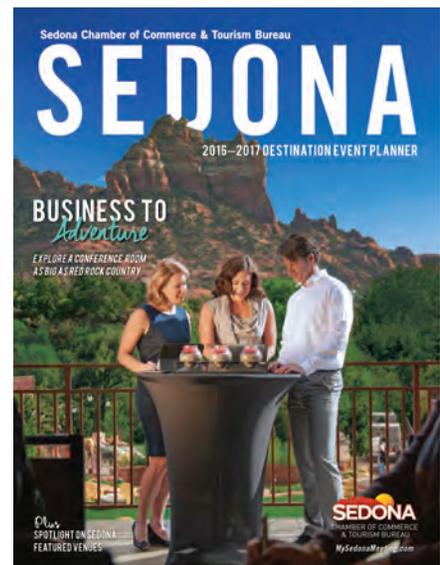


Hosted multi-day FAM for meeting planners to discover Sedona.

36 PLANNERS HOSTED IN SEDONA

\$14,005 DONATED BY SEDONA BUSINESSES

2,500 DESTINATION EVENT PLANNER GUIDES PRODUCED



TRAVEL TRADE INDUSTRY SALES

The Sedona Chamber of Commerce & Tourism Bureau travel trade sales efforts focus on increasing visitation through programs offered by national and international tour operators.

The Sales Department emphasizes professional sales techniques, excellent service and one-on-one contact with travel trade professionals. The department reaches out to travel trade professionals of various segments in the travel distribution system to gain inclusion in their programs. It collaborates with partners and other travel industry stakeholders to market the Sedona area as a premier leisure travel destination, both domestically and internationally.

53 LEADS SENT TO PARTNERS

881 REFERRALS TO TRAVEL TRADE PROFESSIONALS

REACHED OUT TO
369 TRAVEL PROFESSIONALS AT 6 TRADESHOWS AND SALES MISSIONS

ATTENDED:

- Los Angeles Sales Mission • Arizona Showcase
- Las Vegas Sales Mission • Go West Summit
- IPW • Represented at German consumer shows

Los Angeles Sales Mission



Go West Summit



IPW



REACHED OUT TO
3,223 TRAVEL PROFESSIONALS VIA E-NEWSLETTERS
(AVERAGE 33.6% OPEN RATE)

85 TRAVEL PROFESSIONALS HOSTED ON 30 SITE VISITS

Familiarization Tours and Site Visits

\$14,654

DONATED BY SEDONA BUSINESSES





VISITOR SERVICES

The Sedona Chamber of Commerce & Tourism Bureau services both potential visitors and current visitors. Our Visitor Center staff and volunteers serve as destination experts – greeting guests and offering insight into our destination’s depth and breadth of amenities to ensure a memorable visit.

The Official Uptown Visitor Center is open 7 days a week, from 8:30am-5:00pm
(Closed Thanksgiving Day and Christmas Day)

305,470 WALK-IN VISITORS ASSISTED
(INCREASE OF 15% OVER FY15)

DOMESTIC



INTERNATIONAL



TOP 6
WALK-IN VISITORS
BY STATE*

TOP 6
WALK-IN VISITORS
BY MARKETS*



CALIFORNIA



ARIZONA



TEXAS



CANADA



JAPAN



ENGLAND



FLORIDA



ILLINOIS



NEW YORK



GERMANY



AUSTRALIA



FRANCE

9,000 POTENTIAL VISITORS SERVED
VIA PHONE AND EMAIL

*According to walk-in guestbook



VOLUNTEERS: THE LIFEBLOOD OF SEDONA



Our dedicated staff and volunteers provide visitors with valuable information about Sedona and area businesses and work to provide the best customer service, exceeding the expectations of our guests. We also increased awareness of the Visitor Center as a resource not just for visitors, but for local residents as well.

The 80 local volunteers who assist guests at the Visitor Center are key to our success. We continually educate, train and communicate with our volunteers about business changes, local events and trends in order to better promote area attractions, products and services, with the goal of increasing length of stay and visitor spending.

TRAINED CORE OF SEDONA AMBASSADORS

- Weekly volunteer e-newsletter
- Conducted 27 volunteer FAM (familiarization) Tours
- Held 6 bi-monthly training events featuring 60 businesses
- Four quarterly overall Sedona training sessions
- Hosted Annual Volunteer Appreciation Event
- Trained 12 new volunteers

MORE THAN
9,500 volunteer hours
 donated in FY16

VALUE = \$216,885



EXPERIENCE SEDONA VISITOR GUIDE

40,000

GUIDES MAILED TO POTENTIAL VISITORS IN FY16 FOR FREE

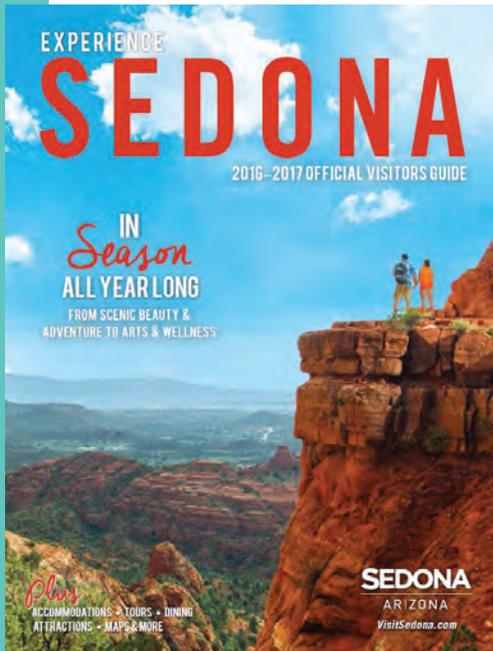
VISITORS WHO RECEIVED THE EXPERIENCE SEDONA VISITOR GUIDE:

65% visited Sedona within one year

95% said the guide helped them to make their decision to visit

83% said the guide impacted their decision to increase their length of stay

Source: WACVB Foundation DMO Visitor Guide User & Conversion Study, 2014



250,000

**EXPERIENCE SEDONA VISITOR GUIDES
DISTRIBUTED AND MAILED**

- Visitors in Sedona and via mail
- Phoenix Sky Harbor Airport
- Tucson Airport
- Phoenix Mesa Gateway Airport
- Flagstaff Airport
- Other Chambers of Commerce/CVB
Visitor Information Centers around the state
- AAA offices
- Trade shows
- AZ Concierge desks
- Car rental agencies at Sky Harbor Airport

ONLINE VISITOR GUIDE

NEARLY **3.1** million
page views

SNEAK PEEK INTO FY17

As the SCC&TB finishes a successful year of Sedona tourism, it's evident that there is an even greater need now for product solutions to mitigate the impacts on our community. Therefore, in FY17 the SCC&TB will allocate nearly 30% of the contracted public funds solely to product development. Following is a sneak peek of the exciting programs planned for the coming fiscal year.

GLOBAL SUSTAINABLE TOURISM ASSESSMENT



As part of the SCC&TB's sustainability efforts, the organization has partnered with the Global Sustainable Tourism Council which is the world's leading industry standard setting body for sustainability in tourism and is sponsored by the United Nations World Tourism Organization.

The GSTC Destinations Program helps destinations across the globe benefit from systematic application of criteria to improve destination sustainability. The Criteria for Destinations outlines the world's most widely accepted sustainable tourism practices for destinations.

Through this program, Sedona has begun a destination assessment that will set a benchmark for where the city is today in terms of sustainability efforts. Policies and procedures for sustainability will be reviewed – from tourism long range planning, to land development code, conservation of natural and heritage sites, climate change and more.

There are 40 standards that will be evaluated and prioritized over the next several months before the SCC&TB launches the findings and action plan to the community. This program will position Sedona as the 16th destination in the world – joining an elite group of destinations which represents an extraordinarily strong commitment to sustainability policies and practices.

USFS TRAIL FUNDING: SEDONA TRAIL KEEPERS PROGRAM



The Sedona Trail Keepers Program is a public / private partnership created to assist in sustaining and maintaining existing trails and to assist in the development of new trails in the USFS Red Rock Ranger District. This program will be managed by the SCC&TB, in partnership with the USFS, and private sector funds will be matched from product development funding.

The program will allow the private sector to sponsor a trail and financially commit \$1,000 per year with a five-year commitment per sponsor. The SCC&TB will match private sector investment (up to \$25,000 per year). The goal of this program will be to generate 25 private sponsors at \$1,000 each for a total private sector investment of \$25,000/year, plus a match from the SCC&TB, generating \$250,000 for the USFS Red Rock Ranger District over the next five years.



SEDONA
CHAMBER OF COMMERCE
& TOURISM BUREAU

15/16 ANNUAL REPORT



Annual Report to City of Sedona

October 2016

Representing July 2015 - June 2016 Results



The Sedona Chamber of Commerce & Tourism Bureau has been awarded accreditation from the Destination Marketing Accreditation Program (DMAP). The DMAP accreditation requires Destination Marketing Associations to demonstrate compliance composed of 58 mandatory standards, and is globally recognized by the destination marketing industry as the highest achievement in destination excellence.

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- IV. Contractual Performance Standards..... Page 7
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- VI. Creative Highlights..... Addendum Page 10
- VII. Tourism Product Development Highlights..... Addendum Page 13

Executive Summary

Fiscal Year 2016 was chock-full of exciting and award-winning destination marketing programs and innovative sustainability efforts. We launched inventive promotions such as the Cooler By Nature Summer marketing program in Phoenix and Tucson; product development initiatives to promote arts, wellness and help mitigate transportation issues; and, focused on collaborative sales efforts that promote rural travel during mid-week off-peak season. Results of these efforts are showing, with 2/3 of the new visitation generated by our efforts produced in the summer and winter, our historical slow periods.

During Fiscal Year 2016 (FY16), Sedona continued to improve in all key tourism indicators. These lodging metrics are important because we know that, on average, for every \$1 spent on lodging, \$4 is spent in the community.

- 3% increase in Occupancy
- 8% increase in Average Daily Rate
- Nearly 12% increase in Revenue Per Available Room
- An amazing 13% increase in bed tax revenues
- Over \$1.5 million more collected in sales tax compared to the previous fiscal year
- Contractual Performance Standards that reflect the status of annual goals per department (page 7)

In FY16, the SCC&TB and the Tourism Product Development Committee (TPDC) worked on evolving many of the current and long-range programs as shown below. The TPDC typically assists new product development in one of four ways:

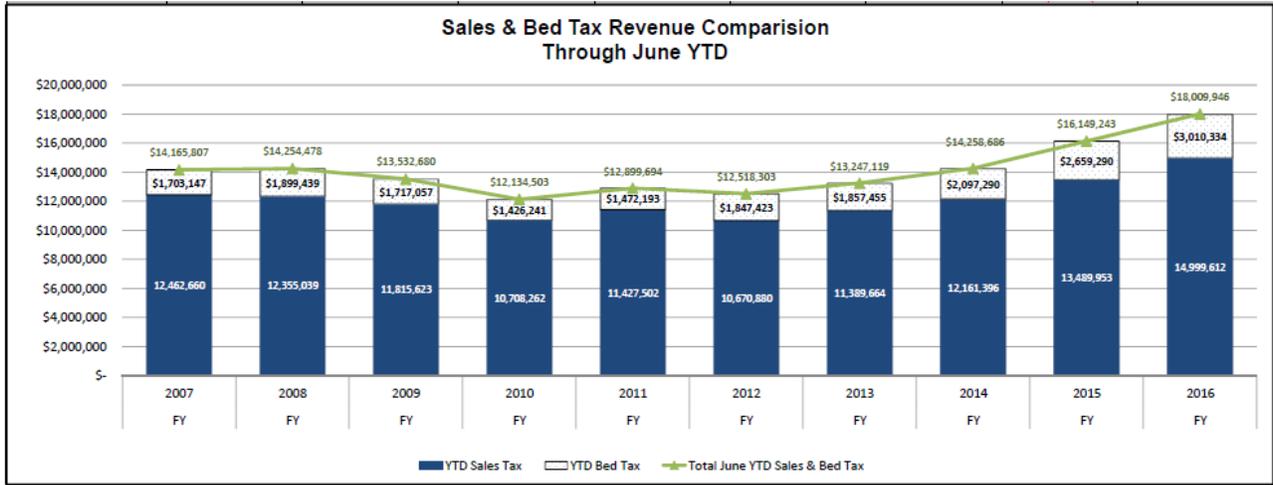
1. **Development** - They serve as the lead developer of the program.
2. **Advocacy** - They can be a voice of advocacy for projects that address the committee’s mission and pillars, speaking with Sedona political and business leaders, as well as area residents. Often this type of support can be critical in moving a project forward.
3. **Technical Assistance** - Technical assistance (may or may not be funded) can be provided for products looking to more extensively evaluate market or financial feasibility, or to better evaluate potential alignments with other products and services already positioned in Sedona. Technical expertise is provided by the members of the committee.
4. **Funding Assistance** - Projects could receive funding assistance through the TPDC.

Current and Evolving Product Development Initiatives				
	Developer	Advocacy	Technical Assistance	Funding Allocated
Global Sustainability Tourism Assessment	X	X		X
USFS Trail Funding: Community Trail Renovation and Enhancement		X		X
USFS Trail Funding: Sedona Trail Keepers	X	X		X
USFS Trail Funding: Hiking Book	X	X	X	X
Sedona's Secret 7	X	X	X	X
Sedona Verde Valley Geotourism	X	X	X	X
Restaurant Week Event	X	X	X	X
Holiday Central Sedona / Winter Campaign	X	X	X	X
Sedona Performing Arts Center: Assessment of venue/equipment & establishment of SPAC		X	X	X
Public Art Map & Web Map	X	X	X	X
Transportation Master Plan & Solutions		X	X	X
Walk Sedona Program	X	X	X	X
Bike Share Feasibility Program	X	X	X	
Community Focus Areas		X	X	

In Fiscal Year 2017, we will continue to balance the positive impacts of tourism with quality of life expectations of our residents. With more than 30% of our marketing budget dedicated to product development, we will shift our efforts and focus less on how we market our existing product, to an emphasis on what products we need to attract the visitors we want and when we want them. When we do market Sedona, we’ll do so only during need seasons (summer and winter), and with a focus on quality over quantity by promoting Sedona to overnight markets and higher-income households.

Bed & Sales Tax Impacts

The June 2016 City of Sedona Financial Report indicated that the categories with the largest taxable sales increases from FY15 to FY16 were also those heavily influenced by tourism activity - Restaurant & Bar at 34%, Hotel/Motel at 20%, and Amusement & Other Services at 19%. It should also be noted that the greatest strides in tax generation have been made since the establishment of the 55% bed tax allocation destination marketing contract in FY15.



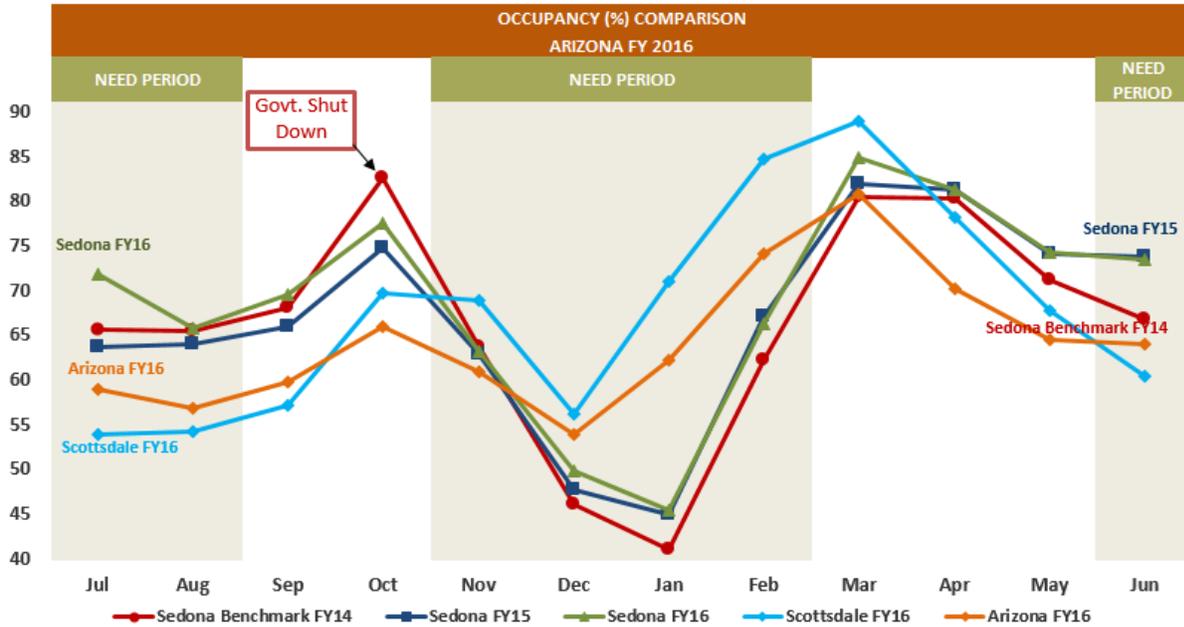
\$3,010,334 in bed tax was collected on lodging rooms alone in FY16 (July 2015 – June 2016), resulting in a 13% increase (\$351,044) over previous year’s actuals. That means \$15,330,000 more was spent on rooms July 2015 - June 2016 compared to the previous fiscal year.

Bed Taxes Collected
\$3,010,334 = ↑ \$351,044 or ↑ 13%
 yielding
↑ \$15,330,000
 MORE SPENT ON LODGING IN FY16 VS FY15

Sales tax collections for this same time period were up 11% (\$1,509,659) compared to the previous fiscal year. Those extra dollars flow through Sedona’s economy to help pay higher wages, trickle through Sedona’s professional services and into the pockets of our builders, contractors, bankers, bakers, residents and non-profit organizations.

Sales Taxes Collected
 (excluding bed taxes)
\$14,999,612 = ↑ \$1,509,659
↑ 11%

Industry Measurements



Occupancy %

FY16	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	71.4	65.4	69.2	77.5	63.2	49.8	44.1	66.4	84.9	81.4	74.4	73.5	68.7

% Occupancy Changed

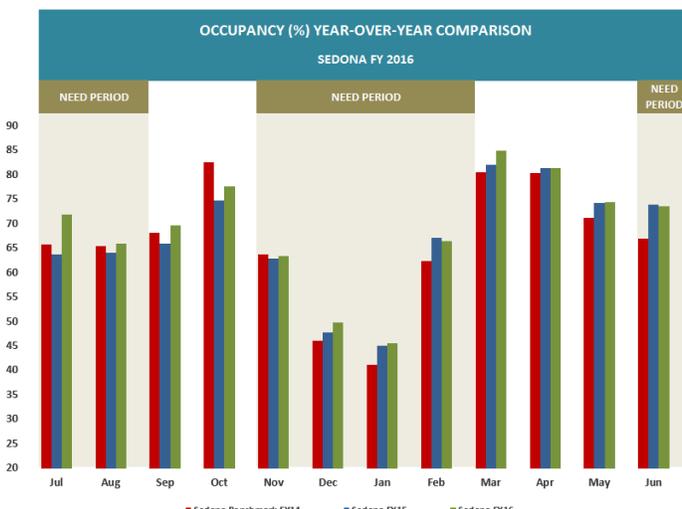
FY16 v FY14	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2015 v 2013	9.3%	0.6%	2.2%	-6.1%	-0.6%	8.0%	10.7%	7%	5%	1%	4.5%	4.5%	4%

FY16 v FY15	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2015 v 2014	12.5%	2.8%	5.5%	3.7%	0.6%	4.4%	1%	-1%	4%	0.0%	0.3%	0.3%	3%

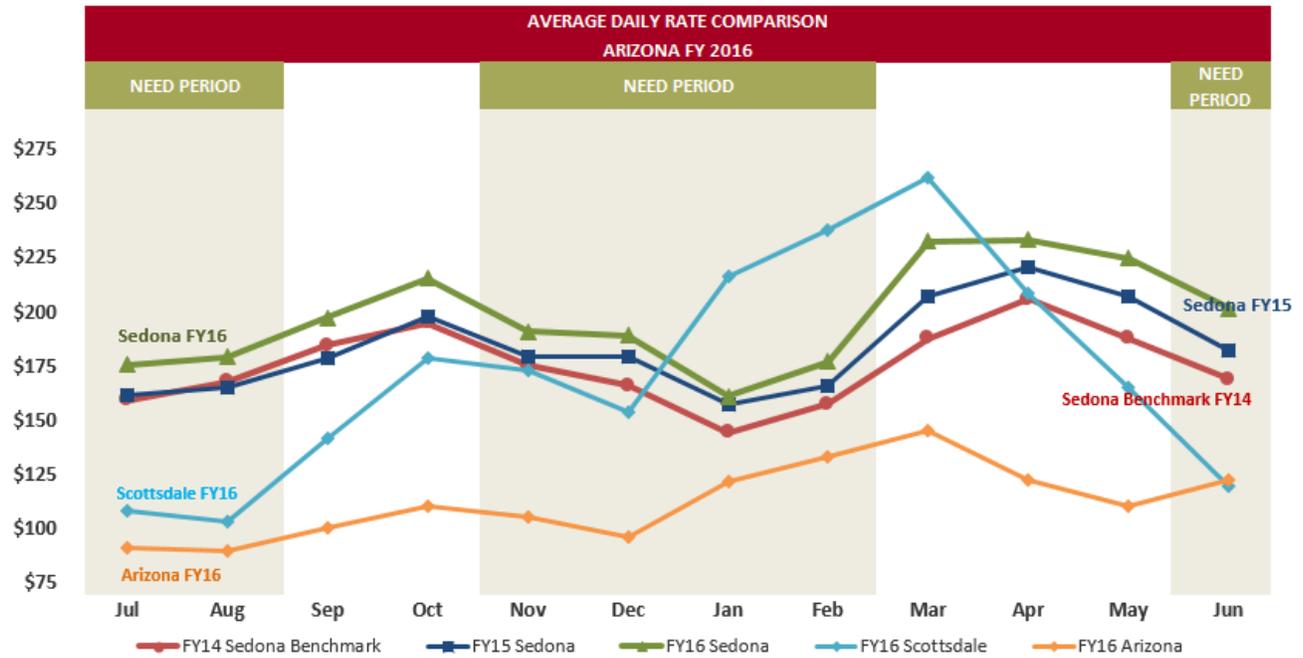
FY16 INDEX	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2015	121%	122%	115%	118%	104%	92%	73%	90%	105%	116%	115%	114.6	105.3%

Analysis: FY16 ended with a 4% increase in occupancy compared to Benchmark FY14 and a 3% increase compared to FY15. Marketing efforts continue to be directed toward, and are positively impacting, need periods.

Notes: The above graph compares the average occupancy rates of Arizona, Scottsdale and Sedona across FY16 against FY14 and FY15. FY14 is considered the benchmark year before the commencement of the 55% bed tax allocation destination marketing contract. Given that the contract was initiated July 2014, we spent the summer with the newly contracted funds mitigating the tourism impacts of the Slide Fire in May-June 2014. Note that although July-November are showing a decline, our efforts had a tremendous positive impact given this natural disaster. Note the even greater impact in July 2015. Index refers to Sedona's market penetration compared to its competitive set of Santa Fe, Scottsdale, Napa/Sonoma, Park City and other similar destinations.



Source: Smith Travel Research. This report reflects 2,374 hotel and B&B room nights which represents Sedona area properties with 16 or more rooms excluding timeshare. Non-reporting hotels represent 27% of total room nights and STR assigns an estimated occupancy and ADR based on their chain scale classification and tract tier or tract scale. Non-reporting independent hotels (most non-reporting hotels are independents) are assigned occupancy and ADR based on their tract tier classification and area performance.



ADR

FY16	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	175.84	179.34	197.77	215.67	191.05	189.35	161.42	177.37	232.90	233.62	225.03	201.98	198.45

% ADR Changed

FY16 v FY14	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2015 v 2013	10.1%	6.8%	7.0%	10.6%	8.8%	13.8%	11.5%	12.3%	23.8%	13.3%	19.6%	19.4%	13%
FY16 v FY15	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2015 v 2014	8.6%	8.5%	10.6%	8.7%	6.5%	5.5%	2.4%	6.6%	12.5%	5.9%	8.5%	10.7%	8%
FY16 INDEX	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2015	193%	200%	197%	195%	181%	197%	133%	133%	160%	195%	204%	171%	180%

Analysis:

FY16 ended with a 13% increase in ADR compared to Benchmark FY14 and an 8% increase compared to FY15. Sedona’s ADR continues to drive growth in the lodging sector. These metrics continue to be in line with the goal of attracting a more influential visitor with a higher spending ratio.

Notes:

This graph compares the average daily rate of Arizona, Scottsdale and Sedona across Fiscal Year 2016 (July 2015 – June 2016) against Fiscal Years 2014 and 2015. FY14 is considered the benchmark year before the commencement of the 55% bed tax allocation destination marketing contract.

Index refers to Sedona’s market penetration compared to Sedona’s competitive set that includes Santa Fe, Scottsdale, Napa/Sonoma, Park City and other similar destinations.

Source:

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Contractual Performance Standards			
July 2015 - June 2016			
Marketing			
	<i>July - June</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Generate no less than 30,000 inquiries from targeted customers in Domestic and International markets	106,043	30,000	353%
Generate a minimum of 1,200,000 unique visitors to VisitSedona.com	1,356,333	1,200,000	113%
Generate 50,000,000 overall paid impressions for Sedona	79,015,523	50,000,000	158%
Generate \$250,000 in partnership cooperative revenue	\$340,204	\$250,000	136%
Reach 100,000 views on Sedona Skies video	294,607	100,000	295%
Public Relations			
	<i>July - June</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Generate 1,000 travel articles about Sedona	3,469	1,000	347%
Reach a minimum of 200 million impressions through editorial placement and social media	432,583,473	200,000,000	216%
Generate publicity with an equivalent advertising value of at least \$10 million	12,985,595	10,000,000	130%
Assist 500 media professionals	469	500	94%
Grow overall social media fan base by 10%	122,460	100,000	122%
Group / Meeting Sales			
	<i>July - June</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Generate 45 group sales RFPs for Sedona properties	99	45	220%
Conduct 15 customer site inspections/FAM tours	11	15	73%
Confirm 30 group bookings for future dates	29	30	97%
Confirm group bookings for future dates resulting in 2,500 room nights	3,794	2,500	152%
Generate 11,000 impressions (online and print) for Destination Event Planner	8,816	11,000	80%
Travel Trade Industry Sales			
	<i>July - June</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Generate 65 Domestic and International hotel leads and service request leads	53	65	82%
Reach out to 330 travel trade professionals at tradeshows and sales missions to promote Sedona	369	330	112%
Reach out to over 2,700 targeted clients per quarterly e-newsletter communications	3,223	2,700	119%
Produce 800 service request referrals for Sedona businesses	881	800	110%
Conduct 20 travel trade professionals FAM tours	30	20	150%
Visitor Services			
	<i>July - June</i>	<i>Annual Goal</i>	<i>% of Annual Goal</i>
Manage the Uptown Visitor Center 7 days a week, 59.5 hours per week (excluding two holidays) with professional staff and trained volunteers (# of hours open)	3,368	2,940	115%
Manage and assist 300,000 walk-in visitors	305,470	300,000	102%
Manage and assist 7,500 visitor inquiries via phone and email	8,960	7,500	119%
Produce and distribute 250,000 Sedona Visitor Guides	185,500	225,000	82%

Financial Report

July 2015 - June 2016

					TOTAL		TOURISM DEPARTMENT			VISITOR SERVICES DEPARTMENT		
					FY 2016 Budget July 2015- June 2016	FY16 Budget Admin	FY16 Budget Tourism	Actuals July 2015 - June 2016	% of Total Tourism Budget	FY16 Budget Visitor Services	Actuals July 2015 - June 2016	% of Total Visitor Services Budget
1	Ordinary Revenue/Expense											
2	Revenue:											
3	City of Sedona			\$ 1,453,100			\$ 1,133,100	\$ 1,313,109	116%	\$ 320,000	\$ 320,000	100%
4	Banner Advertising			\$ 136,000			\$ 131,000	\$ 126,721	97%	\$ -		
5	Co-op Ads/Promotion/Tradeshaw			\$ 63,000	\$ -		\$ 63,000	\$ 48,304	77%	\$ -		
6	Total Membership Revenue			\$ 282,120	\$ -		\$ 1,000	\$ 42	4%	\$ -		
7	Tourism Bureau Revenue			\$ 128,000	\$ -		\$ 128,000	\$ 109,905	86%	\$ -		
8	Total Event Revenue			\$ 60,700	\$ 30,000			\$ -		\$ 1,000	\$ 1,000	100%
9	Total Royalty Revenue			\$ 41,800	\$ -		\$ 36,800	\$ 43,254	118%	\$ -		
10	Total Sales Revenue			\$ 146,500	\$ -		\$ -			\$ 146,500	\$ 198,814	136%
11	Total Other Revenue			\$ 7,300	\$ 300					\$ 7,000	\$ 8,960	128%
12	Total Revenue			\$ 2,318,520	\$ 30,300		\$ 1,492,900	\$ 1,641,334	110%	\$ 474,500	\$ 528,774	111%
13	Total Cost of Goods Sold			\$ 140,500			\$ 2,000	\$ 2,489	124%	\$ 115,000	\$ 147,074	128%
14	Gross Revenue			\$ 2,178,020	\$ 30,300		\$ 1,490,900	\$ 1,638,845	110%	\$ 359,500	\$ 381,700	106%
15	Expenses:			\$ -								
16	Advertising/Marketing:			\$ -								
17	Advertising/Promotion/Marketing			\$ 338,800	\$ -		\$ 295,000	\$ 321,112	109%	\$ 18,800	\$ 22,292	119%
18	Internet Support & Marketing			\$ 333,000			\$ 265,000	\$ 232,658	88%	\$ 30,000	\$ 30,611	102%
19	Marketing Collateral			\$ 29,100			\$ 15,100	\$ 19,310	128%	\$ 5,000	\$ 5,328	107%
20	Media & Communications			\$ 72,000			\$ 54,000	\$ 80,236	149%	\$ 17,000	\$ 16,667	
21	Research			\$ 25,000	\$ -		\$ 15,000	\$ 11,057	74%	\$ 10,000	\$ 5,350	
22	Trade Shows & Sales Missions			\$ 53,500			\$ 53,500	\$ 59,942	112%			
23	Product Development			\$ 50,000			\$ 50,000	\$ 84,867	170%			
24	Meetings/Sales			\$ 51,500			\$ 51,500	\$ 51,010	99%			
25	Regional Programs			\$ 10,000			\$ 10,000	\$ 8,804	88%			
26	Travel, Lodging & Meals			\$ 5,000			\$ 2,000	\$ 1,396	70%	\$ 2,000	\$ 2,671	134%
27	Postage & Delivery			\$ 83,000			\$ 77,400	\$ 77,944	101%			
28	Dues & Subscriptions			\$ 9,500			\$ 6,500	\$ 9,710	149%	\$ 1,500	\$ 2,053	137%
29	Total Advertising/Marketing			\$ 1,060,400			\$ 895,000	\$ 960,132	107%	\$ 84,300	\$ 77,025	91%
30	Total Board Expenses			\$ 6,600	\$ 5,100		\$ 500	\$ 435	87%	\$ 500	\$ 431	
31	Building & Grounds Maintenance			\$ 20,000	\$ 2,000		\$ 6,000	\$ 2,617	44%	\$ 10,000	\$ 10,729	107%
32	Commercial Liability Insurance			\$ 2,700	\$ 675		\$ 675	\$ 586	87%	\$ 675	\$ 586	87%
33	Community Relations			\$ 6,500	\$ -		\$ 2,000	\$ 2,850	143%	\$ 500	\$ 611	122%
34	Computer/Technology			\$ 11,000	\$ 500		\$ 3,500	\$ 4,300	123%	\$ 3,500	\$ 5,869	168%
35	Credit Card/Bank Charges			\$ 6,300	\$ 30		\$ 3,530	\$ 3,627	103%	\$ 2,210	\$ 5,570	252%
36	Education & Training			\$ 15,500	\$ 1,500		\$ 8,000	\$ 5,966	75%	\$ 3,500	\$ 1,266	36%
37	Total Equipment Repair & Lease			\$ 21,000	\$ 500		\$ 6,275	\$ 2,780	44%	\$ 7,950	\$ 3,366	42%
38	Furniture /Fixtures			\$ 1,200	\$ 300		\$ 300	\$ 678	226%	\$ 300	\$ 607	202%
39	Membership Services			\$ 12,000			\$ 6,000	\$ -	0%			
40	Mortgage Payments - Adm. Bldg Interest			\$ 17,132	\$ 17,132							
41	Mortgage Payments - Adm. Bldg Principle			\$ 12,992	\$ 12,992							
42	Mortgage Payments - VC Bldg Interest			\$ 14,250						\$ 14,250	\$ 6,088	43%
43	Mortgage Payments - VC Bldg Principle			\$ 11,271						\$ 11,271	\$ 5,426	48%
44	Total Professional Fees			\$ 79,020	\$ 19,380		\$ 20,130	\$ 20,049	100%	\$ 19,380	\$ 20,885	108%
45	Property Tax			\$ 4,700	\$ 2,700					\$ 2,000	\$ 1,040	52%
46	Total Salaries & Employee Benefits			\$ 712,135	\$ 53,977		\$ 329,590	\$ 281,760	85%	\$ 213,181	\$ 227,610	107%
47	Staff Development			\$ 9,000	\$ 3,000		\$ 2,000	\$ 586	29%	\$ 2,000	\$ 1,742	87%
48	Storage & Handling			\$ 7,100	\$ 1,152		\$ 1,152	\$ 1,147	100%	\$ 3,644	\$ 3,644	100%
49	Supplies			\$ 18,000	\$ 1,500		\$ 5,500	\$ 6,610	120%	\$ 5,500	\$ 7,072	129%
50	Phone, DSL, T1, Internet, Long distance			\$ 27,500	\$ 6,500		\$ 7,600	\$ 8,024	106%	\$ 6,800	\$ 6,582	97%
51	Utilities - Gas, Elec., Water, Sewer, Trash			\$ 24,000	\$ 6,000		\$ 6,000	\$ 3,386	56%	\$ 6,000	\$ 14,215	237%
52	Volunteer Recognition & Dev.			\$ 26,500			\$ 125	\$ 85	68%	\$ 24,000	\$ 22,113	92%
53	Total Expense			\$ 2,103,037	\$ 122,071		\$ 1,304,877	\$ 1,316,181	101%	\$ 410,315	\$ 413,458	101%
54	Net Increase (decrease) in unrestricted assets from ops			\$ 74,983	\$ (91,771)		\$ 186,023	\$ 322,664	173%	\$ (50,815)	\$ (31,758)	62%
55	Cash Flow - Expenditures											
56	Capital Acquisitions			\$ 20,000	\$ 5,000					\$ 5,000	\$ 1,275	26%
57	Principal Payments-Admin			\$ 12,992	\$ 12,992							
58	Principal Payments-VC			\$ 11,271						\$ 11,271	\$ 5,426	48%
59	Reserve Contribution/Contingency			\$ 25,000	\$ 15,000							
60	Total Cash Flow - Expenditures			\$ 69,263	\$ 32,992		\$ -			\$ 16,271	\$ 6,701	41%
61	Net Increase (decrease) in unrestricted assets			\$ 5,720	\$ (124,763)		\$ 186,023	\$ 322,664	173%	\$ (67,086)	\$ (38,459)	
62	Allocation of public funds to salaries and benefits						\$ 186,413	\$ 136,798	73%	\$ 188,426	\$ 224,933	119%
63	Total Contracted amount of City Funding (55% of the bed tax collections in FY15)						\$ 1,133,100	\$ 1,133,100	100%	\$ 320,000	\$ 320,000	100%

Notes:

Line #3 - An extra \$180,000 was received in FY16 for the true-up of bed tax collections in FY15. Therefore, as per mutual agreement, \$180,000 of City Revenue is being held in FY17 for Product Development.

Line #62 - Due to the relocation of the call center to the Visitor Center, salaries and benefits were also reallocated. Therefore, Visitor Services salaries and benefits were up 19% in the Visitor Services department and down 27% in the Tourism department.



SEDONA

CHAMBER OF COMMERCE
& TOURISM BUREAU



- 1. Tourism Builds Community**
- 2. Highlights**
- 3. New Product Development Concept**
- 4. Questions & Answers**



TOURISM BUILDS COMMUNITY

Tourism Builds Community

TOURISM ECONOMIC IMPACT

SEDONA TOURISM
IS A

\$600
MILLION
INDUSTRY

VISITORS GENERATE
MORE THAN

65%
OF THE CITY'S GENERAL
OPERATING FUND

SEDONA VISITORS ADD

 **\$10**
MILLION
IN LOCAL TAX DOLLARS

TOURISM SUPPORTS
MORE THAN

10,000
JOBS

2

RETURN
ON
INVESTMENT

RETURN ON INVESTMENT

Bed Taxes Collected

\$3,010,334 = ↑ \$351,044 or ↑ 13%

yielding

↑ \$15,330,000

MORE SPENT ON LODGING IN FY16 VS FY15

RETURN ON INVESTMENT



Sales Taxes Collected (excluding bed taxes)

\$14,999,612 = ↑ \$1,509,659

↑ 11%

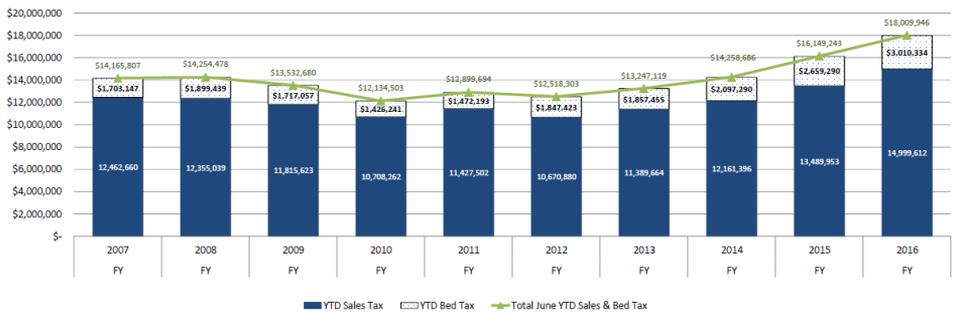
RETURN ON INVESTMENT



Transaction Privilege Tax Sales by Business Classes (in Millions)

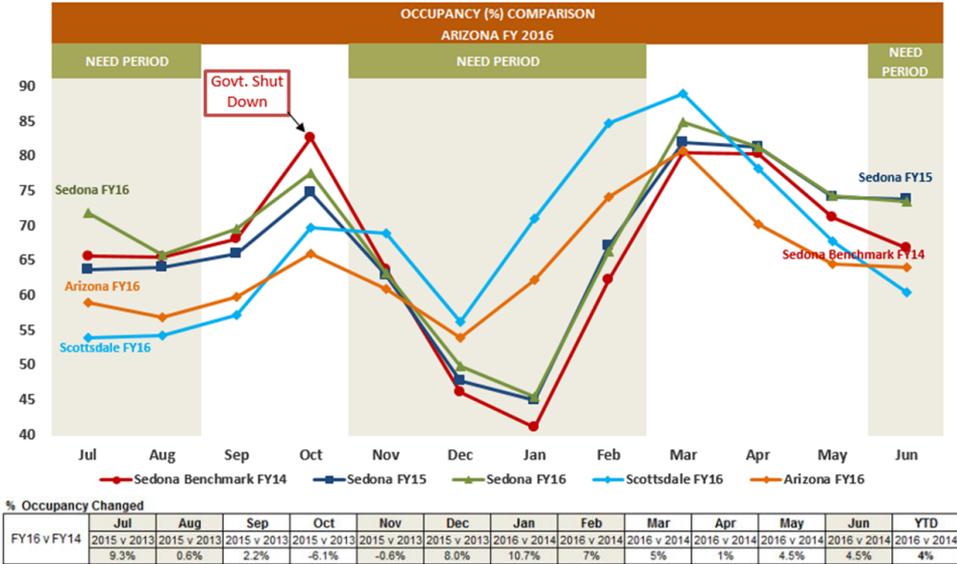
	Amusement & Other Services	Leasing	Construction	Hotel/Motel	Restaurant & Bar	Retail	Utilities	Total
YTD FY 2015	\$29.03	\$30.41	\$41.03	\$76.90	\$79.82	\$175.49	\$24.64	\$457.32
YTD FY 2016	\$34.54	\$34.47	\$49.65	\$92.23	\$106.96	\$205.17	\$22.85	\$545.87
Change from prior YTD	19%	13%	21%	20%	34%	17%	-7%	19%
Difference in Sales	\$5.51	\$4.07	\$8.61	\$15.33	\$27.15	\$29.69	(\$1.79)	\$88.55

Sales & Bed Tax Revenue Comparison
Through June YTD



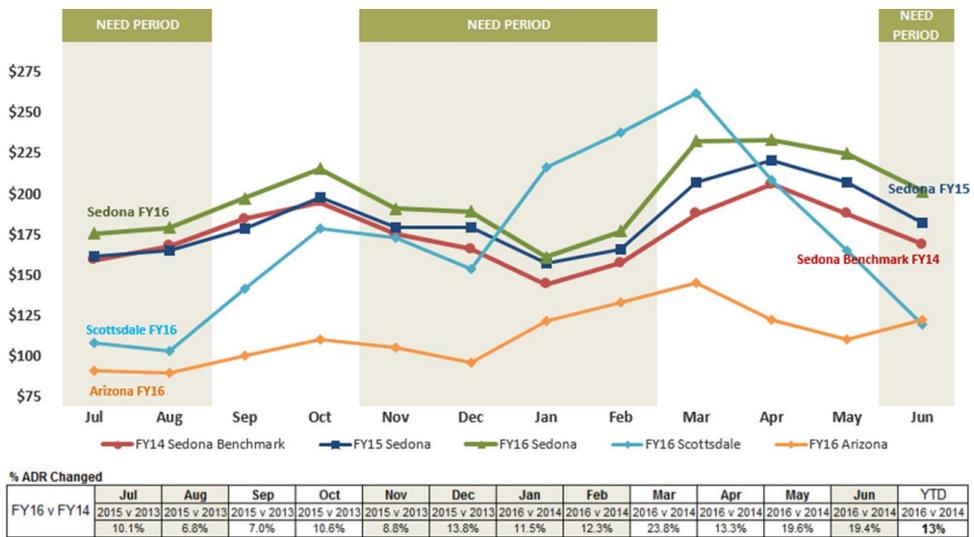
Average Occupancy Rate Comparison Arizona

**FY16 Average Occupancy YTD = 68.7%, up 3 % (July 2015 – June 2016)
and up 4% compared to FY14 (benchmark year)**



Average Daily Rate Comparison Arizona 2016

**2016 Average Daily Rate for Rooms YTD - \$198.45, up 8% (July 2015 – June 2016)
and up 13% compared to FY14 (benchmark year)**



3

Highlights

DESTINATION MARKETING & MANAGEMENT



Branding

DAY TRIPPER
Spends \$258/day
Enjoys outdoor adventure
Escorts Friends and Family from out-of-state
Shops sparingly

LOYAL CUSTOMER
Spends \$520/day
Stays overnight
Enjoys outdoor adventure and resort amenities
Shops for gifts
Has a good sense of metaphysical attractions of Sedona
Enjoys restaurants, wineries and resorts in the area

BRAND EVANGELIST
Has a favorite luxury resort
Longer overnights stays
Views Sedona as a 2nd home
Spends money on art and resort amenities
Shares experiences with others with pride

Public Relations

432 MILLION
readers/viewers reached
.....
(26% increase from 2015)

\$17 MILLION
in advertising value

ASSISTED
359
media with
Sedona stories

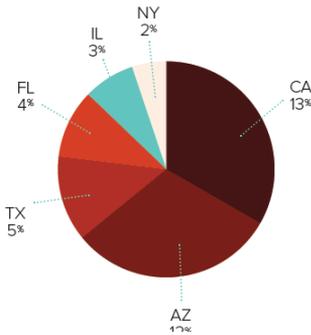
FEATURED IN TOP TIER PUBLICATIONS & WEBSITES:

305,470 WALK-IN VISITORS ASSISTED (INCREASE OF 15% OVER FY15)

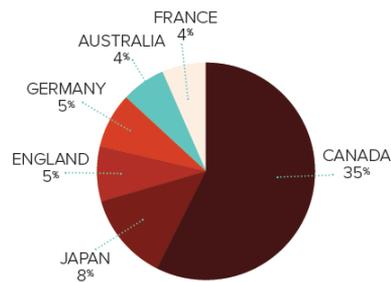
74% DOMESTIC

26% INTERNATIONAL

TOP 6 WALK-IN VISITORS BY STATE*



TOP 6 WALK-IN VISITORS BY MARKETS*



MORE THAN **9,500** volunteer hours donated in FY16

VALUE = \$216,885



SEDONA
ARIZONA

Hello, we just arrived in Sedona, what wineries do you recommend? 1 min ✓

Page Springs Vineyard & Cellars
1 min



Page Springs Vineyard & Cellars
www.pagespringscellars.com
(928) 639-3004
1 min

Thank you!
Now ✓

You are welcome, please let us know if you have any other questions, and we hope you enjoy your visit!
Now

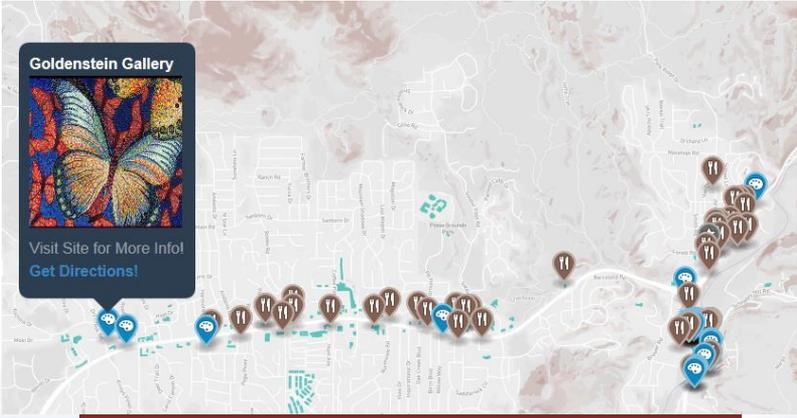




"Chatbox has a very smooth interface and was quickly mastered by staff at our Visitors Center. We are able to text or chat partner referrals with a click on the keyboard."
- Sedona Chamber of Commerce
www.visitsedona.com

SEDONA
ARIZONA

WalkSedona.com



Filter by:

- Galleries, Restaurants, Public Restrooms
- Verde Lynx, Recycling Stations
- More to come...

Public Art Promotion

SEDONA ARIZONA



- Brings existing assets to heightened level of prominence
- Disperses traffic around Sedona
- Nearly 30 public art pieces featured
- Launched in late 2015

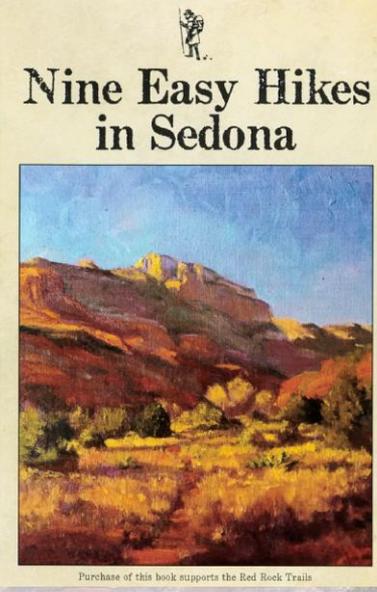
SPAC Feasibility Study & Fund

SEDONA ARIZONA



USFS Trail Funding SEDONA ARIZONA

Nine Easy Sedona Hikes
100% of proceeds go to Red Rock Trail Fund



Purchase of this book supports the Red Rock Trails

USFS Trail Funding SEDONA ARIZONA

\$250,000 to USFS In 5 Years



USFS Trail Support SEDONA ARIZONA

**\$100,000
Grand Pitch
Winner**

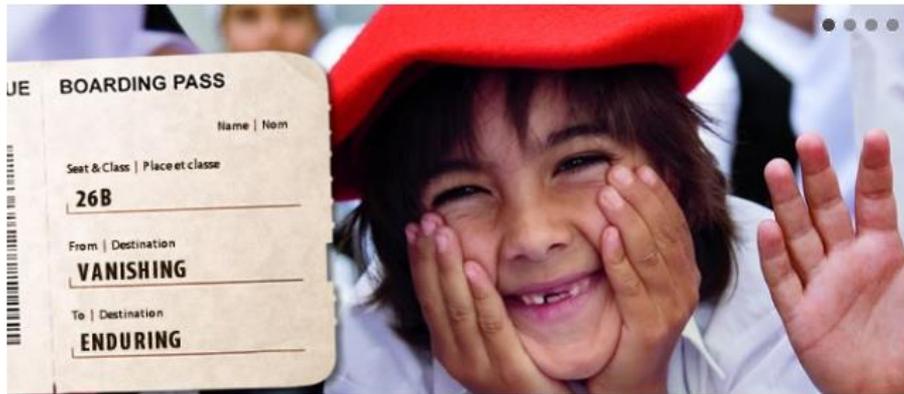


Sustainable Approach SEDONA ARIZONA





travel forever



Welcome to the Global Sustainable Tourism Council

Sustainable Approach

SEDONA
ARIZONA



- Establishes global sustainable standards with the aim of increasing sustainable tourism practices
- FOUR main themes :
 - (1) sustainability management
 - (2) economic benefits to the community
 - (3) community, visitor, and cultural well-being
 - (4) environmental protection

Sustainable Approach SEDONA ARIZONA



SEDONA ARIZONA



Product Development

SEDONA
ARIZONA



December 1 – 11, 2016

Product Development

SEDONA
ARIZONA

Kimley»Horn



Product Development Concept



401 Jordan Road

SEDONA
ARIZONA

#1 Project Goal

Up to 93
Additional
Parking
Spaces in
Uptown



401 Jordan Road

SEDONA
ARIZONA

#1 Project Goal:

- Location, one block from City lot and new elevator
- Good ADA accessibility
- Responds to paid parking concerns



401 Jordan Road

SEDONA
ARIZONA

Potential ideas

1. Transit Hub & Staging Area
2. Employee Parking and/or Bus Parking
3. Geo Tourism Center
4. Business Incubator
5. Demolition of the building for Additional Parking and/or Parking Structure
6. City Land Trade for another property TBD

401 Jordan Road

SEDONA
ARIZONA

Current configuration:

Single story office, 5
separate offices

Lot size: 1.63 acres

Zoning: C1

Square footage: 5,200

Built: 1973

Listing price: \$1,125,000

Additional Costs:

Parking lot = \$250,000



401 Jordan Road

SEDONA
ARIZONA

Phase 1 (November 2016 – February 2017)

Acquisition by the Chamber of Commerce
Requesting 5-year contract with the City of Sedona

Phase 2 (February 2016 – April 2017)

Parking lot improvements to increase parking

Phase 3 (April 2017 – December 2018)

Implement a Community Planning / Outreach process
(in coordination with Community Focus Area planning)
to determine best future usage for property

Phase 4 (FY22)

Property deeded to the City, if the City chooses to take
ownership

401 Jordan Road

SEDONA
ARIZONA

Funding Plan

Approximate Cost:

\$1,125,000 + \$250,000 = \$1,375,000

+ FY17: \$410,000 (from FY16 + FY17 budget)

+ FY18: \$200,000

+ FY19: \$200,000

+ FY20: \$200,000

+ FY21: \$200,000

+ FY22: \$165,000 = Paid in full

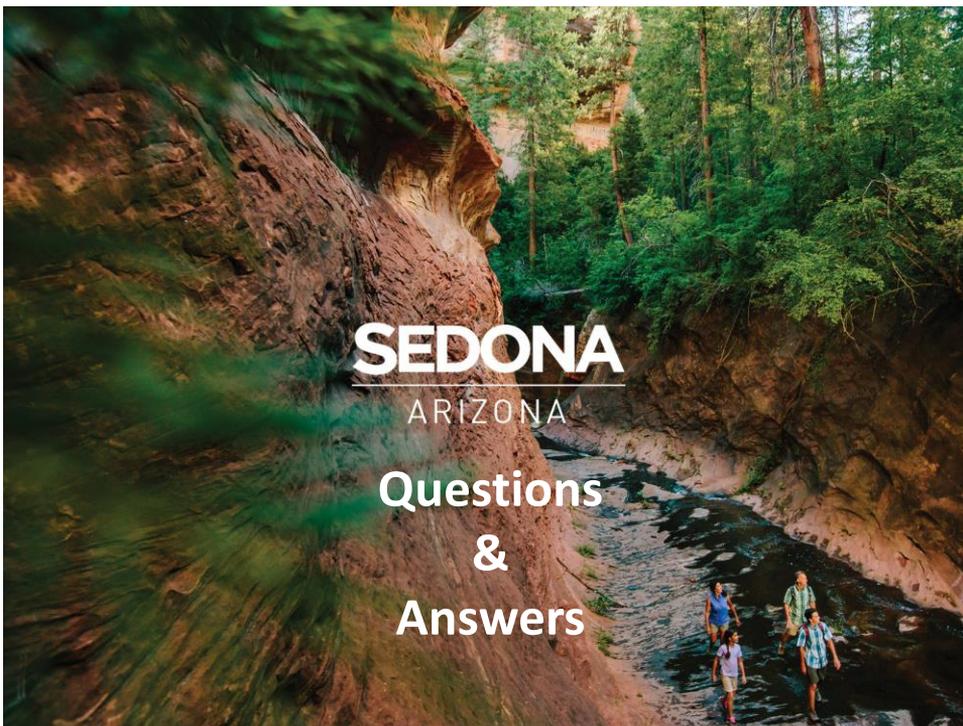
Part of the Solution

SEDONA
ARIZONA



Part of the Solution

SEDONA
ARIZONA



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**CITY COUNCIL
AGENDA BILL**

**AB 2175
November 22, 2016
Regular Business**

Agenda Item: 10b
Proposed Action & Subject: Public hearing/discussion/possible action regarding the adoption of a resolution and ordinance updating the City of Sedona’s Consolidated Fee Schedule.

Department	City Clerk
Time to Present	5 minutes
Total Time for Item	15 minutes
Other Council Meetings	12-13-2011, 11-27-2012, 12-10-2013, 11-25-2014, 6-23-2015, 11-24-2015, 8-09-16
Exhibits	A. Proposed Resolution B. Proposed Ordinance

City Attorney Approval	Reviewed 11/15/16	Expenditure Required
		\$ 0
City Manager’s Recommendation	Approve a resolution and ordinance updating the City’s Consolidated Fee Schedule.	Amount Budgeted
		\$ 0
		Account No. N/A (Description)
		Finance <input checked="" type="checkbox"/> Approval

SUMMARY STATEMENT

Background: On December 13, 2011, the City Council adopted Ordinance No. 2011-13. This ordinance set forth procedures governing the adoption and updating of a consolidated fee schedule. Per this ordinance, all City departments are required to review the consolidated fee schedule annually and recommend proposed changes to the schedule. Proposed changes are to contain an explanation for the need for the newly proposed fees and identify any fees that may be mandated by law and any requests for deletions or increases. The City Manager shall then place on the regular agenda of the City Council at least annually an action item and public hearing on the fee schedule.

Publication on the City’s internet site of proposed fee changes shall take place at least 60 days prior to adoption of any new fees or increases. The proposed changes to the consolidated fee schedule have been published on the City’s website since September 15, 2016. The proposed revisions to the consolidated fee schedule are set forth in the resolution submitted with this agenda bill. These revisions include:

1. Parks & Recreation Department:

- a) Add alternative charge for tech support at parks facilities. The need for this charge arose from the recent installation of light and sound equipment at Barbara Antonsen Park.

2. Wastewater Department:

- a) This reflects an increase of 1.61% which is based on the Engineering News Construction Cost Inflation Factor increase from January 2015 to January 2016. This was recommended in the recent wastewater rate study.

If adopted, the proposed changes will take effect on January 1, 2017.

Community Plan Compliant: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): The Council can decline to adopt the proposed changes to the Consolidated Fee Schedule and the schedule would remain unchanged.

MOTION

For Resolution:

I move to: approve Resolution No. 2016-__ creating a public record entitled “2016 Amendments to the Sedona Consolidated Fee Schedule.”

(After First Reading)

I move to: approve Ordinance No. 2016-__, adopting proposed changes to the Consolidated Fee Schedule.

RESOLUTION NO. 2016-__

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA,
ARIZONA, ESTABLISHING AS A PUBLIC RECORD PROPOSED AMENDMENTS TO
THE CONSOLIDATED FEE SCHEDULE.**

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA that the terms set forth in that document attached hereto as Exhibit A and entitled "2016 Amendments to the Sedona Consolidated Fee Schedule" constitutes a public record to be incorporated by reference into Ordinance No. 2016-__.

At least one (1) paper copy and one (1) electronic copy of this public record shall be kept in the office of the City Clerk for public use and inspection.

PASSED AND ADOPTED this 22nd day of November, 2016, by the Mayor and Council of the City of Sedona, Arizona.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

Robert L. Pickels, Jr., City Attorney

2016 AMENDMENTS TO THE SEDONA CONSOLIDATED FEE SCHEDULE

<u>Parks and Recreation</u>			
Fee Description	Current Base Fee	Additions and Limits	Proposed Fee Increase
Added Alternatives	Water Hook-up - \$15 per day, Dumpster - Use \$15 per day, Key Deposit - \$50, <u>Tech Support \$0</u>	Available to Event, and Sports User Group <u>and</u> <u>Hourly</u> Rentals	<u>Tech Support- \$30 per hour</u>

Wastewater			
Fee Description	Current Base Fee	Additions and Limits	Proposed Fee Increase
Wastewater Capacity Fees:			All increases proposed below are based on the Engineering News Construction Cost Inflation Factor 1.61% increase from January 2015 to January 2016.
<ul style="list-style-type: none"> Residential Capacity Units = Connection 	\$9,757.20		\$9,914.29
<ul style="list-style-type: none"> Multi Family/Apartments Capacity Units = Dwelling Unit 	\$7,539.05		\$7,660.43
<ul style="list-style-type: none"> ADU – Accessory Dwelling Unit Capacity Units = Dwelling Unit 	\$4,878.61		\$4,957.16
<ul style="list-style-type: none"> Resort – Cottages, Villas Capacity Units = Connection 	\$11,987.47		\$12,180.47
<ul style="list-style-type: none"> Car Wash with Recycle Capacity Units = Bay 	\$15,823.45		\$16,078.21
<ul style="list-style-type: none"> Fitness Center/Beauty Salon Billing Unit = 100 sq. ft. 	\$959.00		\$974.44
<ul style="list-style-type: none"> Private Tour Jeep & Rental/Jeep Washing Billing Unit = Vehicle 	\$683.28		\$648.56
<ul style="list-style-type: none"> Mortuaries Billing Unit = Connection 	\$23,615.30		\$23,995.51
<ul style="list-style-type: none"> Offices, Medical Building, Manufacturing, Contractors Billing Unit = 100 sq. ft. 	\$239.75		\$243.61
<ul style="list-style-type: none"> School, College with Café Billing Unit = Student 	\$1,558.38		\$1,583.47

2016 AMENDMENTS TO THE SEDONA CONSOLIDATED FEE SCHEDULE

Wastewater			
Fee Description	Current Base Fee	Additions and Limits	Proposed Fee Increase
<ul style="list-style-type: none"> • School, College without Gym or Café • Billing Unit = Student 	\$959.00		<u>\$974.44</u>
<ul style="list-style-type: none"> • Laundromat (efficiency) • Billing Unit = Machine 	\$7,072.60		<u>\$7,186.47</u>
<ul style="list-style-type: none"> • Laundromat (12-18 lb.) • Billing Unit = Machine 	\$9,110.47		<u>\$9,257.15</u>
<ul style="list-style-type: none"> • Laundromat (25-35 lb.) • Billing Unit = Machine 	\$12,706.71		<u>\$12,911.29</u>
<ul style="list-style-type: none"> • Laundromat (50 lb.) • Billing Unit = Machine 	\$18,580.57		<u>\$18,879.72</u>
<ul style="list-style-type: none"> • Restaurant • Billing Unit = 100 sq. ft. 	\$3,545.61		<u>\$3,602.69</u>
<ul style="list-style-type: none"> • Restaurant with Patio Seats (Seasonal) • Billing Unit = 100 sq. ft. 	\$1,772.80		<u>\$1,801.34</u>
<ul style="list-style-type: none"> • Restaurant Take-out (Food Prep Area) • Billing Unit = 100 sq. ft. 	\$1,076.27		<u>\$1,093.60</u>
<ul style="list-style-type: none"> • Bar without Dining Facility • Capacity Units = 100 sq. ft. 	\$1,307.42		<u>\$1,328.47</u>
<ul style="list-style-type: none"> • Department, Retail Stores • Capacity Units = 100 sq. ft. 	\$209.48		<u>\$212.85</u>
<ul style="list-style-type: none"> • Market • Capacity Units = 100 sq. ft. 	\$978.53		<u>\$994.28</u>
<ul style="list-style-type: none"> • Repair Shops, Service Stations • Capacity Units = 100 sq. ft. 	\$232.18		<u>\$235.92</u>

2016 AMENDMENTS TO THE SEDONA CONSOLIDATED FEE SCHEDULE

Wastewater			
Fee Description	Current Base Fee	Additions and Limits	Proposed Fee Increase
<ul style="list-style-type: none"> • Hotel, Motel, RV Park • Capacity Units = Room 	\$5,993.28		<u>\$6,089.77</u>
<ul style="list-style-type: none"> • Theaters, Libraries, Churches • Capacity Units = Building Occupant Capacity 	\$119.70		<u>\$121.63</u>
<ul style="list-style-type: none"> • School, College with Gym Showers • Capacity Units = Student & Staff Building Capacity 	\$1,199.07		<u>\$1,218.38</u>
<ul style="list-style-type: none"> • School, College with Café • Capacity Units = Student & Staff Building Capacity 	\$1,558.17		<u>\$1,583.26</u>
<ul style="list-style-type: none"> • School, College without Gym or Café • Capacity Units = Student & Staff Building Capacity 	\$958.64		<u>\$974.07</u>
<ul style="list-style-type: none"> • Public Restroom • Billing Unit = per Toilet/Urinal (each) 	\$11,987.58		<u>\$12,180.58</u>

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ORDINANCE NO. 2016-__

**AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA,
ARIZONA, ADOPTING PROPOSED AMENDMENTS TO THE SEDONA
CONSOLIDATED FEE SCHEDULE.**

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

Section 1: Adoption of Consolidated Fee Schedule

That document made a public record by Resolution 2016-__, and entitled "2016 Amendments to the Sedona Consolidated Fee Schedule" is hereby and approved and all amendments to the Consolidated Fee Schedule set forth therein will become effective on January 1, 2017, or when as so indicated in the schedule.

Section 2: Repeal

All other code provisions, ordinances or 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.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona,
Arizona, this 22nd day of November, 2016.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

Robert L. Pickels, Jr., City Attorney