

AGENDA



CITY COUNCIL RETREAT

**WEDNESDAY, DECEMBER 13, 2023 8:00 A.M.
& THURSDAY, DECEMBER 14, 2023 8:00 A.M.**

NOTES:

- Public Forum:
There will be no Public Forum or Public Comment, as this is a City Council Retreat.
- 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.

SINCE THIS IS A CITY COUNCIL RETREAT, THERE WILL BE NO PUBLIC FORUM OR PUBLIC COMMENT. MEMBERS OF THE PUBLIC CAN ATTEND AND OBSERVE THE MEETING.

1. CALL TO ORDER

2. ROLL CALL

3. SPECIAL BUSINESS

a. **Discussion/possible action** regarding the following:

- i. Overview of Retreat Schedule
 - ii. Budget & Finance Overview including Revenue Projections.
 - iii. Request for mid-year wage adjustment for city staff.
 - iv. Review of Status/Accomplishments/Next Steps for Existing Priorities including the following (Wednesday, December 13, 2023 beginning at 8:00 a.m.):
 1. Traffic Improvements (SIM)
 2. Transit
 3. Affordable/Workforce Housing & Homelessness
 4. Sustainability/Climate Action
 5. Citizen Communication/Relations
 6. Manage Impact/Monitor Short Term Rentals
 7. Broadband
 8. Emergency Preparedness
 9. Trailhead Congestion/Impact to Neighborhoods
 10. Community Plan Update
 11. Cultural Park/Other Property Acquisition
 12. Accelerate Ranger Station Park Buildout
 13. Creation of City Tourism Bureau
 14. Environmental Impact Statement/Assessment on OHVs
 15. Airport
 16. Pickleball Courts
 17. Enterprise Resource Planning (ERP) system.
 18. Revisit Sedona Land Development Code
- Other Projects /Initiatives:
1. Pursue Internal Performance Audit Program
 2. Development Impact Fee Update
 3. Update Building Code
- v. Possible/New City Council Priorities Discussion/Update; including the following: (Projected for December 14, 2023).
 1. Small grants program expansion.
 2. Include more urban design elements in capital projects.
 3. Consider approving lodging if significant number of workforce housing units are included.

**SEDONA CITY HALL, COUNCIL CHAMBERS
102 ROADRUNNER DRIVE, SEDONA, AZ**

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

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4. Consider installing parking guidance technology in Uptown.
5. New Trails Coordinator position.
6. Minor improvements to Council packet.
- vi. Finalization of the 2024-2025 Work Program and changes to the Council Rules of Procedure (Projected for Thursday, December 14, 2023).
- vii. Items not completed on Wednesday, December 13, 2023 will be carried over to Thursday, January 14, 2023 and beginning at 8:00 a.m.

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.

5. ADJOURNMENT

Posted: 12/07/2023

By: DJ

JoAnne Cook, CMC, City Clerk

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

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Office of the City Manager Memo



To: City Council
From: Karen Osburn, City Manager
Date: December 6, 2023
Subject: Council Annual Retreat for 2024/2025
Exhibits: A. Council Priorities Status Document

Hard to believe, but it's time again for the Council's annual retreat. Each year we set aside this time to review where we've been, where we are and where we are going as a community and as an organization. This year, the retreat is scheduled for two days, December 13th and 14th from 8:00 a.m. to approximately 5:00 p.m. each day. The retreat will be held in the City Council Chambers and broadcast like any other Council meeting. Lunch will be provided each day.

The agenda will be as follows:

Wednesday December 13

- Financial status update and revenue projections in anticipation of the FY2025 budget process and consideration of resource allocations.
- Discussion of City Manager request for mid-year wage adjustment for city employees considering high inflation over the last few years, an increasingly competitive job market and stronger than anticipated City revenue collections.
- Review of existing priorities - presentation and discussion of accomplishments, project status updates and next steps. Responsible staff from each of the priority areas will present an update on accomplishments, discuss the current work program and timelines, and present their proposed work program to advance the various priorities through FY2025 (planning period). Council will have an opportunity to ask questions, discuss the current and proposed work program, and either express support for the proposed approaches or provide different direction on how to proceed. Proposals and action items with additional resource implications (new funding or staff needed) will be brought back in greater detail for further consideration through the FY2025 budget preparation and adoption process.

Thursday December 14

- Continuation of discussion of any priority items not addressed on Wednesday, discussion of possible new priorities as proposed by City Councilors and finalization of the 2023/2024 Council Priorities List and staff work program. Key staff will be present on Thursday to answer questions, provide additional information, and to weigh in on possible resource needs and overall feasibility for any new initiatives under consideration.

Financial Status

Wednesday will kick off with a financial status update, review of budget forecast scenarios for FY2025, and presentation and discussion of other relevant financial considerations.

The City's financial position remains positive. While sales and bed tax revenues had declined slightly in FY2023, the month of Sept 2023 was higher than the incredibly high peak in FY2022. Economists' predictions of a recession have tapered off, and many are predicting the U.S. economy will continue to be relatively stable in 2024 with a caveat about how aggressive interest rate hikes by the Federal Reserve could still send the economy into a recession. While Western Region Consumer Price Index (CPI) has come down from the peak of 8.8% in June 2022 to 3.3% in October 2023, inflation continues to be higher than the Fed's target of 2%. Construction, vehicles, and many goods and services continue to be significantly higher than anticipated even after the City's estimates have been revised multiple times. We are seeing the same in recruiting as well. While we are getting qualified applicants for vacant positions, there is significant competition in hiring these applicants particularly for the higher technical positions, and these applicants are expecting and getting increasingly higher wages. With significant priorities already on the list and others not yet on the list, decisions may need to be made about the timing of priorities to ensure adequate resources are available. While entirely speculative, out of conservatism, a recession has been assumed for FY2026 in the forecast.

A recession has been built into our long-range financial forecasts for several years, based on historical business cycle trends and a blend of economists' predictions. We are prepared to adjust spending should revenues show indications of a decline and potential recession. The City's financial position is monitored on a daily basis. If the need arises, options for reductions in spending include deferment of capital projects, freezing of vacant positions, otherwise scaling back in the areas where workload allows, and/or strategic use of reserves. We will adjust to ensure the City's financial condition remains strong. Despite 2009-2014 being the greatest recession of our lifetimes, the City never dipped into its reserves and actually added to savings/grew fund balances throughout the entire recession. We have been just as conservative regarding budgets and maintaining sizable reserves as we were then, and we are well poised to successfully weather the next recession whenever it may happen.

Request for mid-year wage adjustment

Historically, the City has used a combination of the December Consumer Price Index (CPI) each year and a performance-based merit adjustment to determine what pay increases will be given for the new budget period, starting July 1 of each year. When preparing the FY24 budget, December 2022 inflation remained high (6.2%) which would have prompted a higher wage adjustment for July 1, 2023, but we were also experiencing revenue declines in the latter half of 2022 and the beginning of calendar year 2023 as visitation began to slow from the 2021 and early 2022 peaks. Based on those declining revenue collections, other economic indicators, and our desire to always budget conservatively, we projected FY24 sales tax collection to be 3% under FY23 estimates and the FY24 bed tax projection to be 5% under FY23 estimates and therefore took a more conservative stance on salary adjustments for the current fiscal year. Despite the 6.2% CPI, the overall wage adjustment for FY24 was capped at 5%. This included both COLA and merit adjustments.

The recent inflation history and City pay range adjustments have been as follows:

Dec 2021 7.1% - FY23 pay ranges capped at 5% increase*

Dec 2022 6.2% - FY24 pay ranges capped at 5% increase

**While the pay ranges were capped at a 5% increase for FY23 (effective July 2022), we did complete a comprehensive market wages survey and made significant adjustments to our salary schedule and the various positions' placement within that schedule and adjusted specific employees' pay accordingly. It was really only for the current fiscal year that we limited pay adjustments in light of the economic indicators at that time, including reduced revenue collections and anticipating further reductions in revenue into FY24.*

Although we conservatively forecasted decreases to sales and bed tax revenues for FY24, those decreases have not materialized. For the first three months of the fiscal year sales tax is ahead of budget by 4% and bed tax is ahead of budget by 12%. The net increase in both categories for the first quarter is \$426,409.

Western Region CPI has mostly been decreasing this calendar year, from the January 2023 high of 6.3%. Most recently it was 3.3% for Oct 2023. Current predictions for the remainder of 2023 are all over the map, anywhere from continuing to decrease, to being about the same, to possibly increasing. The December 2023 CPI will not be released until mid-January but will further inform recommended wage adjustments for next fiscal year (FY25).

Additionally, over the last few years, the City has had significant challenges with staff turnover and inability to fill positions. This is not unlike what other employers have been experiencing in this challenging and competitive job market, but our situation is exacerbated by our rural location, high cost of living and lack of housing availability. We attempt to counter some of those strikes against us by providing competitive wages, generous benefits, offering hybrid schedules for work/life flexibility, and maintaining a positive and supportive organizational culture. Despite these efforts turnover and recruitment remain a challenge.

In the recently conducted 2023 employee survey:

- 92% of employees rated the City of Sedona as a good place to work.
- 97% of employees reported that they have good relationships with their coworkers.
- 89% of employees are satisfied with paid time off.
- 85% of employees are satisfied with healthcare benefits.
- 80% of employees feel the City offers good supplemental employee benefits (various employee appreciation efforts).
- 67% of employees feel they are compensated fairly (only 15% reported that they did not believe they were compensated fairly and 19% neither agreed nor disagreed that they were compensated fairly).

Employees were also asked to rate various factors that influence their decision in choosing a place to work (on a scale of 5 to 1 with 5 being the highest score). After management (4.44) and benefits (4.44), the highest-ranking consideration was pay, scoring a 4.31 out of 5. Employees were also asked to rate various factors in terms of their current satisfaction working for the City of Sedona using the same scale. The two lowest scores for satisfaction included commute (3.65) and workload (3.69), with the third lowest ranking satisfaction score out of 11 factors being pay at 3.77 out of 5.

Despite the favorable employee survey results (full report was submitted to Council on 11/8), and leadership's efforts to create a positive and rewarding work environment, reasons for the high turnover include employees leaving for job opportunities in the Phoenix area and out-of-state, lack of housing, high rents, long commutes and post-covid re-evaluation of work-life balance and personal priorities. The demanding workload, expansive list of Council priorities,

highly critical nature and sometimes unrealistic expectations of the community we serve and ongoing criticism by the local media also take their toll on employee morale.

Leadership recognizes that attracting and retaining quality employees is the most important factor affecting our ability to complete important projects and provide a high level of services to our community. Turnover has impacted morale, productivity, and overall engagement. Efforts to re-engage employees, including holding employee appreciation events and other activities to recognize and celebrate our team, and expanded recruitment efforts including the implementation of an Employee Referral Program (ERP) to monetarily award employees who recruit friends and family into City positions, have seen positive results. However, employees who stay are being asked to do more and more.

While the City conducted an organization-wide competitive market salary survey for FY23 and as a result implemented significant pay adjustments in July 2022, other regional and statewide public employers have since conducted their own salary studies and implemented sizable pay adjustments as well, including Cottonwood, Flagstaff, Yavapai County, and AZ Department of Public Safety (DPS). It is recommended that the City of Sedona conduct another market analysis of wages for FY25 which will likely result in the need to make further pay scale and individual salary adjustments for July 1, 2024 to stay competitive.

We are also seeing new hires negotiating more competitive salaries in light of the competitive job market and high cost of living. Leadership is conscious of internal equity concerns, but paying these higher salaries is often necessary to fill critical positions. This leaves existing employees, who do not have the same opportunities to further negotiate their wages, falling behind.

Given the competitive job market, the strength of revenues for the first quarter of FY24, the increasing demands on staff who stay with the City, the significant salary savings from ongoing turnover and vacancies, and the conservative approach to wage adjustments for FY24 that have not kept pace with inflation, I am requesting a mid-year wage adjustment of 2.5% for all employees hired prior to June 30, 2023. This is an adjustment we can afford. The estimate of a 2.5% COLA on Jan 1 for current employees is \$165,000. Citywide vacancy savings would cover the cost and budget capacity for this mid-year adjustment.

Again, we will plan to do another salary study for FY25, in preparation for making further adjustments where needed in July 2024 but the 2.5% applied in January, if approved, will be factored into that analysis and I would expect that to help offset the wage adjustments needed for FY25.

Existing Priorities

As always, the retreat will give City Council an opportunity to establish the overall policy agenda and specific priorities for the coming year. This is a unique opportunity to take a “balcony view” of all the various policy priorities currently being pursued relative to each other and try to balance the numerous projects and initiatives competing for limited funding, time, and attention. This is an important but challenging task for the City Council. We already have numerous large-scale multi-year initiatives that will continue into FY2025 and well beyond, as well as things that are already in the queue but have yet to be advanced due to limited availability of staff resources and lack of overall capacity to accommodate the additional work. As projects conclude, we will do our best to create opportunities to advance existing and emerging priorities, but most current

initiatives are ongoing and already require significant staff resources with little if any ability to add new items without revisiting and deferring items currently on the list.

When discussing the current and proposed tasks associated with each existing priority area, it will be important to remain at a high level. During staff presentations on each priority, they will try to share enough information so councilors have the latest information about what is currently happening (most or all of that should already be familiar) and enough of a conceptual understanding of new things being proposed for Council to be able to give high level direction on the work program. The presentations and discussions are not intended to be at the detailed level that would be required if Council was being asked to take specific action on any of the items. Review, discussion and deliberation regarding specific projects and programs, cost/benefit analyses, presentation of detailed options, pros/cons and recommendations, and other considerations will be reviewed later as part of focused discussions at future Council meetings or work sessions and/or as part of budget discussions.

To prepare for this discussion, enclosed you will find the Council Priorities Status Document. This document lists the current policy priorities as established by City Council and provides a bullet point summary of the work that has been accomplished towards those priorities, as well as the current status and planned work that will occur in the coming weeks and months through June 2024. To help you further navigate the document:

- The left column includes tasks and projects that have been completed through November 2023.
- The right column contains a bulleted list of what is currently in process and the status of each. Under those, in blue, is anything new being proposed for the next 12-18 months (FY 2025 planning period). These are additional things that staff believe will help continue to advance the broader policy goals of the existing priorities and build on our current work. If any of those proposed new items have budgetary implications, and therefore need a decision package or CIP project request prepared for the FY2025 budget process, you will see a \$ symbol at the beginning of the description of that item. Specific cost estimates will be developed for the upcoming budget process for items Council is interested in pursuing.

Note: Once we memorialize this version of the document, we will remove the information in the lefthand column, containing the list of items completed through calendar year 2023, to make room for the items that will be completed in calendar year 2024. We will have this document to refer to, but we will start fresh with capturing the progress being made in the coming year, so the document doesn't get too unwieldy.

In addition to the existing policy agenda specifically established by Council as "priorities," there is a smaller list of Other Projects/Initiatives, that are not official Council priorities, but are significant nonetheless in terms of time and resources needed to address them so are worth Council being aware of when establishing the final policy agenda. These are things that will hopefully be able to become part of the overall work program once time, workload and staff resources allow but most have been on hold in lieu of higher priorities.

In addition to providing the information contained in this document as part of the Council packet prepared in advance, staff will be making presentations on each of the existing priorities at the retreat. We will attempt to highlight projects and provide brief status updates, but greater focus will be put on the new items being proposed than current items that have already been sanctioned by Council and in most cases have already been given significant attention.

The discussion of existing priorities will provide the context for just how much is on the plate currently and moderate expectations for what can reasonably be added to the overall priority list.

Consideration of New Priorities and Finalization of the FY25 Council Priorities List

Below is a list of new initiatives and issue areas raised by councilors for discussion as the final piece to consider prior to finalizing the FY2025 work program. They are presented in no particular order. Some basic information on each subject has been provided to help facilitate the conversations around these topics. I have also added “staff comments” to provide further context, clarification and perspective from staff. Key staff members will be in attendance to assist with these discussions if needed. The addition of new priorities will need to be done with consideration of the investment of additional time, effort, and money that will be required.

- **Small Grants Program Expansion** - Consider additional funding for the Small Grants program and separating the funding into two pots. One would be for events and activities that draw tourists such as the Wine Fest, Oktoberfest, Arts Show at the High School, etc. which could be funded with bed tax revenue. The second pot would be for “Health and Welfare” programs and funded by the city’s general fund.

Staff comments: Stephanie Giesbrecht, volunteer small grants program facilitator and committee chair, is supportive of this concept. It would require minimal additional staff work to utilize the existing process rather than attempting to create a new or separate program. The amount of additional funds and funding distribution between social services/health and welfare vs events would need to be determined by Council. The entire small grants budget for the current fiscal year, distributed in July 2023, was \$200,000. If separate funding pots were to be created for FY25, and the Council wants the applicants to know what was available, the funding decisions would need to be made immediately. The small grants application process opens by early February 2024 to award funding in July 2024. Changes to grant applications and other instructional materials so applicants understand the new program and/or funding amounts would need to be completed in January.

The alternative is to accept applications as usual, and simply instruct the review committee regarding how much funding is allocated to each group. The funding amounts could be determined later but before the committee reviews and deliberates. In preparation for the retreat, I did not have time to research the history of the program with respect to how many applications we have had in each “bucket” or what the funding requests vs awards have been. That information could inform Council decisions about funding levels for each category if that discussion was agendized for a future meeting.

- **Include more robust urban design elements in capital projects** - Infuse more creativity, “wow” factor, enhanced design and public amenities into future capital projects. Examples could include benches, enhanced landscaping/greenspace, artwork, etc.

Staff comments: The Ranger Station Park on Brewer Road is a good example of the creativity and “special touches” that can be incorporated into a new public amenity or infrastructure project when we approach the design development from a collaborative standpoint, infusing planning staff, parks’ staff, arts and culture, and other key stakeholders’ input into the development and execution of a City capital project. One way to infuse the design creativity and enhanced aesthetic into new projects is to augment the CIP budgets for additional architect or design services. However, the collaboration from city staff who understand the community best including placemaking through the community plan, CFA work, and other community goals, etc., are also going to be instrumental to creating projects that are more “special.” I believe having someone on staff, likely on the Planning team, who could help coordinate these efforts, with internal and external contributors through a work group process, is necessary to take these projects up a notch or two. Getting the right people to engage early in project development whose focus is on form, combined with engineering, sustainability and others’ focus on function, promotes collaboration and results in a better end product.

However, with so many major projects currently in play, engaging limited staff representatives from these key areas in every project, every time, with all the projects in play may not be reasonable and feasible. Over time however, Public Works project managers can become more accustomed to what is expected and may be more effective engaging with the consultant architects and designers on future projects. Revisiting existing infrastructure and amenities to further enhance and beautify them is something that will need to happen over time given the focus and attention on executing so many new projects.

- **Consider approving new lodging if significant number of workforce units are included**
 - The City has been unable on its own to create affordable and workforce housing for a wide variety of reasons. It might make sense to reconsider our rejection of hotel projects, since it is possible that hotels will actually be able to create the housing much quicker than the City can. Development of the Cultural Park is years away. Council should consider hotels that bring a significant number of housing units.

Staff comments: Technically, Council hasn't rejected any hotel projects (yet), just changed the CFA plans to not be supportive of them. A lodging project may be supportable currently if the amount of community benefit is commensurate with the entitlements requested, but it is unclear what would be considered “significant” enough to be supported through the public hearing processes (Planning and Zoning Commission and City Council). Significance is up to Council to decide, and ultimately Council does have discretionary authority over rezonings, but the issue that comes up is that Council is the last to review a proposal. Council considers a rezone when it has already been through staff review and P&Z review. Understanding that no one is guaranteed a zone change, Community Development staff have a responsibility to advise prospective developers regarding the City and community's desires for new development in accordance with things like its Community Plan, CFA plans, and other master plans and policy priorities and goals. Staff would need to have a somewhat clear understanding of what would be expected.

One measure of significance that has been discussed with respect to housing units and hotels, is that the development would need to provide some number of affordable or workforce housing units beyond what the development itself would need for its own employees. Unfortunately, staff do not have reliable job creation numbers for new development. We have asked for this type of information but have not been successful at getting developers to provide it. Other than taking them at their word, we have not had a good system for evaluating the information being given to

us. Staff have attempted to research employment standards per type of lodging, and they vary greatly depending on service level of the hotel. From what we have been able to glean, it is considerably more than developers claim.

With the changes made to the CFAs and previous discussions pointing to the fact that at this time there is little to no tolerance for any new lodging under any circumstances, staff has been giving that guidance to developers. If this is not the case, new direction does need to be given. Given how big a conversation this could be, I would propose we agendize this for a work session, once the draft Community Plan is finalized. The Community Plan outreach and final product might be instructive regarding how the community sees new lodging. There are also potential legal limitations and considerations not suitable to be discussed in this memo. If Council wishes to hold a work session on this topic, I would also suggest an accompanying executive session for legal advice.

More specific timing for such a conversation will also be dependent on Community Development workload as staff from that department would need to be the facilitators of this discussion.

- **Consider installing parking guidance technology in Uptown** - Sedona Residents Unite proposal as discussed during the November 15 Uptown Parking work session.

Staff comments: This was direction already given by Council on November 15th during the work session on Uptown parking and will be addressed through a decision package for FY25 to include a parking coordinator position who can work on this in conjunction with the other parking related conditions of approval.

- **New Trails ‘Coordinator’ Position** - The network of trails in and around Sedona provides access to unparalleled beauty and is a principal reason why residents and visitors flock to Sedona. Few places have such incredible access right from the front doors of their homes, hotels, and businesses. Outdoor recreation is a foundational economic driver of our economy and Sedona would benefit from thinking about the trails in a comprehensive way, as it does for the arts. The GO! Sedona Trails and Pathways Plan is a great start to establishing new and improved trails, more easements and connections, and seamless integration into the overall Verde Valley trail system and will help improve resident and visitor experience, ease road traffic, and help bolster our economy. To better help achieve this vision City Council should consider approving a ‘Trails Coordinator’ position.

There is a large, complex, and growing ecosystem of parties interested in the health, importance, and integration of the trails. While we do good work at the leadership level with many of the groups, a Coordinator would develop deeper working relationships and would help us better understand, plan, and manage this important topic. The network includes Sedona Parks and Recreation Department and our new Tourism Bureau, USFS Coconino Red Rock Ranger District, Yavapai and Coconino Counties, nearby Verde Valley cities/towns, Yavapai Apache Nation, AZ State Parks, Sedona Fire, Yavapai College, Cottonwood-Oak Creek School District, Friends of the Forest, Friends of Verde River, Red Rock Trail Fund, Back Country Horseman, Verde Valley Cyclists Coalition, Sedona Westerners, Black Canyon Trails Coalition, Beaver Creek Trails Coalition, and others.

In 2024, the Greater Sedona Recreation Collaborative (GSRC) is to expand its activity beyond OHVs to its original mission of “developing land management strategies to address

impacts and better manage recreation in the greater Sedona area". The presence of a Sedona staff-level person is likely needed to assure representation at all important times and to help us maintain a consistent approach. One likely outcome will be an effort to refresh the ~12-year-old plan for trail development in and around Sedona, which will require multi-departmental input from Sedona.

There is also a growing need to coordinate trail access and public transportation. Trailhead parking, transit options, visitor dispersion, and trail overuse require both internal and external coordination to maintain and improve the experience for our residents and visitors.

Sedona under-invests in trails compared to many other local, regional, and national cities. A 'Trails Coordinator' is an investment and will help us address this situation.

Staff comments: The City is investing tens of millions of dollars to manage the impacts of visitation including the pursuit of all the SIM and transit projects to help traffic congestion, the implementation of the Sedona Shuttle and the acquisition of land and building of park and ride lots to help manage capacity at the most overcrowded trails, serve trail users, and ameliorate the impacts to those neighborhoods. The extent to which we are funding management of visitation and taking responsibility for addressing community needs and impacts of visitation, including serving trail system users, is very significant. The City also funds \$112,000 annually towards trail maintenance through the Trail Keepers program as well as through our IGA to provide direct funding support to the USFS which supports half the costs for the USFS' Trails/Wilderness/OHV Coordinator position.

The City's Transit Administrator and leadership team have done an exceptional job coordinating with the USFS for permitting and future planning for the trailhead shuttle system and will continue to do so. A planner level trail "coordinator" would not have the expertise to contribute much, if anything, to that effort. In fact, advancing most collaborative efforts between the City and the USFS requires the engagement of numerous members of the City's leadership team to provide input and guidance. Direct engagement with the USFS is already occurring on an ongoing basis. Currently, Robert Weber, Andy Dickey, Lauren Browne and I meet monthly with the USFS team regarding trails, shuttle operations, parking, etc. The reason why all these participants are members of the City's executive leadership team is because this is the level of staff person(s) required when engaging with the USFS and speaking and decision-making on behalf of the City.

In reference to the GO Plan, there are numerous obvious shared use path projects that must be built to create the "backbone" of the system including Andante (in design), Coffee Pot, Mountain Shadows, Brewer Road (and vicinity), etc. etc., that are already prioritized and planned for many years to come in the City's Capital Improvement Program, as well as strategic opportunities that can be pursued as development occurs or opportunities otherwise present themselves. Although some of this prioritization and planning has been done, the City could benefit from having an *urban* trails coordinator position with a focus on the City's new SUP system. It is unlikely this coordinator would play an instrumental role in planning USFS trails, which is squarely the responsibility of another jurisdiction, but this person could do some regional coordination in support of a comprehensive look at multimodal connections. Their main focus with respect to the GO Plan implementation and the SUP network could be coordinating maintenance and upkeep; developing and implementing signage; promotion and education for the STEPS program; coordinating with the USFS to secure connections between the urban trail network and the forest trails; engaging the community to determine construction prioritization of SUP facilities; pursuing bicycle friendly city certifications as we improve bike facilities; identifying additional opportunities to improve multimodal transportation throughout the city; developing maps for the network and connections; recruiting and coordinating the work of a cadre of volunteers to help

inspect and maintain SUP facilities; reviewing development proposals and advising on opportunities to improve multimodal access in advance of construction; overseeing the current contract the City has with the USFS for their volunteer trail maintenance work; potentially resuming or initiating events like a Ride with the Mayor to promote use of the urban trails system, etc. Some of these things will be essential (signage, education, maps) as we develop a more complete urban trail system so a position like this would inevitably be a future request. Admittedly, we do not have the staff capacity to pursue those things at this stage even though we are actively building segments of the SUP system. Other items mentioned would be enhancements but not mandatory (events, bike friendly certifications).

If Council supports this staff position in concept, a decision package outlining costs and other resource needs to support this new program would be brought back through the budget process. The leadership team has not fully assessed where and how this work fits relative to other priorities and how many new programs and projects can be pursued simultaneously.

➤ **Minor improvements to Council Packet –**

1. Consolidate item 5. Summary of Events and item 8.a Reports of Council Assignments. It seems we often confuse the two items during our meetings.

Staff comments: Agree that these items are similar or the same and that consolidation of these items makes sense.

2. Reduce the main packet size by using links or appendices for contracts and other large items.

Staff comments: Per the City Clerk and City Attorney, because a permanent file is required to be kept in the Clerk's Office, a copy of the entire packet is printed for each meeting. The Clerk's Office would have to print from the links to get the copy for the file. The point of the packet is to have everything in one place, so when staff, councilors or the public go back to review a packet, years from now, the agenda bill and all related documents are together. If we separate them out by links, then those connections will likely be lost (as the links won't be good forever) and result in packets missing key information. The second suggestion, an appendix, is possible, but would create much more work for the City Clerk and would require Council to (electronically) flip back and forth more in the packet to read all the material.

As an alternative, staff can try, whenever possible, to keep the packets smaller and reduce background documents and other attachments that aren't essential to decision-making and instead summarize that key information in the agenda bills themselves. We can try this for the coming year and see if that better meets Council's needs.

FY 2023/2024 - City Council Priorities
Nov. 30, 2023 Update

Priority Item	Completed	Status/Process
Traffic/ Transportation Improvements (SIM)	Completed: • SIM 1B - Uptown northbound Amara turn lane complete - Observed immediate improvement in northbound traffic and pedestrian movement. • Pinon Drive Shared Use Path complete. • Navoti Drive to Dry Creek - Phase I construction complete. • Back O' Beyond low water crossing construction complete. • Final report on Uptown Parking Study complete and presented to Council on Nov. 15.	Current and planned actions: • SIM 1B - Uptown northbound improvements under Job Order Contract (JOC) with Combs Construction started last week in November 1) Travel Lanes improvement to be completed by March 1st (prior to Spring Break) 2) Final fog coating and striping complete in June 2024. • SIM 3A - Uptown Parking Improvements (<u>Forest Road Parking Structure</u>). ○ Direction from Council on Nov. 15 to move forward with completion of design of parking garage and obtaining GMP or bids for their further consideration. Project scope must also include future additional parking actions in Uptown: ▫ Work with Uptown businesses to develop a plan for employee parking. ▫ Employ guidance technology for all public parking in conjunction with the parking garage project. ▫ Finalize a plan for consolidation of the existing public parking lots and on-street parking. ▫ Restrict non-resident parking on residential streets. ▫ Garage must be fully funded by user fees. • SIM 5B - Forest Road Extension. ○ Construction began Apr. 25, 2022. ○ Utility relocations are ongoing. ○ Grading resumed beginning of October. ○ First rock blasting / SR89a Road Closure on Nov. 29. Less impact to traffic/road closures than anticipated. ○ Estimated completion Mid 2025. • SIM - 4C Pedestrian Crossing at Oak Creek.

		○ Bannicki started work June 19. ○ Permeable grout is complete allowing retaining wall footings construction. ○ Project anticipated to be completed spring 2024. ○ SIM 5D - Portal to Ranger/Brewer Intersection 5 leg Roundabout design is in finishing phase 1. Shared Used Paths (SUP) retaining wall tie-back extension lengths required additional easement ROW or land purchase is in evaluation and negotiation. ● Floodplain analysis of the Soldiers Wash culvert is complete with extension design in process. ● Shared Use Paths (SUP). ○ SIM 11M - Dry Creek SUP Phase II in-house construction is in process. Road alignment adjustment plans 90% complete. ○ SIM 11N - Harmony area SUP feasibility study plans were presented to Council at the SIM update on August 9th indicating proposed locations of SUP. Notification was sent to residents. The consultant started on design of southern half. Grant re-submittal end of the year. ○ SIM 11O - SR179 Signing and Striping, bidding is in process for the construction contract. ○ SIM11P - Brewer Road SUP from Ranger Station Park to Brewer Road Trailhead - Contract executed and feasibility underway. Staff is currently looking into possibly submitting a grant application for this project. ○ SIM 11Q - Shelby Drive Phase 2 improvements including a SUP, utilizing Congressionally Direct Spending funds. A consultant is under contract and starting feasibility. ● SIM 12A Travel Information - ADOT Dynamic Message Sign I17 General Crook Northbound is in final design phase to inform motorist travel times to Sedona on SR179 or SR260/89A. ○ Construction bi schedule pushed to late spring. ● Y Roundabout Property - Old Chevron building. ○ Building is suitable for reuse rather than demolition.
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- Proposing temporary aesthetics improvements for FY25 while awaiting determination of future transportation related use(s).
- Continue to aggressively recruit for TCA (and CSA) staffing targeting universities/community colleges with long term goal of succession planning for PW and PD
- Forest/Ranger/SR 89A roundabout intersection improvements and bus lane on Cooks Hill, in design currently and permit application is with ADOT design review, applied for Regional Priority Projects Grant for construction in FY25

New For FY 2025:

- (\$) Hire Parking Management/Coordinator position to begin to:
 - Work with Uptown businesses to develop a plan for employee parking.
 - Employ guidance technology for all public parking in conjunction with the parking garage project.
 - Finalize a plan for consolidation of the existing public parking lots and on-street parking.
 - Restrict non-resident parking on residential streets.
 - Garage must be fully funded by user fees.
- Begin utilizing SIM Dashboard for demonstrating SIM improvements.
- (\$) Build permanent digital message sign(s) for use with travel time data, transit, and other information to support transit, parking restrictions, emergency management and other traffic management efforts at W. SR 89A Park and Ride and potential other locations.
- (\$) Increase pavement preservation program treatment miles to reflect increased costs (inflation), attract more bidders, and advance effort during favorable economic times.
- (\$) Add one maintenance worker, 1 custodial worker.
- (\$) Add inspector position.

Transit	Completed: • West 89A Park & Ride. • 179 North Park and Ride Lot. • Approved parking lot lease with Church of the Red Rocks (CRR) for park and ride for 179 corridors, lease fully executed in Dec 2021 Feb. 1, 2022 - Conditional Use Permit (CUP) for CRR transit park and ride lot approved by the P&Z. No appeal filed. • The parcel required a zone change before June 30, 2023, to continue use. • Re-zone the parcel for permanent use as a Shuttle Park & Ride. approval by P&Z 1/3/2022. Council approved the zoning amendment on Feb. 12, 2023, and approved moving forward with purchase. • Church of the Red Rocks notified of City exercising intent to purchase. Purchase contract was brought to Council for approval in June 2023, and closed on June 30, 2023. • USFS Permit allowing shuttle access to the trailheads was issued March 10, 2022. • Location for transit maintenance and operations facility identified (WWTP). • Fixed facility analysis, Environmental Justice, and NEPA	Current and planned actions: <u>TH Shuttles -</u> • N SR179 North Park and Ride Lot ○ Permanent site improvements to include, transit only access slip lane, shade structure, public restrooms, & bike racks in FY24-FY25. • MOU between the City and USFS is still under review with the USFS. Per the USFS this is not required to begin operating under the permit • Transit Marketing plan. City staff is working towards a transition to continue transit marketing efforts in house. Staff is working directly with Transit Marketing LLC to continue marketing efforts for both the trailhead shuttle and microtransit programs • Continuing to work with Yavapai County and the USFS to restrict parking on the county section of Dry Creek Road to incentivize shuttle use and reduce vehicle/parking congestion and improve pedestrian safety ○ On September 20th, the city implemented partial parking restrictions within city limits on Dry Creek Rd by placed boulders on both sides of the road between FS 152 and the city limits. Preliminary data suggests that this may have helped to moderately increase shuttle usage to Dry Creek & Mescal Trailheads. ○ As of 09/11/2023 the USFS had given the county authorization to implement its proposed jersey barriers and parking enforcement plan. The county attorney's office has now voiced concerns over these proposed solutions. City staff is continuing to work with the County Public Works Director and the USFS on an alternative solution including a possible cable rail and wood post barrier solution. A follow up meeting is scheduled in January for all parties to discuss further. • Preliminary discussions have begun with the USFS to identify additional park & ride locations in SR-179 corridor. Future
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	study for the transit maintenance / operations facility completed by Kimly Horn and Submitted to ADOT in July 2022. • Complete conceptual design of the <i>Ride Exchange</i> FY23 – but delay <u>final</u> design & engineering pending future decisions regarding transit operations. • August 2023 <u>Grant</u> submittal for the FY24 funding cycle of FTA 5339 for two (2) additional Microtransit (Demand Response vehicles). FTA 5339 funds can fund up to 80% of the procurement costs. • Had over ½ million boardings in first 18-months of operation.	expansion of the parking lot located at the Little Horse trailhead was discussed as a potential option, however this has only been a preliminary discussion and not initially supported by the USFS <u>Microtransit (Demand Response) service -</u> • Tentative Deployment - second calendar year quarter of 2024 contingent on vehicle delivery. The vehicle distributor indicates the manufacturer has tentatively scheduled the production slot for the city's five vehicles to begin during the last week of January 2024 or first week in Feb. Assuming this timeline holds, the Microtransit service could be operational by June of 2024. • Draft Microtransit rider's guide and system map developed – and submitted to ADOT. (Required for 5311 operating assistance grant) • MicroTransit Fare structure: State and Federal public comment period closed on January 9, 2023. This item is scheduled to return to council for final decision during its Dec. 12th meeting. <u>Other -</u> • 5311 2022 Grant awarded in Jun. for Transit Administration and Microtransit operating assistance. Year one award \$198,000 – As this program is a two-year program, the year two award shall be approximately the same amount. • Transit Maintenance & Operations Facility Design FY23 - FTA 5339 preliminary grant award for \$720,000 in funding assistance was issued by ADOT for engineering and design of the facility on Feb. 8, 2023. The final award from the FTA is anticipated by the end of October. • ADOT & FTA Region 9 has completed its review of the Draft RFQ to hire a firm to complete the design and engineering of the facility • Design for Ranger Road Extension began spring 2023 • Study & Design for Cook's Hill bus lane FY23/24 • Future western gateway park and ride: ○ Short Term Plan: Park & Ride location to support trailhead shuttle operations to Dry Creek Vista & Mescal trailheads. Complete and fully operational as of Mar. 1, 2023.
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		○ Long Term Plan: Potential parking structure with possible visitor welcome kiosk. • Continue legislative advocacy for the development of State Transportation Assistance (STA) funding. STA funds can be leveraged against federal dollars by both counties and municipalities to fund public transportation projects. • Continue discussions with NACOG and other Yavapai County small to mid-sized transit providers concerning the potential of forming an Intergovernmental Public Transit Authority (IPTA) within Yavapai County. • Complete final design and engineering for the transit maintenance and operations facility - mid to late FY2025. • Feb. 2024 – Submit Grant application for the FY25-26 funding cycle for the FTA 5311 program funds. Grant funding request would be for operating costs (partial) for the demand response (MicroTransit) service, and general administrative costs. New For FY 2025: - Staff to apply for US DOT FHA grant funding in 2025 for the construction of the Transit Maintenance & Operations facility. Also, staff will consider low interest financing options (e.g., TIFA Loan) & or other Federal grant funding for construction. - Potential submittal (depended upon call for projects in FY25) for a grant application for trailhead shuttle operating expenses through the FHWA Federal Lands Access program (FLAP). Funds may not be available until 2025, however if awarded it could provide up to five years of funding for trailhead shuttle operating costs. No local match required. FLAP provides 100% funding.
Affordable/ Workforce Housing & Homelessness	Completed: • Revised down-payment assistance programs to further incentivize participation. • Submitted LIHTC application for 30 units at 2250 Shelby Dr –	Current and planned actions: • Maintaining inventories of vacant land suited for workforce housing, land with redevelopment potential for workforce housing - created spreadsheet, inventory ongoing • Update DIGAH document / Codify DIGAH +LDC updates, identifying any code impediments to affordable housing development– ongoing

	unsuccessful. Awarded City's CDBG funding to Steps to Recovery Homes, submitted application to ADOH – funds expected near year-end.	as time permits and will carry over to FY25. - Consider allowing full kitchens in guest houses – delayed for further analysis and for other communities' banning of STRs in guest homes/ADUs to withstand legal challenges. - Continuing to explore additional public private partnerships ongoing. Total of 587 affordable units currently in predevelopment (+107 "market rate" apartments). - Dreamcatcher Inn-HSNA Exploring possible acquisition/long term lease of 24 transitional housing studios (10 ready to rent extended stay hotel rooms + 14 w/ kitchens to be added). - Goodrow property/ private nonprofit developer ~54 units- in public outreach phase, plans submitted to Comm Dev, for three-story townhomes and apartments. - Soldiers Pass Apartments / private property owner – 38 units in architectural design. 401 Jordan (city-owned) – local developer has proposed 5000 sf retail+46 units affordable, working on refining numbers – 4% tax credit/bond deal. 2250 Shelby – with 4% tax credits and other funding from ADOH developer's gap is at \$2.25 mil proposed City funding – to be considered by Council in Dec. or Jan. 2035 Shelby (the corner hillside lot at the south end of Sunset) proposed 99 units half affordable, developer is finalizing budget and identifying bank financing and private equity. - Sunset Lofts - Applying for grant funding and reworking affordability levels to close current \$4 million development gap. - Preliminary discussions with St. John Vianney to add housing (possibly senior housing) to their redevelopment plans (which include a retreat center and will require rezoning). - RFP for Cultural Park Phase 1 Housing resulted in two viable proposals. Proposals are being scored and evaluated currently. - Continuing community outreach and public engagement strategy/ communications in support of affordable housing.
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		○ Ongoing regular social media re: programs. ○ Planning Housing info sessions at Library – initial sessions planned for Jan. to reach Spanish speaking community on issues raised regarding landlord tenant law and Fair Housing. • Updates needed to no camping ordinance to conform with Martin vs Boise and Grants Pass rulings – first draft presented to Council for discussion only on Sept. 27, 2022 - on hold pending further court action on the Grants Pass case. • Housing staff is providing and will continue to provide technical services/support to local non-profit(s) for grant-seeking and program development. Exploring possible city/non-profit partnership opportunities to leverage resources and expertise. • Research and create a plan to address homelessness in the City of Sedona – budget approved for FY24. RFP out for consultant in December. • Explore temporary use of the Cultural Park as a “Safe Place to Park” for Sedona workforce. Tentatively planned for Council work session in Jan. or Feb. • Working with VV Homeless Coalition to build their capacity to expand some services into Sedona (could operate Safe Place to Park). • Working on recommendations to revise Rent Local program. Pilot resulted in only two homes converted and 4 people housed. Two applications have since come in. • Revisions suggested for Down-Payment Assistance Program will be coming before Council early 2024. The new contract will be pay-for-performance rather than an annual fee due to the small number of applicants. Two new applicants purchased homes in Q4,2024. • Deed restriction program has recorded 9 deed restrictions, with 3 pending applications. • Exploring partnerships to develop and administer a cold weather
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		sheltering or voucher program for local homeless - winter 2024. New For FY 2025: - Effective Jul. 1, 2024 the City's shared housing manager position will be transitioned fully to Sedona and will no longer be shared with Cottonwood. Workload has exceeded what is able to be managed by a shared position and we need a full-time housing manager.
Sustainability/ Climate Action	Completed: <u>Climate Action Plan</u> • Creation of Sustainability Communications and Outreach Plan. • New EV Chargers installed at Posse Grounds Park and Sunset Park. • RFI for Municipal EV Charging Stations Concluded. • Awarded Grant/Participation in the Urban Heat Island Initiative with the National Oceanic and Atmospheric Administration (NOAA). • Completed FY23 partnership with Oak Creek Watershed Council on watershed education and outreach. • 2nd Round of the Community Food Scraps Composting Program – Over 3.5 tons of food waste diverted since launch. • 2nd Round of Home Energy Retrofit Project completed – 23 homes (48 since FY22) through the project. • Completed Urban Heat Data Collection and Map Creation.	Current and planned actions: Climate Action Plan: • Collaborating with Public Works on electric vehicle charging and ParkSmart certification at Uptown Garage Project (parking garage currently in final stages of design and negotiation of a Guaranteed Maximum Price (GMP). • Exploring options to improve city translation services to better engage with local Hispanic community (Ongoing). • Exploring opportunities and partnerships to enhance community resiliency in alignment with the CAP (Ongoing). • Facilitating the 3rd round of the Home Energy Retrofit Project. • Facilitating the 3rd round of the Community Food Scraps Composting Program. • Working with CAPA Strategies to develop Recommendation Guidebook to address heat island challenges found within report. • Participating in a solar permitting streamlining study in partnership with Community Development Launching Sustainable Neighborhoods Program (anticipated FY24). • Collaborating on outreach for third round of the Northern Arizona Solar Co-op with Solar United Neighbors. • Collaborating with Arizona Water Company on outreach efforts and initiatives for the Ripple Effect Campaign. • Collaborating with Oak Creek Watershed Council on watershed education and cleanup events. • Reaching out to area schools to develop a school sustainability program.

	• Urban Heat Island Mapping Report posted on Sustainability webpage. • Completed 2022 Community GHG Inventory. • Expanded Community Food Scraps Composting Program to 100 residents. • Finalized FY24 Agreement with Oak Creek Watershed Council. • Launched 3rd round of Home Energy Retrofit Project. • Launched 3rd round of Community Food Scraps Composting Program. • Partnered with Local First Arizona as a facilitator for the Green Business Bootcamp. <u>Municipal Sustainability Plan</u> • Implemented municipal eBike fleet • Leave No Trace Common Messaging Initiative launched in collaboration with OCWC, ADEQ, Leave No Trace, and the Sedona Chamber of Commerce • Public Works installed new water bottle refill station in City Council lobby • Selected consultant to assist with developing a sustainable procurement policy in collaboration with Finance. • Installed 23 solar bollards and 11 parking lot lights at Posse Grounds Park.	• Partnering with Local First Arizona for continued efforts with the Green Business Bootcamp. • Looking into hosting another waste collection event in the first half of 2024. Municipal Sustainability Plan: • Collaborating with University of Arizona’s Pest Management Center on updating the City’s 2010 Integrated Pest Management Policy (On Hold – Low Priority). • Installing remaining 5 bikes across municipal properties. • Working with Public Works on the LED Streetlights Retrofit Project. • Launching Decarbonization Roadmapping Effort. • Researching green building codes and sustainable building programs. • Developing informational materials for side message panels on Bigbelly smart waste receptacles. • Partnering with Public Works for revamping recycling efforts. • Municipal Sustainability Plan Update - 1st draft to city staff for review anticipated in early December (Ongoing). • Collaborating with Public Works to incorporate sustainable products and designs where applicable. • Researching potential code revisions to facilitate sustainable elements in collaboration with Community Development. New Proposals for FY25: Climate Action Plan: - (\$) Heat Island Mitigation Projects derived from CAPA Intervention Guide (e.g., shade structures, tree plantings – partly utilizing current municipal sustainability projects funding levels). - Develop workshop/educational series on climate resiliency/emergency preparedness for residents and local businesses through Arizona Climate Resilience Corp. - (\$) Rebates for appliances and/or solar that aren’t covered by Home Energy Retrofit Project (to pursue additional grant funding).
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	• Purchased bike racks for municipal properties. • HVAC Upgrades completed at Wastewater Treatment Plant. • Collaborated with Arts Coordinator on wrap designs for smart trash receptacles. • Completed 2022 Municipal GHG Inventory. • Watchwire Utility Tracking Platform Implemented. • Completed 2023 Household Hazardous Waste and Electronics Collection Event with record 375 participants. • Conducted waste diversion efforts at Sedona Food Truck Festival. • Installed Bigbelly smart waste receptacles. • Collaborated with Public Works for install of HVAC controls at Brewer Road. • Installed 13 bike racks across municipal properties. • Distributed programmable plug-timers and switches to interested departments. • Created sustainability packet for new hires in collaboration with HR. • Submitted ADEQ grant application for smart recycling receptacles on November 20, 2023.	- (\$) Outdoor water fixtures rebate or retrofit program for residents as an extension of the Ripple Effect campaign with Arizona Water Company (to pursue additional grant funding) . - Develop partnership with schools and public library to create a resilience hub location. - Exploring development of a voluntary sustainable building recognition program in collaboration with Community Development. - Coaching Sustainable Neighborhoods Networks re: how to find funding sources and implement initiatives identified through this program (to utilize current funding levels and pursue additional grant opportunities where applicable). Municipal Sustainability Plan: - (\$) Level 2 - EV Charging Infrastructure for municipal fleet. - (\$) Implementation of Pilot Project derived from Decarbonization Roadmap. - Collaborate with Public Works to explore the feasibility of implementing CAPA recommendation strategies to mitigate heat island effects in municipal projects. - Increase recycling and waste diversion efforts in municipal events and operations. - Collaborate with Arizona Water Company to audit municipal water usage.
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Improve Citizen Communication/ Relations	Completed: • Mailed Community Report to all households. • Completed 2022 State of the City video. • Completed FY24 Council priorities video. • Completed FY24 Budget Survey. • Onboarded Web Content Manager and kicked off website content overhaul. Completed web pages to date are: housing, HR, STRs, Sustainability, City Clerk (but waiting to publish), and Wastewater (waiting to publish).	Current and planned actions: • Build out FAQs/talking points for website. • Implementing dedicated social media strategy. • Consider HOA, service club, and other direct communication outreach. • Hiring public relations firms for communication on major CIP projects. • Looking into a brown bag lunch program with the Library and a speaker series at OLLI. • Pushing out a monthly e-newsletter in partnership with Beta PR. • Looking into additional PR firm resources to outsource expertise like graphic design and printing. • Expanding on the City Talk RRN articles by broadening the reach to include sharing on social media, city website and monthly newsletter. • Currently in process of executing the following website content overhauls: Finance, CMO, Court, City Attorney, Police and Public Works Departments. • Launched a “telling our story” video series with both locals and staff on major projects and day to day operations and activities of general interest. ○ Posted on YouTube channel and social media sites. ○ Videos are being embedded into the website where applicable. • Sedona.biz is publishing articles from the mayor and city councilors or other informational messages for regular distribution to the community. One article submitted by Mayor Jablow to date. Articles can be submitted through the City’s Communications Manager. • Launching FY25 budget survey in Jan 2024. • Creating 2023 State of the City video, FY24 Council priorities video and 2023 Community Report
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Manage Impacts from Short-Term Rentals	Completed: • Updated STR section of the City Code to implement SB 1168. • Launched permitting process with initial deadline of Feb. 15, 2023. • Notice of permit requirement mailing to owners first week in Jan. • LDC Change regarding weddings/special events approved spring 2023. • Code Enforcement and STR Specialist met with STR property managers in July. • Good neighbor brochure (cooperative effort through SCC&TB FY23 contract for services) completed and distributed in July. • CityTalk article on STR program (hotline, permitting process, enforcement, Rent Local option) will run in late June/early July. • Notice to property owners reminding them that short-term rentals are prohibited from hosting events including weddings, wedding receptions, retreats, and workshops. Partnered with Code Enforcement to deliver first owner citation for a hosting an event. • Met with HOA board to discuss the short-term rental program, what the city can and cannot do and	Current and planned actions: • Continuing to lobby for changes in legislation to allow local control and regulation. • 95+% compliance Nov 2023. Several rounds of letters and emails have been sent remind STR owners of the new requirements and sent multiple batches of notices of violation were sent and a few citations issues, cases adjudicated and fines imposed for non-compliance. • Continue to cite owners for non-compliance with permitting requirements. • A list of permitted short-term rentals with their emergency contact information will be posted to city website. Reconfiguration to be searchable on website is in process – waiting on website vendor. Social media postings will follow to notify community of publication. • January meeting with property managers to educate on event prohibitions, limit on number of units per property and further distribution of Good Neighbor brochure. Include new property management companies. • January meeting with realtors to discuss limits on units per property and distribute Good Neighbor brochure. • Complete program operations manual for the short-term rental program. • Develop operations manual for all steps of short-term rental citation process, in collaboration w/ Code Enforcement. • Initiate regular zoom meetings with Arizona communities with short-term rental regulation programs. • Continue to meet with HOA boards to educate on the City's short-term rental program. • Review the first-year program operations with the City Manager and City Attorney, identify opportunities to update City Code to better implement the short-term rental program.
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	distribute Good Neighbor brochures. Developed GIS layer for STRs.	- Manage short-term rental permit renewals for 2024. Renewals begin end of Jan. in the new year. - As of end Oct. there were 1094 permitted properties, 91% of those were actively renting. Total identified STR properties 1140. 16.8% of Sedona housing stock. 634 addition STRs in greater Sedona area.
Economic Diversification - Now Broadband (per budget work session discussion)	Completed: - In 2022 staff entered into a contract with a broadband consultant to help the city identify potential ISPs interested in investing in Sedona. - An RFI was issued in March and 7 ISPs responded. - A staff team including the City's consultant and resident volunteer reviewed the RFI submittals and invited 5 of the ISPs to follow-up in-person interviews. - After the interviews, 3 firms were invited to further refine their proposals, conduct additional due diligence, and submit best and final proposals within 90 days, or November 7, 2023. The three firms all met the deadline and submitted refined proposals. - The committee discussed the responses. One vendor was eliminated and one of the two vendors originally excluded has been invited to resubmit a proposal for further consideration.	Current and planned actions: - Continuing to support and facilitate the access of internet infrastructure through exploring options and potential providers to bring fiber to the home and better connectivity to the community. - The City Manager has also engaged the support of the state Broadband Director in these efforts including the possibility to securing BEAD grant funding to support a broadband implementation. It is unknown at this time whether BEAD funding will be an option for Sedona. - The committee is bringing one of the earlier eliminated vendors back into the discussion for further consideration. Once next steps are determined, including determining viability of the City entering into an agreement with any of the ISPs still under consideration, a work session will be held with City Council to discuss options and recommendations.

Emergency Preparedness	Completed: • AZ Water presented to Council and the community, information regarding water availability, the state of the current distribution system, and the projects currently planned to enhance the efficacy of the entire system on March 15, 2023. (Could try to do the same with Oak Creek Water). • Evacuation Planning Project and Evacuation Plan complete and delivered to Council on May 24. • Tabletop exercise on March 22, 2022 was conducted between City PD and management staff, SFD, YC and Coco EM, community leaders. • THIRA Completed and Summary was provided to PD. • First of two public meetings to unveil the Emergency Evacuation Plan was held on July 12th and educated the community on the “Know Your Zone” program at council chambers and offered online. • Refrigerator magnets promoting “Know Your Zone” were sent to every household and business prior to the July 12th public meeting. • The Police Department held a Community Outreach Event on	Current and planned actions: • Collaboration with the Sedona Fire District and Coconino and Yavapai County Emergency Management Departments is ongoing. • Working with partners to develop an annual calendar for training in coordination with the EOP. • Working with Yavapai and Coconino Counties on a larger-scale table-top exercise. • Conduct the second public meeting to unveil the Emergency Evacuation Plan and educate the community on the “Know Your Zone” program is tentatively planned for spring 2024. • As part of the work with Coconino County Emergency Management, Sedona has secured a portion of their Congressionally Directed Funding for emergency notification/evacuation siren array(s) – we expect deployment of 3 or 4 sirens in Uptown and Brewer Rd. Coconino County EM and Chief Foley are already working with the vendor to identify range and locations. Rooftop units are anticipated to have the least viewshed impacts. Once deployment details are determined, staff will present the proposal to Council. Anticipate installation within 8-12 months. • PD working on developing roles, procedures and checklists specific to the city’s Emergency Operations Center (EOC). New For FY 2025: - Install zone stickers on street name signs. - Develop workshop/educational series on climate resiliency/emergency preparedness for residents through Arizona Climate Resilience Corp (Sustainability Team initiative – see above)
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	October 21, 2023. Both Yavapai and Coconino County Emergency Management Representatives had a table to answer community questions and provide materials.	
Trailhead Congestion/ Impact to Neighborhoods	Completed: BoB safety and drainage Improvements completed.	Current and planned actions: - Park & Ride location to support trailhead shuttle operations to Dry Creek Vista & Mescal trailheads and removal of parking on Dry Creek Rd - see <i>Transit actions outlined above Yavapai County is working on a proposed test area for restricting parking with posts and cable and signage. This is expected to be ready to bid in early 2024.</i> - Continue to aggressively recruit to augment TCA staffing (<i>also for general traffic management</i>). - Evaluate the feasibility of implementing a vehicle “booting” program (resources needed, legal parameters, fee collection in field, etc.) - on hold presently as immediate need areas have been improved by transit and parking lot closures but coordinating with Yavapai County for them to use booting services to enforce no parking zones/signage on Dry Creek. - Evaluate a gate turnaround, and roadway safety improvements (Safe Streets Grant) on Back O Beyond Rd. TCA’s are tracking amount of Ped/Bike entries.
Community Plan Update 2021-2023	Completed: <u>Phase One</u> – Plan Education/Issue Identification (through November 2022) Outreach/input opportunities: - Community household survey (March-April 2022). - September 7th Community Forum. - City-wide mailers. - Social media regular updates.	<u>Ongoing:</u> - Monthly Work Group meetings throughout the planning process, bi-monthly virtual meetings added as needed. - Work Group to give input on public outreach, issues and updated Plan content. - Regular P&Z updates throughout process. - Website available throughout, with opportunities to give input and comment on draft documents, sign-up to participate, etc. (www.plansedona.com).

	• Press releases, news articles, ads, public notices. <u>Phase Two (December 2022 – May 2023</u> 2 virtual “Listening and Learning Sessions”: • Circulation, December 7th, 2022. • Economic Development, December 14, 2022. • Partner workshop with agency and non-profits, January 2023. • In-person workshop on Land Use and Housing, April 19th, 2023. <u>Phase 3.1 – Plan Revisions, Draft Recommendations, and Phase 3 outreach (May 2023-October 2023).</u> • Updating and revising plan by Community Development staff with support from other city departments/programs. • Tourism subgroup of the Work Group meeting June/July. • Work Group review and discussion on elements of the draft plan. • Community Housing Workshop on Housing (in Spanish), Work Group volunteer led in partnership with the Interfaith Council, July 23, 2023. • Housing workshops, led by Work Group volunteers, July 25 and August 22, 23, 26, 28, 30, 2023. <u>Phase 3.2 – Plan Revisions, Draft Recommendations, and Phase 3 outreach</u>	<u>Phase Four - Draft Plan Review, Public Hearings and Adoption (Nov. 2023 - Mar. 2024).</u> • 60-day mandated agency review and Public review of Revised Draft Plan (December 2, 2023-February 1, 2024). • Community Forums January 6 and 11, 2024. • P&Z - Work Sessions (December and January) and Public Hearings (February 20, 2024). • City Council - Work Sessions (February), Public Hearings, and adoption March 12, 2024.
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	(May 2023-September 2023). • Community Workshop (in Spanish), partnering with the Interfaith Council, September 6, 2023. • Partner meeting with Red Rock Ranger District, November 28, 2024. • Revising and reviewing, and feedback on elements of the draft plan from: City staff, Work Group, partners.	
Cultural Park/Other Property Acquisition	• Completed: • Cultural Park - complete minor improvements to the roadway to make it more easily passable for access to trailheads 2023. • Cordoned off western portion of the site with boulders and signage for risk management purposes. • Signed Cultural Park Girdner Trailhead area for nightly closure (park hours) and have actively been enforcing due to the proliferation of vehicle/RV campers staying overnight at this site.	Current and planned actions: • Based on the Western Gateway CFA Plan's guidance and the city's Affordable Housing Action Plan, consider up to 4 acres of workforce housing on the eastern portion of the property as a “phase 1” development prior to the completion of the full master plan for the entire site. (see Housing priority item) • Partner with the USFS to relocate trailhead to USFS property. ○ Design complete but will require city financial contribution - amount TBD. ○ USFS has \$500k seed money grant for construction. ○ May still need additional parking for trail system incorporated into development on the city-owned site. • Commence master planning of entire Cultural Park site in FY24 using consultant facilitation and in-house project management. Funding approved in FY24 budget for this effort. Anticipated for RFP to be issued in early calendar year 2024. • Some development funds are already included in future year CIP.

Accelerate Ranger Station Park Buildout	Completed: • Updated project sign installed August 2022. • FY22 – Barn and house exterior renovations complete. • FY20 – Electrical upgrades complete. • FY18 – Portion of SUP completed. • FY17 – Replaced barn roof, removed hazardous materials. • FY14 – Demolished non-historic structures.	Current and planned actions: • 2022 - 2023 – House/Barn interior restoration. ○ Swan Architecture concepts approved. Design moving ahead on both house and barn. Pushing to start construction on interior spaces prior to end of FY24. ○ Completed numerous site visits with Sedona Historical Society and site visits and presentations with the City’s Historic Preservation Commission. • 2023 - 2024 – Civil site construction 60% complete. ○ Coordinating with Arizona Water Company on moving mature native trees that were boxed and moved for tank construction, to the site. Staff attending work group meetings to discuss plan and options. Placement of first piece of art (metal horse) to go before Council in Dec. Concept design of restroom by Swan Architecture moving to design. ○ SUP linking Ranger Station Park SUP to Brewer Trail near intersection of Juniper Lane and Brewer Road. FY 24 - Maintenance Team has started construction of SUP along Brewer Rd thru Park. Significant community support, including KSB and residents. ○ Contract for play structures approved by council on Nov. 14, 2023. The playground is expected to be operational by the end of FY24. New For FY 2025: - (\$) Complete improvements to house and barn to make them useable as community gathering spaces. - (\$) Investigate stabilizing driveway from Los Abrigados to Brewer. - (\$) Purchase and install table with chess board inset, horseshoe pit, additional benches and tables, shade structure near picnic tables.
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Chamber Contract Review/Now Creation of City Tourism Bureau	Completed: - Submitted affidavit to AOT designating City of Sedona as the official DMO. - Council approved contracting with SCC&TB for the continued operations of the Visitor Center for \$424,000 for FY24 under a cost-share model. - Completed Tourism Business Database Sign Up Video and emailed every tourism business with a business license, asking them to sign up for the database. This included a communications push via the Round Up and social media. - Submitted for \$50,000 worth of tourism Marketing and research opportunities with the AOT Cooperative Marketing Program. The AOT will match our \$50,000 commitment to equal \$100,000 of value. - A full update on all tourism related efforts was given to Council at the regular council meeting on Sept. 26, 2023.	Current and planned actions: - Beginning July 1, the City of Sedona is the official DMO recognized by the Arizona Office of Tourism. Staff and our consultant have had both face to face and Zoom meetings to begin building our relationship with them as well as building a foundation as the DMO moving forward. - As of July 1, the City is receiving all media, travel trade and group sales leads from AOT. Additionally in October the Chamber starting sending all their group sales leads to the City. As of mid-November, we had received 7 group sales leads, had 16 media interactions and had 7 travel trade interactions. We are responsible for crafting and controlling the message for interested media centered around sustainability, responsible visitation, respecting Sedona and its treasures, using transit, as well as visiting during the week and shoulder seasons. - We are sharing travel trade and media leads with businesses in the city limits at no cost to them. This is no longer be a members' only program and all in-city businesses are invited to and encouraged to participate. - We had 87 businesses sign up for our tourism database in the first two months with all other tourism businesses manually entered by the tourism team to equal 520 businesses. - We purchased a CRM system to host the database and are learning the system through a series of trainings over the next six months. - We launched ScenicSedona.com on Nov. 6th. - We are in the process of implementing the most premier, industry leading, data gathering tools available so we can obtain an accurate count of visitors, understand where they are coming from, how long they are staying, what they have purchased, as well as their demographics: household income, age, education, etc. Contract with Oxford Economics Symphony software has been executed and customization/ implementation is approximately 90% complete. Existing and new staff will be learning how to fully utilize the system in the coming months.
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| | | <ul style="list-style-type: none">• We are creating customized monthly reports for the Lodging Council, City Council, the Tourism Advisory Board and the general public. These will be launched in Dec. and Jan.• Have received initial numbers back from consultants to determine total visitation for 2019 and 2021 as those have been referred to as the baseline and high-water mark years, so we can better understand how that translates into total visitors and what a reasonable visitor target level may be. Both sets of numbers (Tourism Economics and Kimley Horn) are being reconciled and refined. This information is anticipated to be finalized and presented to Council in or around Feb 2024.• Continuing to train on Agility PR to monitor the messages being generated about Sedona, obtain global metrics for impressions and advertising value equivalency, as well as monitor the sentiment being shared: positive, negative, neutral, etc., to inform our communication efforts and messaging.• Tourism Advisory Board first meeting is set for Dec. 6 where they will go over Open Meeting Law and Rules of Procedure and have a listening session with Coraggio and DVA re: the development of the Tourism Strategic Plan and Sedona Branding.• Awarded branding and marketing contract to DVA and had kick off in November. Currently they are in the research phase of their scope of work, executing resident, visitor and nationwide surveys and meeting with stakeholders.• Hired Coraggio to execute a strategic plan. Kick off was in November with a plan expected in Mar. 2024.• Council approved three additional tourism positions, one manager and two additional coordinator positions for FY24. Hired one new tourism and economic initiatives coordinator in September and will post Tourism Manager position in Dec.• City staff attend and present updates at monthly Lodging Council meetings as they are major stakeholder. |
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		• In November, City and Chamber staff met to outline roles and responsibilities. More discussions will follow but we agreed the City will market and manage the destination and the Chamber will market businesses and provide them with support services. They have also begun to send us all travel trade leads as they no longer have staff capacity to manage those. • Launched all digital Winter Marketing campaign, called Sunshine to Spare on Nov. 15th and are monitoring to determine who saw the ads and ended up in Sedona for multiple nights. Results expected in Feb. New proposals for FY25: - (\$) Will be preparing a decision package for an estimated \$200,000 additional for dedicated destination marketing - (\$) Will be preparing a decision package for an estimated \$215,000 for two additional coordinator positions - (\$) Direction will be needed from both the Chamber and the City Council regarding intent and desire for continuing operations of the Visitor Center. City staff asked the Chamber CEO about their organization's willingness to continue operations and she indicated she would pose this question to her Board at their next meeting on Dec. 7th. This document was finalized prior to the 7th but we should have a response by the retreat on the 13th and 14th. Opening a City visitor center by next Jul. will not be possible.
Environmental Impact Study on OHVs/USFS Trail Access Based on Capacity Analysis	Completed: • RROCC update to Council on January 10, 2023. • Phase one Environmental Impact Study completed. Data collection and analysis included air quality, quantity of vehicles/traffic impacts, and noise only due to budget constraints. • GSRC update to Council in May	Current and planned actions: • City funded \$25k to USFS to initiate a facilitated stakeholder discussion of OHV issues in and around Sedona. Sustainability Manager is city staff lead for that collaborative multijurisdictional effort called the Greater Sedona Recreation Collaboration (GSRC) ○ Neighborhood visits and interviews complete ○ First working group meeting scheduled for January 4, 2023 ○ Co-convenors (FS, COS, AZ State Parks, AZ Fish & Game, Supervisor Michaels/Yavapai County) meet regularly to report individual projects and discuss next steps with the facilitator,

	2023.	Southwest Decision Resources (SDR). - Kimley Horn was selected for the project. Phase one of the project is complete which includes data collection for the spring high tourist season. Phase 1 results were limited and not conducted under optimal conditions for definitive findings but did not reveal any areas where regulatory action was warranted. There are no current plans to enter into a Phase 2 analysis, but GSRC does have an action team working to gather additional data and do their own analyses on OHV impacts. The Kimley Horn study and an after-action memo recommending changes for future studies to improve upon the data collection (methodology and locations) was shared with GSRC to further inform their own future data collection efforts. - Council has been discussing an ordinance that would prohibit OHVs on city streets while also exploring entering into a voluntary agreement with the local OHV rental industry for certain operating concessions in lieu of adopting the ordinance. The matter was discussed on Sept. 12 but the discussion was continued until April 9 2024. - GSRC work should culminate in recommendations and a presentation of findings and recommendations to Council. Timing to be determined.
Airport	Completed: - Yavapai County acknowledged City land use authority with respect to the proposed “Venue” event space at the airport. No submittals have yet been received. - RFP and consultant selection process completed. Aviation Management Consulting Group (AMCG) selected for consulting services to conduct evaluation. - Contract executed and study	Current and planned actions: - City and YC continuing to discuss exploration of the airport becoming City operated. - Consultant contract executed - Community engagement will also need to take place to assess community interest in this change, possibly to be done as part of the Community Plan update or additional scope of work for consultant team. - Full evaluation to include public input expected to take 12-18 months - The consultant’s team has completed project initialization, site visits, and data gathering. They are currently working on the

	commenced March 2023.	airport assessment and capital needs assessment. ○ An update on study findings and next steps is tentatively planned for Jan/Feb 2024 once there are findings to report.
Pickleball Courts	Completed: • Location 'C' was approved by Council on July 11, 2023	Current and planned actions: • Design for up to 8 new lighted courts at Posse Grounds Park in process. ○ Feedback from adjacent HOAs received ○ SWI contract for engineering design in process. Design and construction to be completed by end FY2024 ○ Reviewing architects for design of concession stand/restroom building New For FY 2025: • (\$) Complete construction of concession stand and restrooms. Will be included in CIP for Council consideration during the budget process.
Enterprise Resource Planning (ERP)	Completed: • RFP issued and top firm selected. • Contract approved by Council on Oct. 24, 2023. • Kickoff meeting held on Nov. 8, 2023.	Current and planned actions: • Planning for discovery meetings in process. Meetings scheduled for January 30 - February 1, 2024.
Revisit Land Dev. Code	Completed: • A round of updates was adopted in spring 2023 and fall 2023.	Current and planned actions: • This would be a staff facilitated, but consultant-driven, effort to look at the LDC with fresh eyes and new thinking as a result of the Community Plan update and the policy goals identified through that process, and to address other newer policy goals like housing, sustainability, tourism management, parking, etc. • Estimated to commence in FY26 or when Community Development and other impacted staff members' workload allows (leadership, sustainability, housing, tourism, etc.).

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| | | <ul style="list-style-type: none">• 2024 updates to the Building Code can precede the comprehensive update to the LDC, with specific additional changes to be made after the LDC update is completed.• Would be useful to complete a parking master plan first to inform potential changes to parking requirements in the LDC. This planning effort is not currently programmed. |
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Other Projects/ Initiatives

Pursue Internal Performance Audit Program	As staff time allows.	Evaluate opportunities to develop an internal audit/auditor program.
Development Impact Fee (DIF) Update	Completed: Kickoff meeting and planning meetings held on Oct. 18, 2024.	Staff is gathering the necessary data and the consultant is reviewing what has been submitted so far.
Update the Building Code		- Adoption of Property Maintenance Code – future item to Council. - Update to fees –future item to Council when staff resources allow. - Additional changes will likely be needed as a result of Land Development Code changes to support housing, sustainability and other policy goals (see item above). - Updates to the International Building Codes (IBC, IRC) are proposed to start in early FY2025 and can precede the comprehensive update to the LDC, with specific additional changes to be made after the LDC update is completed. These updates would be from the standardized 2018 codes to the 2024 codes (with local amendments). Estimated to begin process in spring 2024 with final adoption in fall 2024.