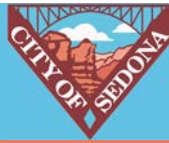


AGENDA



CITY COUNCIL RETREAT

WEDNESDAY, DECEMBER 11, 2024 8:00 A.M.
& THURSDAY, DECEMBER 12, 2024 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. Presentation of Updates regarding the following:

- i. Overview of Retreat Format and Schedule
- ii. Financial Context, Budget & Spending Overview
- iii. Citywide Staff Priorities - summary
- iv. Review of Community Plan Goals and Support:
- v. Circulation Goal
 1. Overview
 2. Public Transit
 3. Parking Management
- vi. Environment & Sustainability Goal
 1. Wastewater
 2. Stewardship
 3. Stormwater, Floodplain & Water Quality Management
- vii. Land Use
- viii. Livability
 1. Public Safety
 2. Quality of Life

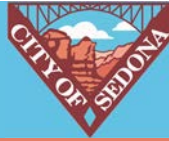
Thursday, December 12, 2024 beginning at 8:00 a.m. (Items not completed on Wednesday, December 11, 2024 will be continued on Thursday, December 12, 2024 at 8:00 a.m.):

- ix. Review of Retreat Schedule
- x. Community Goal
 1. Overview
 2. Arts & Culture
 3. Small Grant Program
- xi. Economy & Tourism Goal
 1. Overview
 2. Broadband
- xii. Housing Goal
 1. Overview
 2. Homelessness Study
 3. Short-Term Rentals
 4. Legislative Priorities
- xiii. Good Governance

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.

AGENDA



CITY COUNCIL RETREAT

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Page 2, City Council Meeting Agenda Continued

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: 12/05/2024

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.

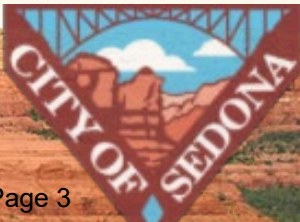
NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Sedona makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Sedona City Council meetings are recorded and may be viewed on the City of Sedona website. If 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

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

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City of Sedona Priority Update

Council Priorities, FY 2024/25
December 11-12, 2024



Schedule – Day 1

1. Overview
2. Budget Review
3. Circulation Goal
 - Sedona In Motion • Public Transit • Parking Management
4. Environment & Sustainability Goal
 - Wastewater • Stewardship • Stormwater, Floodplain & Water Quality
4. Land Use Goal
5. Livability
 - Public Safety • Quality of Life
6. Day 1 Discussion

Schedule – Day 2

7. Community Goal

- Parks & Recreation • Arts & Culture

8. Economy & Tourism Goal

- Tourism, Marketing & Communications • Broadband

9. Housing Goal

- Housing & Homelessness • Short-Term Rentals • Legislative Priorities

10. Good Governance

11. Citywide Staff Recommendations / Council Topics

12. Day 2 Discussion

Community Plan Goal Areas

Community Goal

Build a strong sense of community and culture.

Circulation Goal

Build a complete and connected circulation network that is safe, convenient, and efficient for all users and all modes of travel.

Environment & Sustainability Goal

As responsible stewards of the natural environment, Sedona maintains a lasting water supply, healthy ecosystems, and the ability to adapt to changing conditions.

Community Plan Goal Areas

Economy & Tourism Goal

Sedona's Economy is resilient and sustainable, and tourism is managed to ensure a healthy balance between environmental stewardship, community quality of life and visitor expectations.

Housing Goal

Sedona has diverse housing options that are safe, secure, and affordable.

Land Use Goal

Sedona's unique sense of place and stewardship of the natural environment is reflected in the design of the built environment.

“Livability” and “Good Governance”

- Categories for expenditures that don’t fit within a Community Plan Goal area but are key to serving the community

Livability

Police, Code Enforcement – functions that ensure the City is safe, healthy, and livable.

Good Governance

Internal Services (Finance, IT, HR), City Attorney, City Clerk, and Management – functions that ensure good stewardship, use of best practices, and high performance.

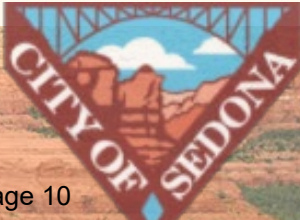
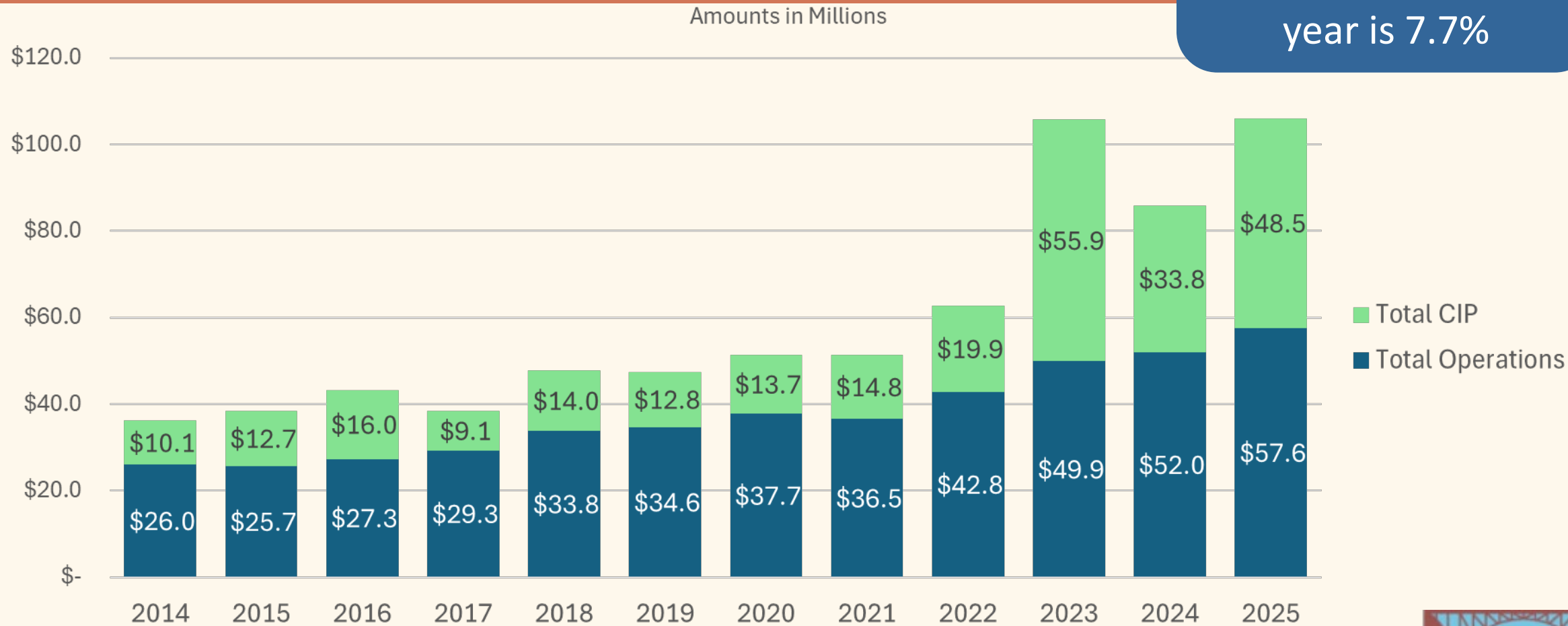
Budget and Performance Review

Barbara Whitehorn, Director of Financial Services

Review of City budget and actuals over time.

City Budget, FY 2014 through 2025

The average increase in the operating budget year-over-year is 7.7%

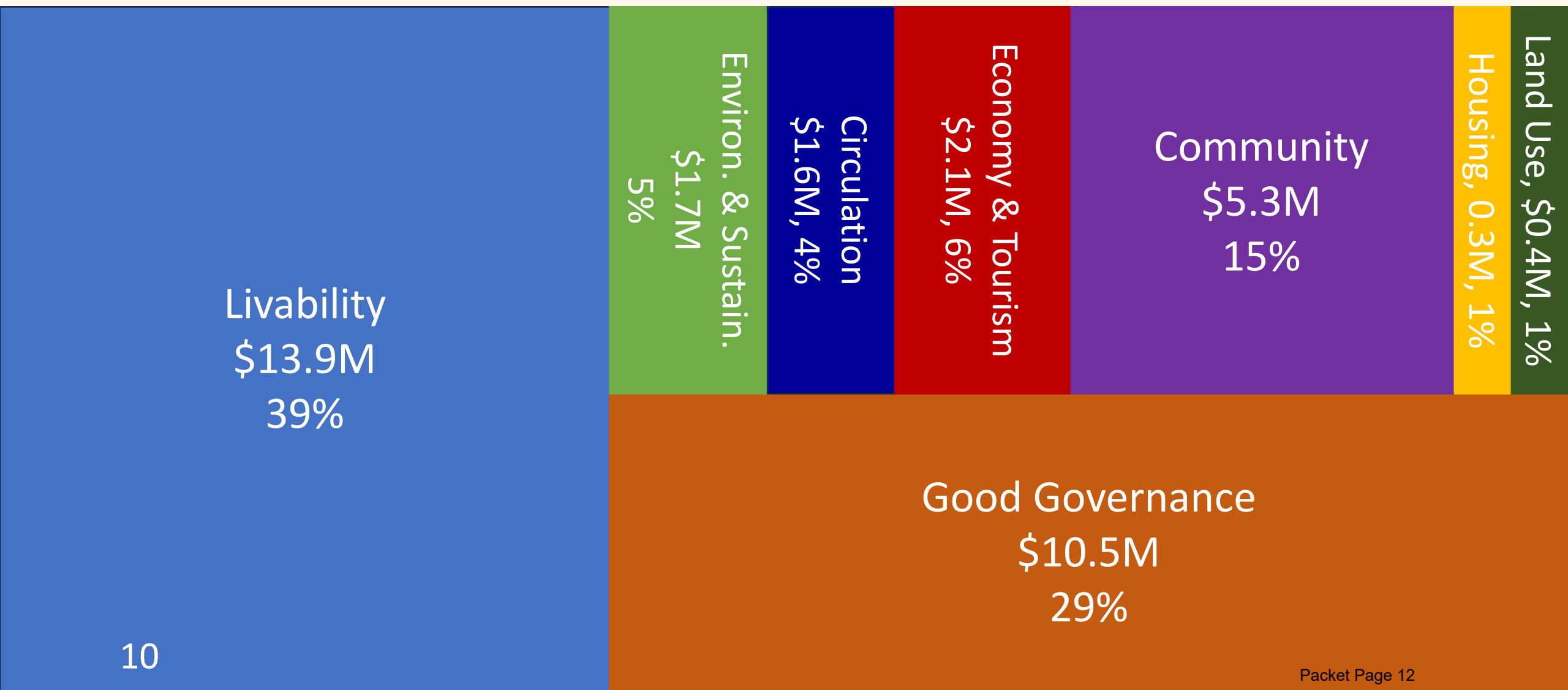


City Funds and Purposes

- General Fund
 - Primary governmental operating fund
- Wastewater Fund
 - Utility enterprise fund
- Public Transit Fund
 - Transit enterprise fund
- Streets Fund
 - Governmental operating fund
- Capital Improvement Fund
 - Governmental capital fund
- IT Fund
 - Internal Service Fund
- Transportation Sales Tax Fund
 - Special Revenue Fund
- Grants & Donations Fund
 - Special Revenue Fund

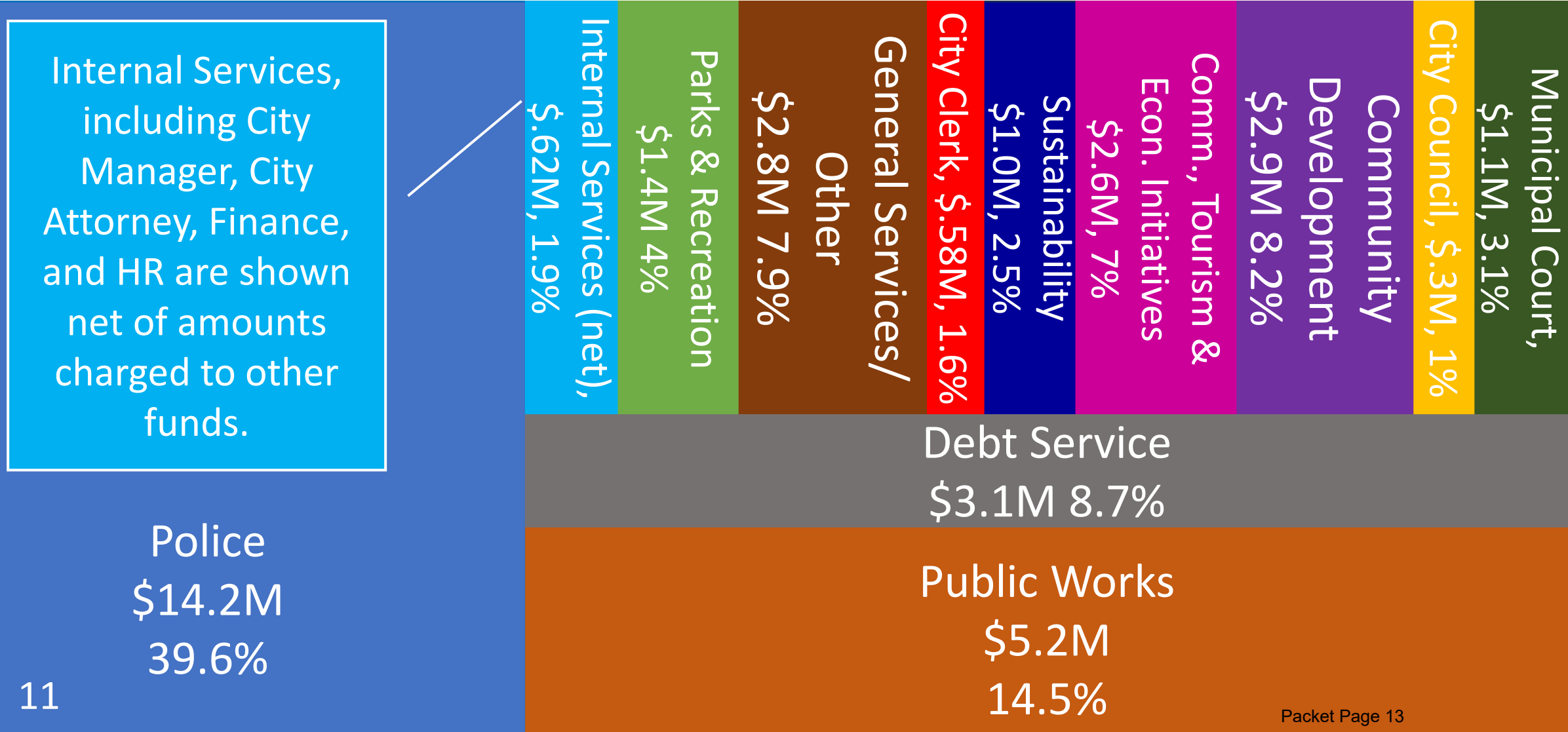
FY 2025 General Fund Operating Budget

Building Blocks – Total Budget: \$35.8M

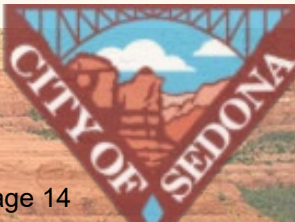
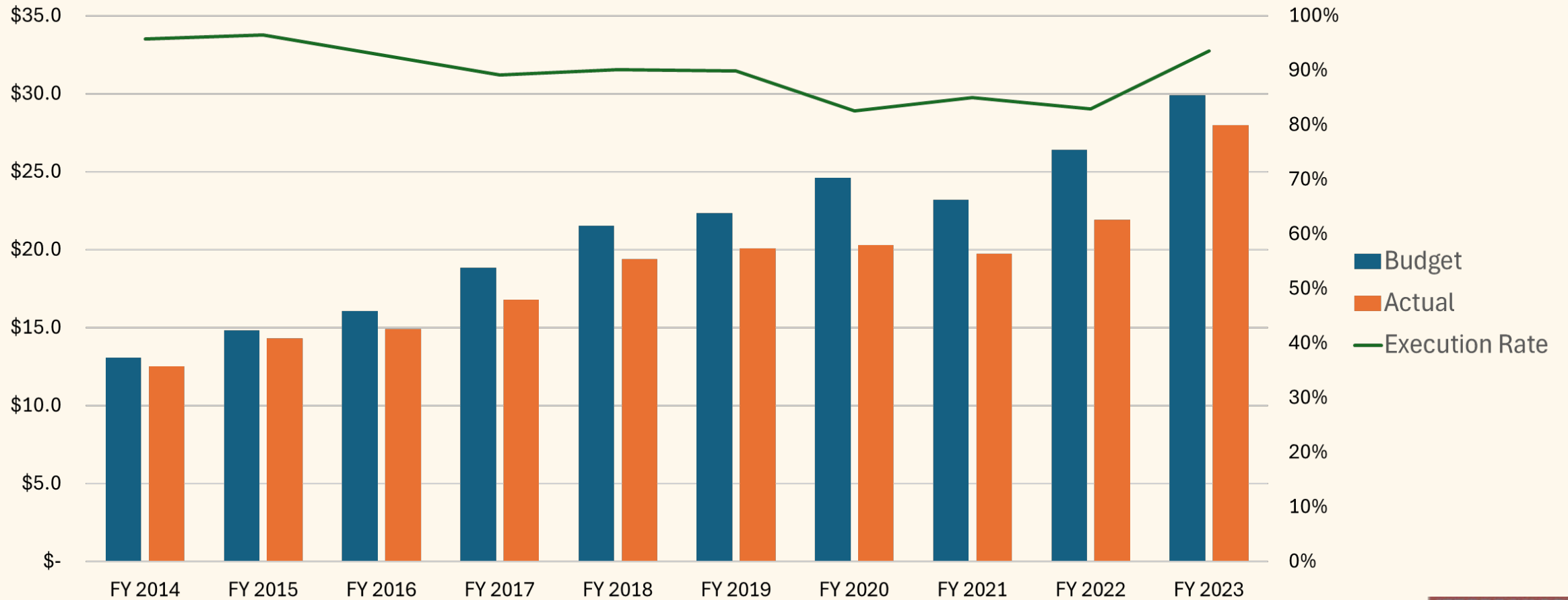


FY 2025 General Fund Operating Budget

Building Blocks – Departments

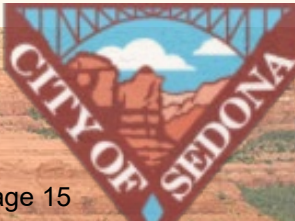
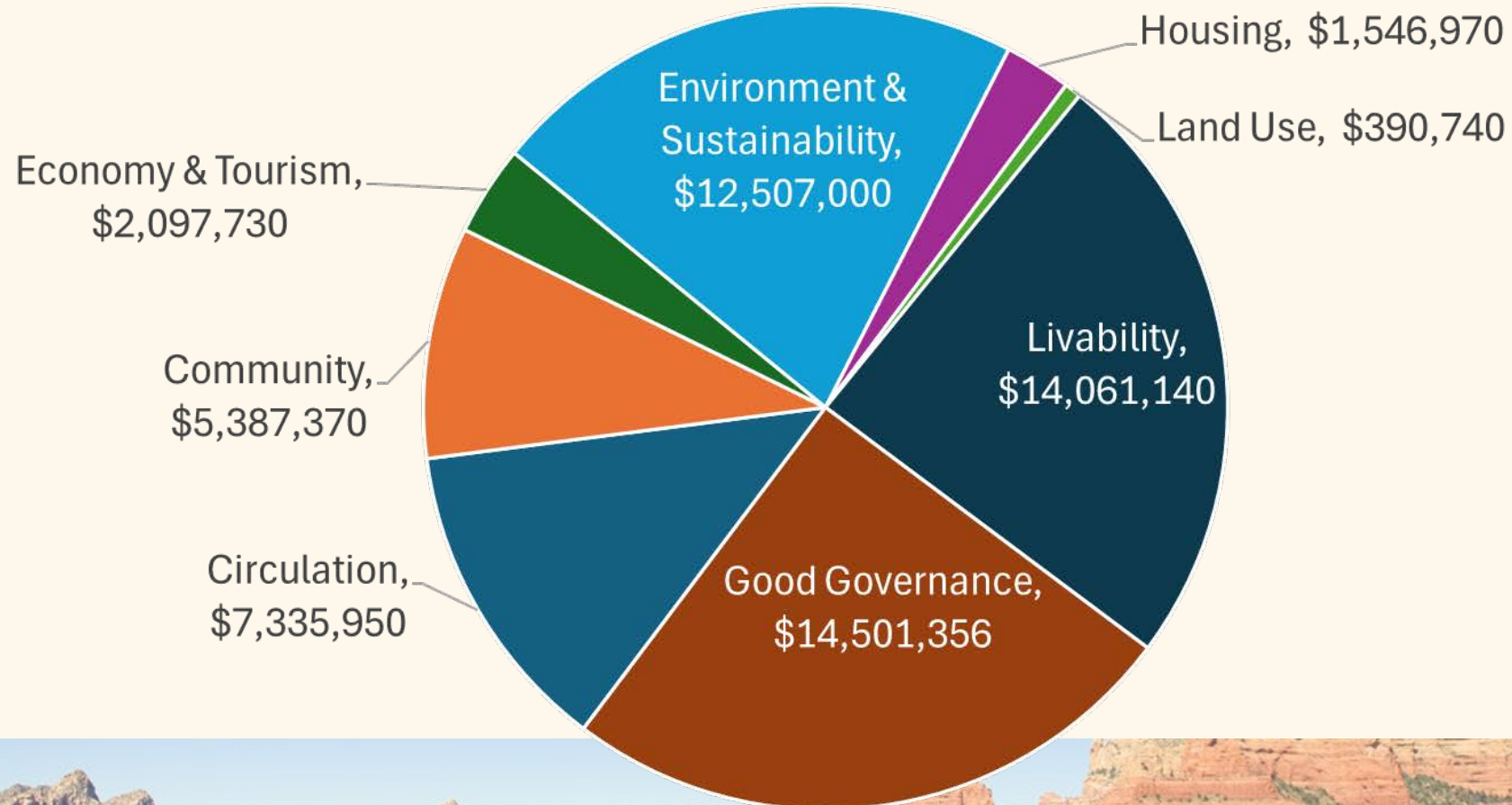


General Fund Budgetary Performance



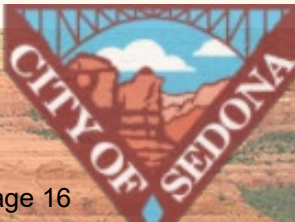
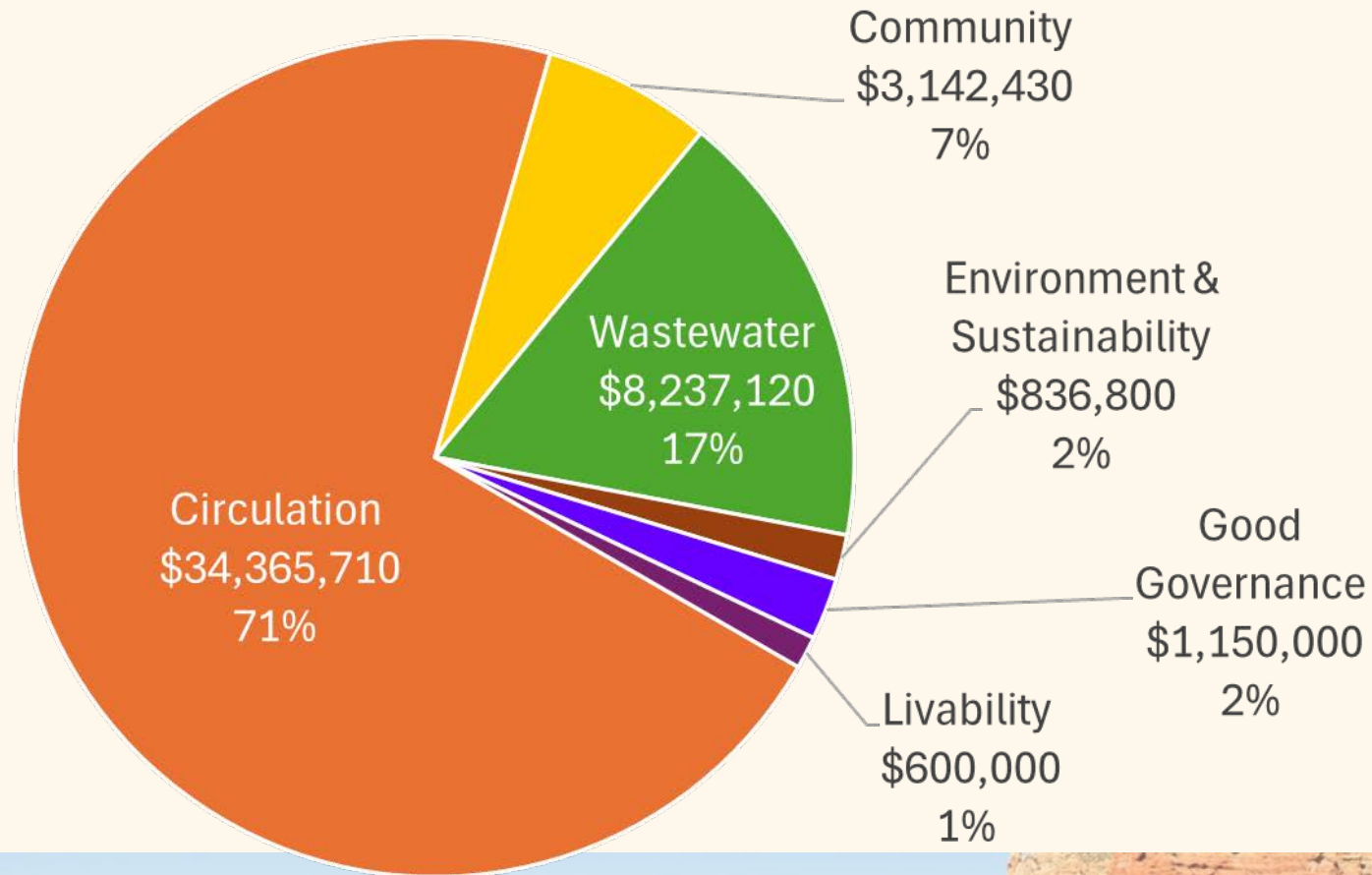
City-wide Operations by Goal Area

FY 2024/25 Operating Budget



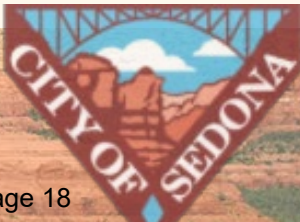
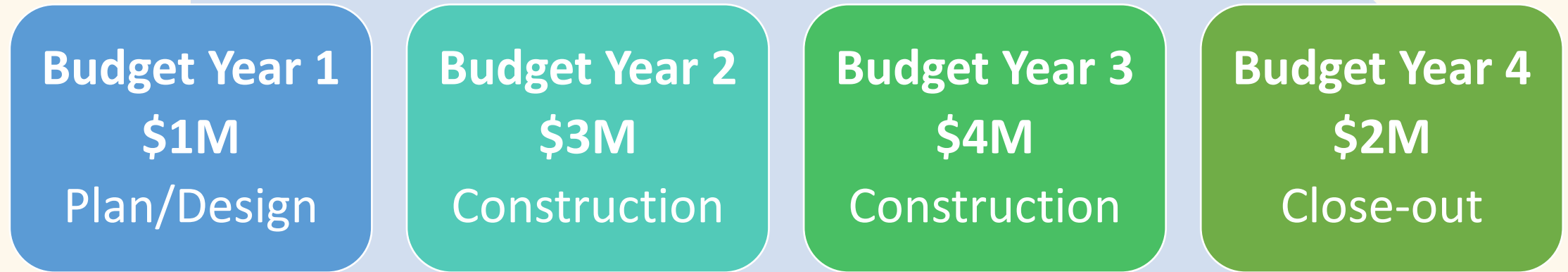
Capital Projects by Goal Area

FY 2024/25



Capital Project Timing and Budgeting Overview

Capital Projects: Budgeting



Capital Projects: Budgeting and Reality

Funds “leftover” in the project budget in any given year are included in the following year’s budget.

Budget Year 1
\$1M
Actual: \$1M

Budget Year 2
\$3M
Actual \$1M

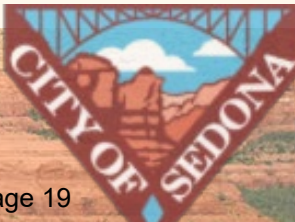
Budget Year 3
\$6M
Actual \$4.5M



Budget spent in
Year 1

“Leftovers” of
\$2M roll into
Year 3

“Leftovers” of
\$1.5M roll into
Year 4



Capital Budget Policy

Priority 1: IMPERATIVE (must-do)

- Legally required
- Health and safety

Priority 2: ESSENTIAL (should-do)

- Replaces/rehabilitates obsolete infrastructure
- Leverages available state or federal funding
- Maintains existing natural resources, mitigates impacts on the environment
- Reduces future operating costs

Capital Budget Policy

Priority 3: IMPORTANT (could-do)

- New or expanded level of service
- Stimulates economic growth and private investment
- Enhances cultural and/or natural resources

-
- Projects that do not fall into Priority 1-3
 - Scheduled 4+ years in the future

Citywide Staff Recommendations: Preview

Operational and capital priorities in support of exceptional service to the community.



Staff Recommendation Areas

- Traffic Mitigation
- Sustainability Initiatives
- Housing & Homelessness
- Fleet Management
- Policy Updates

Community Plan Goal Areas



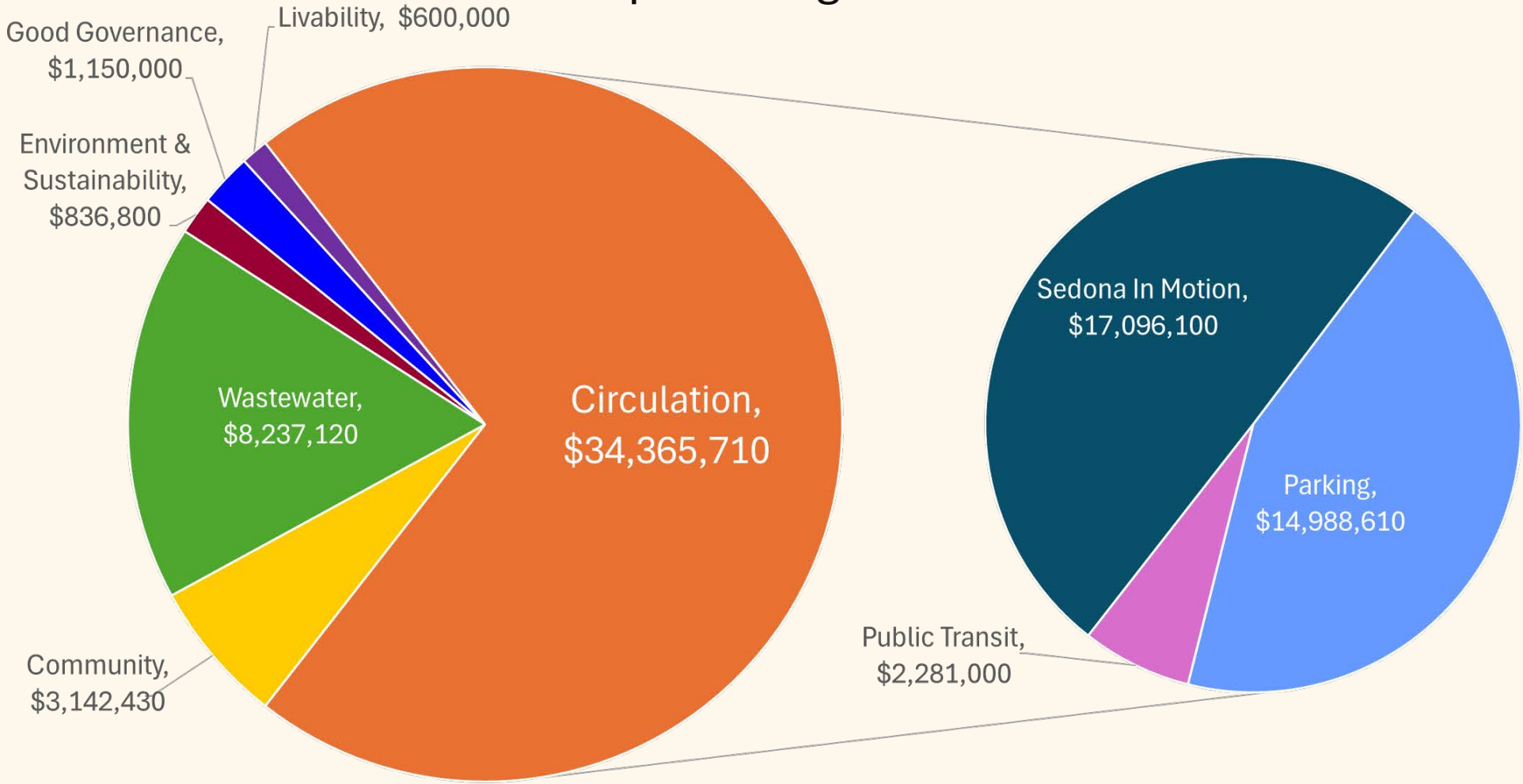
Circulation Goal

J. Andy Dickey, Deputy City Manager
Kurt Harris, Director of Public Works

Build a complete and connected circulation network that is safe, convenient, and efficient for all users and all modes of travel.

Capital Budget FY 2024/25

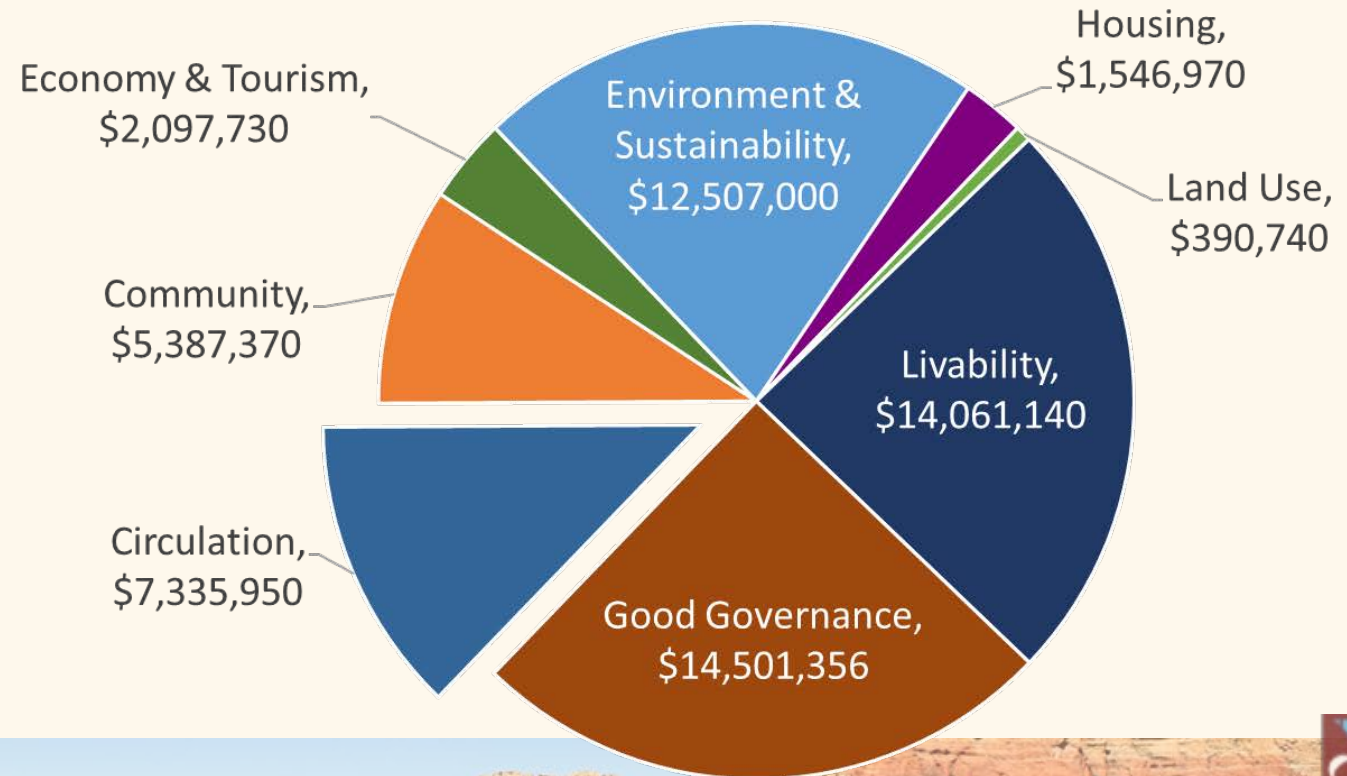
Projects related to the Circulation Goal account for 71% of the capital budget for FY 2024/25.



Circulation

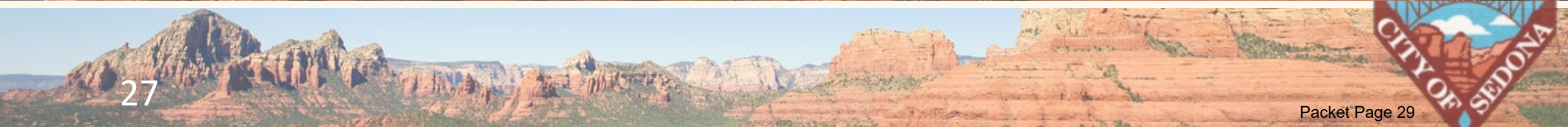
Operationally, 4% of the General Fund budget and 13% of the overall City budget is aligned with the Circulation Goal.

FY 2024/25 Operating Budget



Circulation: Sedona In Motion (SIM)

Projects designed to improve traffic flow, support transit, provide non-motorized travel options by improving walking and bike-riding paths, and improve safety. Projects are focused on reducing environmental and visitor traffic impacts and preserving Sedona's beauty and livability.

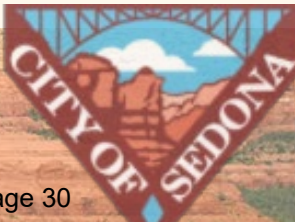
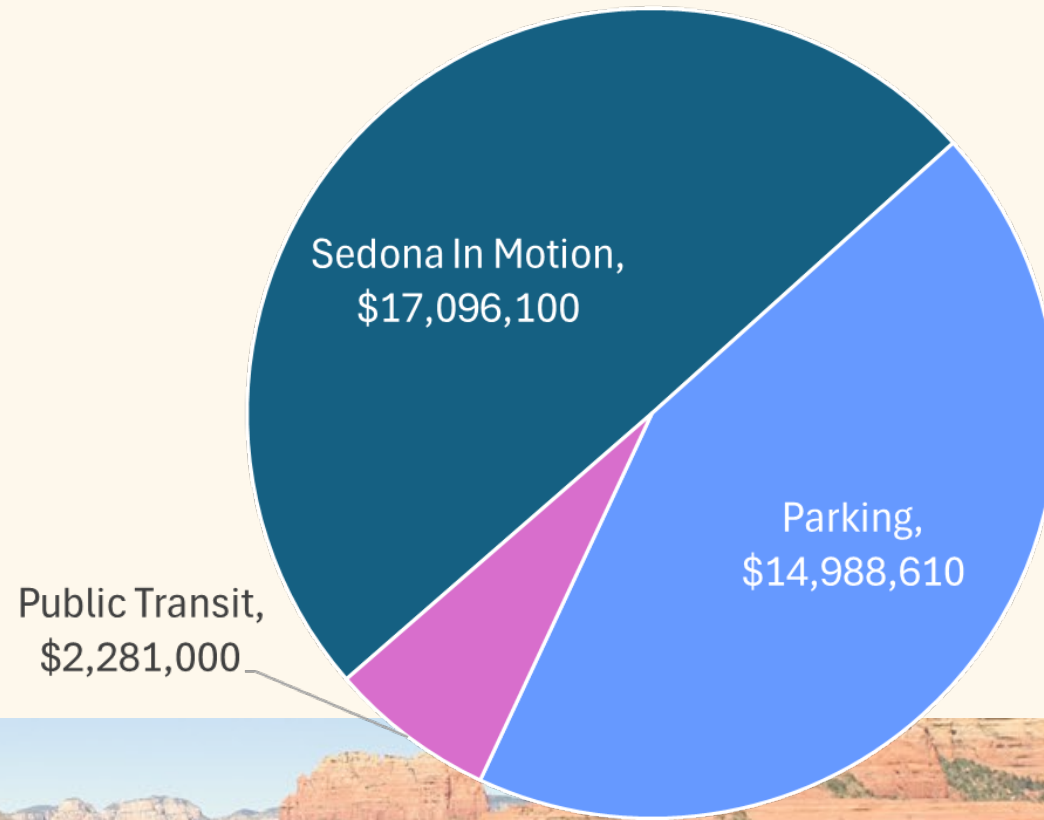


Sedona In Motion

35.4% of the overall capital budget is related to SIM Projects.

49.7% of the capital project budgets addressing the Circulation Goal are related to SIM.

Capital Budget FY 2024/25



Order of Planned Completion

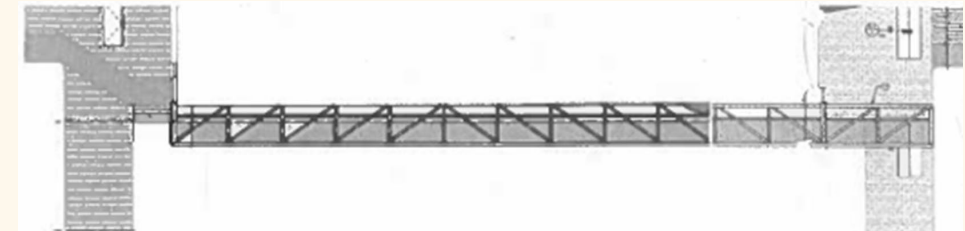
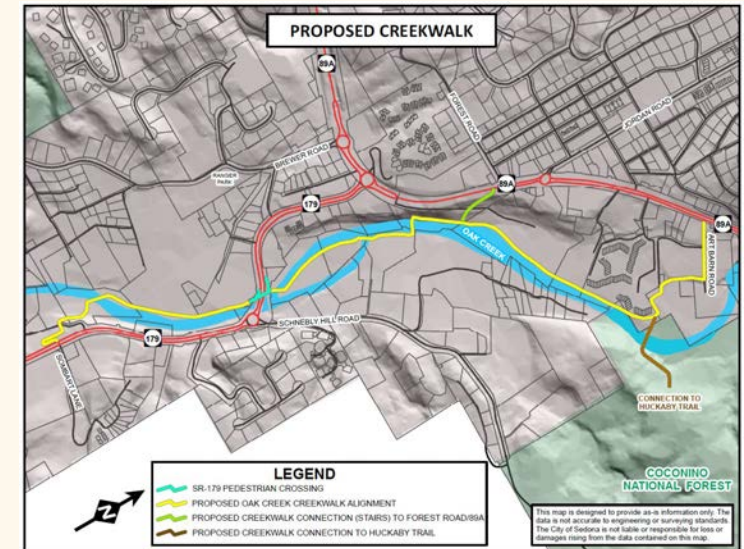
- 1 Uptown Roadway Improvements
- 2 Los Abridados/Brewer Connection
- 3 Pedestrian Crossing of Oak Creek
- 4 SR 89A Northbound Improvements
- 5 Forest Road Extension
- 6 Uptown Parking Garage
- 7 Ranger/Brewer and Ranger Extension Project
- 8 Future Forest Road Intersection and Brewer Roundabout Modifications
- 9 Portal Lane Connection
- 10 Ranger Auxillary Lane
- 11 Proposed Mobility Hub Location

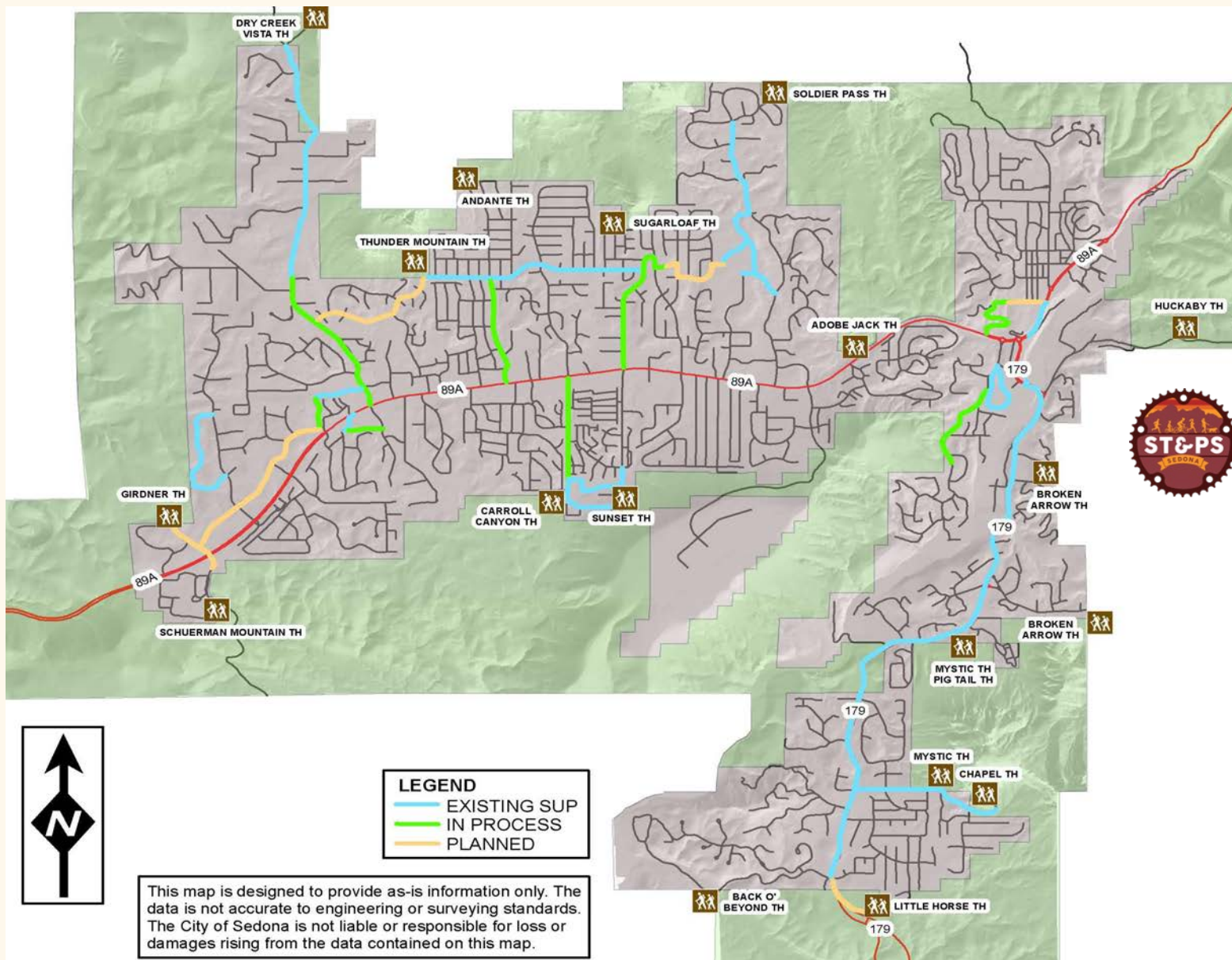
- Construction Complete
- Construction Phase
- Design Phase
- Study Phase

- Enhancement Objectives:
- Bypass the 'Y' Roundabout
- Provide Alternative Connections
- Reduce traffic friction
- Integrates with consolidated parking and transit
- Emergency Evacuation
- Safety

Circulation – Future Opportunities

- New proven technology for on-demand or dynamic traffic synchronization
- Preemption for emergency service and transit





- Shared Use Pathway System (CR1)

8.3 miles constructed

3.5 miles in process



Circulation: Public Transit

J. Andy Dickey, Deputy City Manager
Robert Weber, Transit Administrator

A Public Transit system that provides an efficient and effective alternative to driving, mitigating congestion in the City.

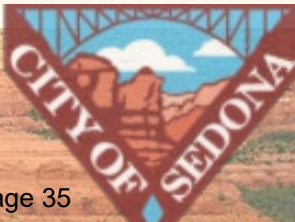
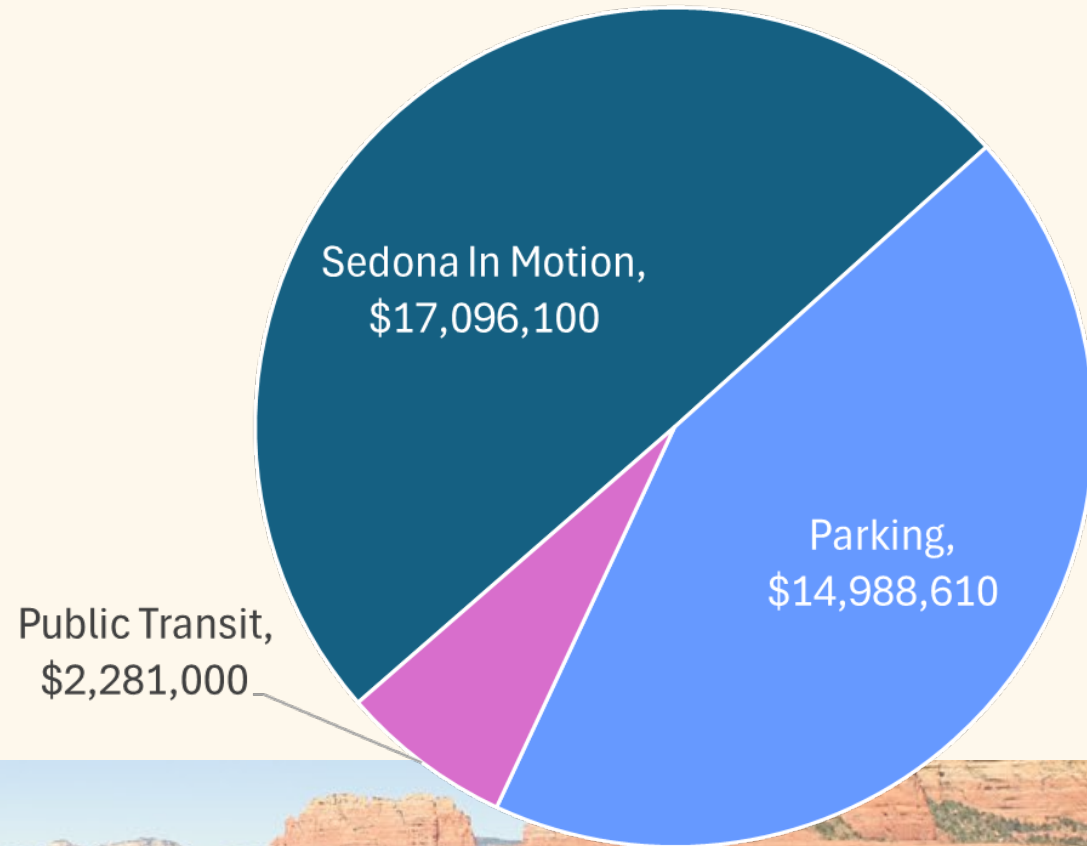
Public Transit

4.7% of the overall capital budget is related to Public Transit.

6.6% of the capital project budgets addressing the Circulation Goal are related to Public Transit.

FY 2025 Transit capital budgets have not been expended yet.

Capital Budget FY 2024/25



Circulation: Public Transit (CR1)



- \$520,000 (\$800,000 in FY 2023/24)
- \$236,000 (\$856,370 in FY 2023/24)
- \$75,000
- \$1,350,000 (\$30,000 in FY 2023/24)
- \$100,000

Circulation: Public Transit - Future

FY25-26 Transit Enhancements

- Uptown & West Sedona Transit Fixed Route Circular Study
 1. \$46,000 (80% 5311 Grant Funded)
 2. Federalizes the project (Future Grant Funding).
 3. Supports uptown consolidated parking / Park Once model.
 4. Modify Verde Shuttle routing (short-turn at new parking garage).
 5. Integrates parking management into planning effort.

FY25-26 Vehicle Procurement

- Planned Bus Purchases
 1. Awarded \$210,124 grant (85% 5339 Grant) for one micro transit bus
 2. Applied for \$326,000 grant (85% 5339 grant) for two (2) 25-foot fixed route shuttle buses.

Circulation: Public Transit

Increase Federal & State Transit Funding For Future System Expansion

- Continue to pursue Federal & State funding opportunities.
- Increase regional lobbying efforts for state transit assistance funding.
- Explore alternative governance models to allow for direct access to federal transit funding.



Circulation: Parking Management

Lance Lunsway, Parking Manager

Kurt Harris, Director of Public Works

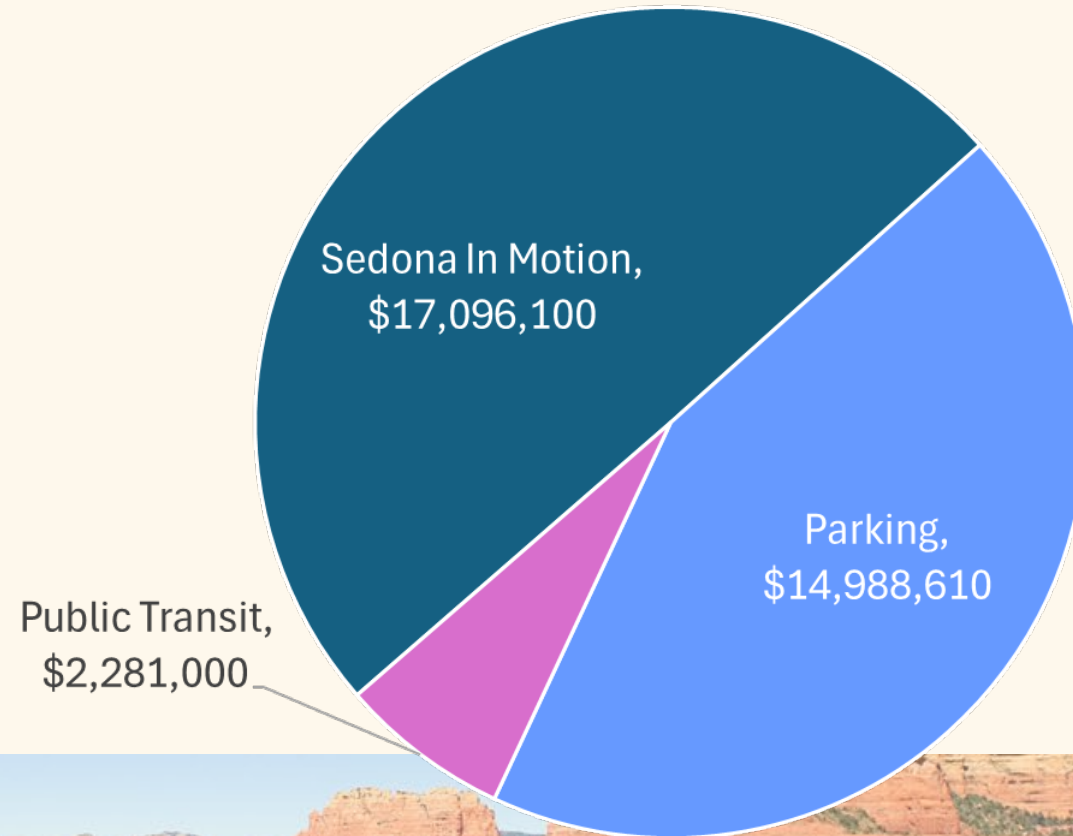
Managing parking availability within the City.

Parking Management

Capital Budget FY 2024/25

31.0% of the overall capital budget is related to Parking Management.

43.6% of the capital project budgets addressing the Circulation Goal are related to Parking Management.



	Budget		Actual Spend	
FYs 2020-2022	\$	2,504,094	\$	1,854,303
FY 2022/23	\$	8,149,770	\$	247,162
FY 2022/24	\$	1,024,560	\$	602,470
FY 2022/25	\$	13,893,610	\$	2,347,833
FY 2022/26	\$	8,700,000	\$	-
Total	\$	34,272,034	\$	5,051,769

Remaining Budget	\$ 29,220,265
------------------	---------------

Parking Management

Initiatives:

- Parking Management & Guidance system (CR5)
- Parking Fee Study
- Develop a resident parking permit program
- Develop an employee parking program
- Evaluate parking consolidation

Parking Management



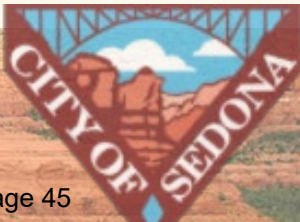
- Partnership with Transit and ST&PS
- "Park Once"
- Use technology to reduce traffic
- Create Uptown Shuttle Circulator (CR3)
- Modify Verde Shuttle route to the garage
- Multi-modal programs

Supporting Community Contracts

- Community Contracts supporting the Circulation Goal:
- Verde Shuttle
 - \$350,000
- Total Community Contracts:
 - \$2,455,980
- 14.3%

Circulation Goal – Check-in

Sedona Community Plan, Chapter 6, page 78



Environment & Sustainability Goal

Roxanne Holland, Wastewater Director

J. Andy Dickey, Deputy City Manager

Bryce Beck, Sustainability Manager

Sandra Phillips, Assistant Director of Public Works

As responsible stewards of the natural environment, Sedona maintains a lasting water supply, healthy ecosystems, and the ability to adapt to changing conditions.

Environment & Sustainability: Wastewater

Roxanne Holland, Wastewater Director

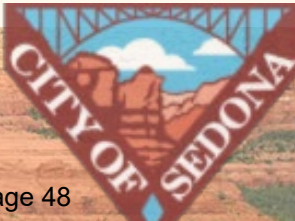
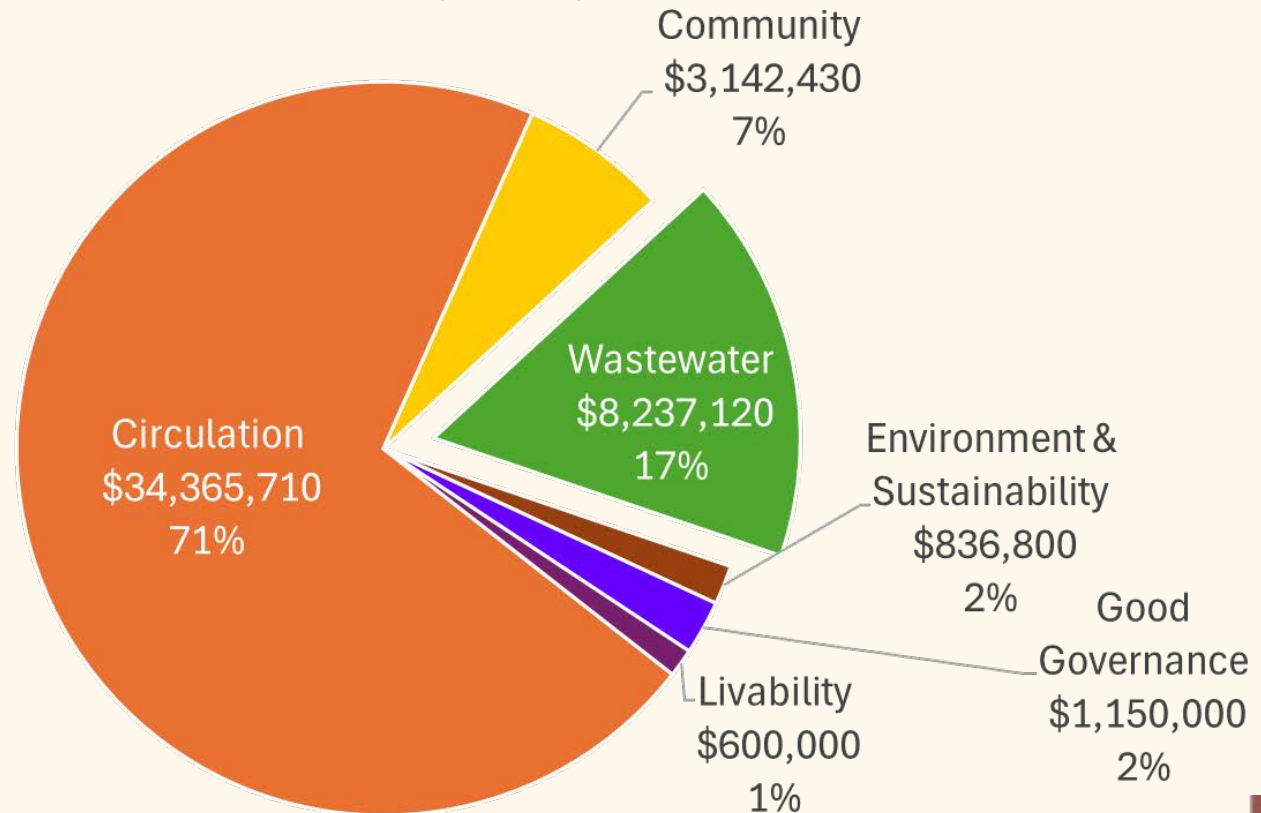
Wastewater

Capital Budget

17% of the City's capital budget are Wastewater projects.

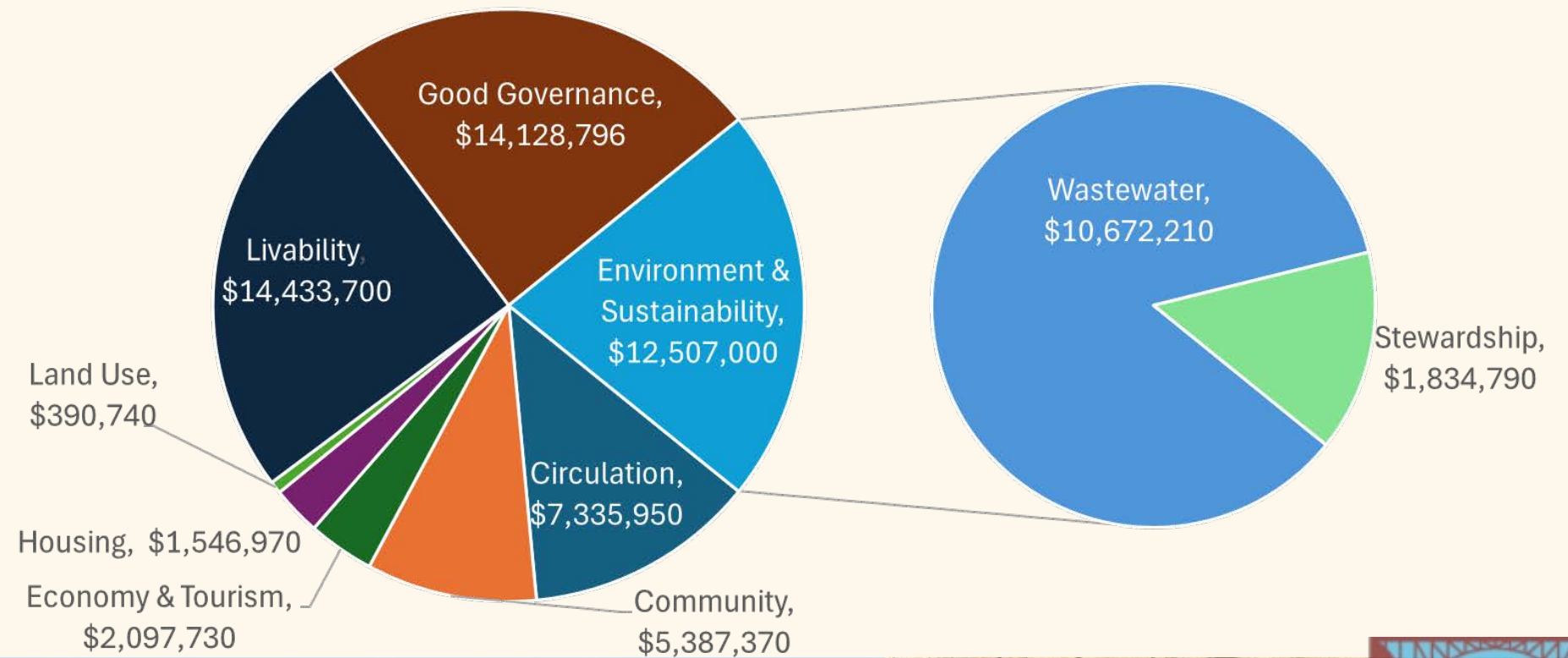
Year-to-Date:
\$1,853,868 spent of
\$8,237,120 budget

FY 2024/25



Wastewater

FY 2024/25 Operating Budget

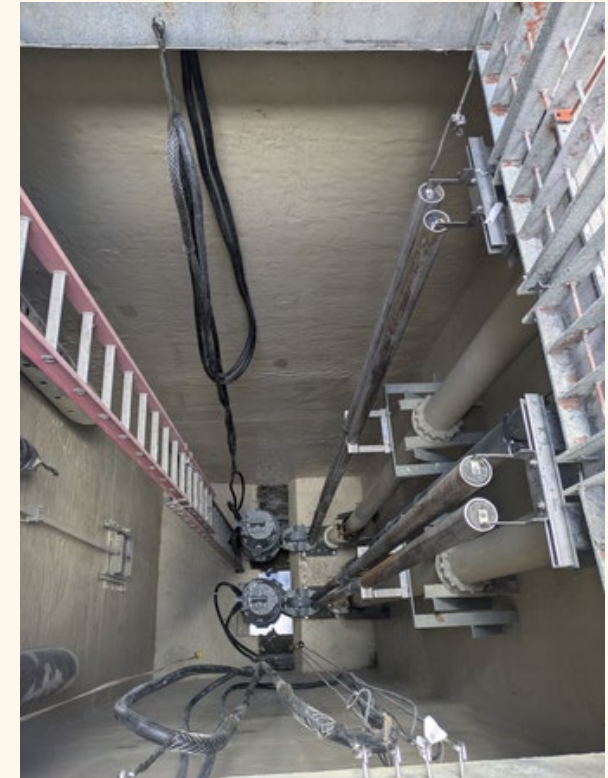
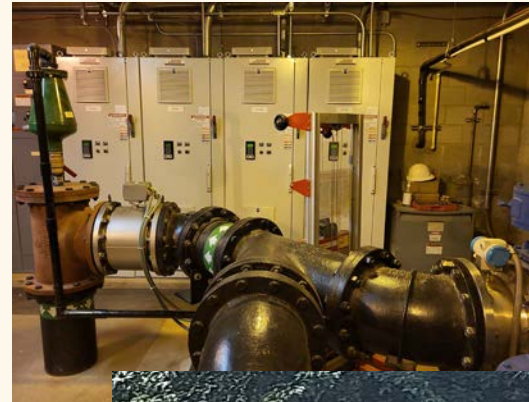


Wastewater

WW-01F: Major Lift Station Upgrades

FY25 Budget: \$3,460,620

- Upgrade lift station controls, install new pumps, VFD's, flow meters & transfers switches. Refresh wet well coatings
- Brewer Lift Station is 100% complete
- Carrol Canyon Lift Station 50% complete
- El Camino Lift Station 25% complete
- Scheduled Completion of March 2025



Wastewater

WW-09: WWRP Treatment Process Upgrades

FY25 Budget: \$3,515,500

- Replace existing Ultra-Violet (UV) disinfection system with new
- New system will be a non-contact system
- Anticipated energy savings and lower operational costs
- CMAR Contract approved
- Active construction to begin Feb. 2025
- Estimated project completion: Fall 2025



Wastewater

WW-19: WWRP Facility Plan

FY25 Budget: \$250,000

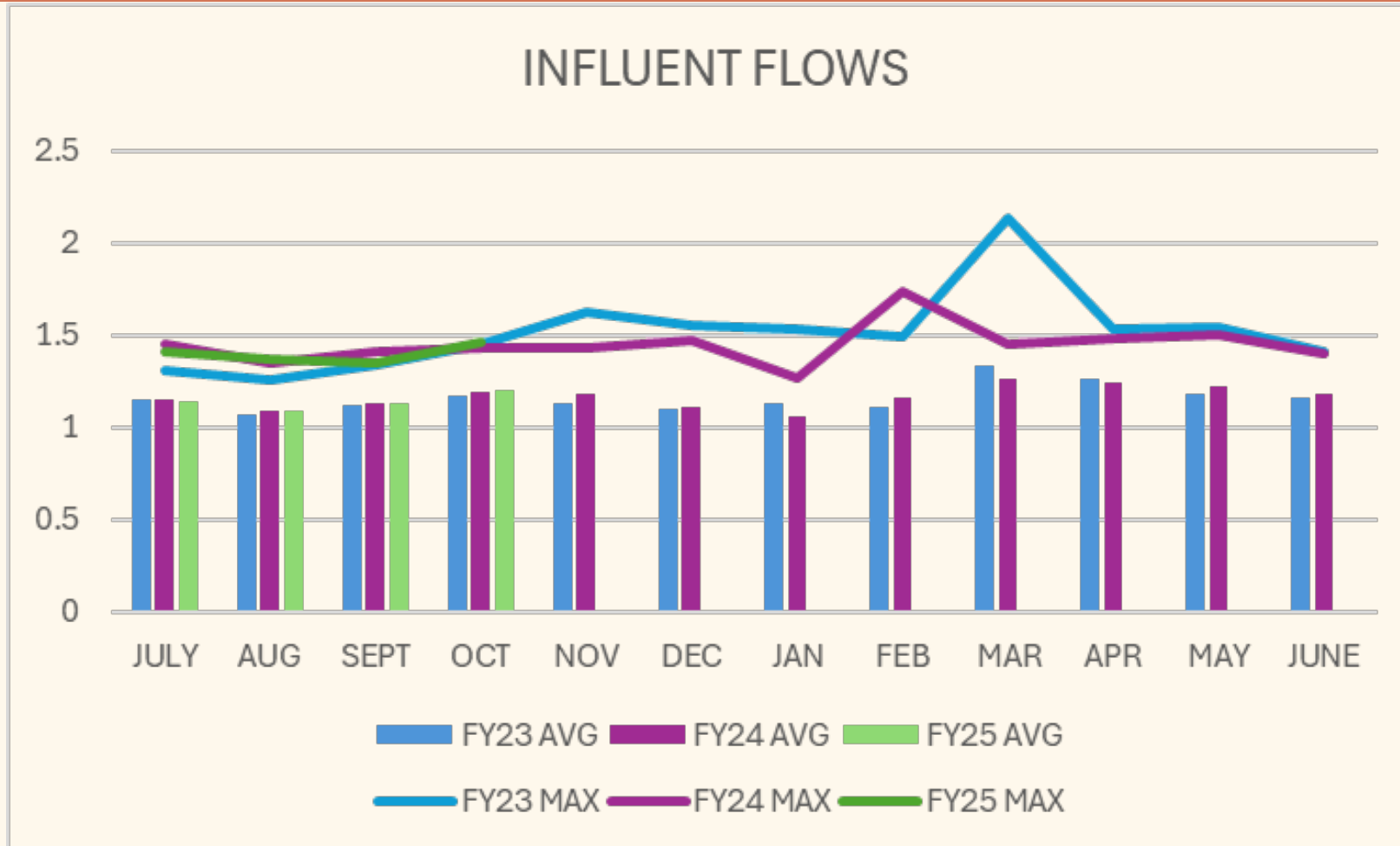
- Evaluate capacity needs for flow and wastewater strength
- Evaluate options for PFAS removal
- Evaluate options for reclaimed water delivery to city limits
- Evaluate feasibility for Advance Water Purification
- Provide framework for decision making on effluent management and water policy



Wastewater



Wastewater



Wastewater

-
- Additional treatment processes
 - Additional staffing needs
 - Capital costs to implement
 - Increase in operating budget

Upcoming Regulatory Options:

- Advanced Water Purification
- Not a requirement but an option
 - Additional treatment processes
 - Additional staffing needs
 - Capital costs to implement
 - Increase in operating budget
- Final rulemaking will be in 2025
- Coordination with water providers

Environment & Sustainability: Stewardship

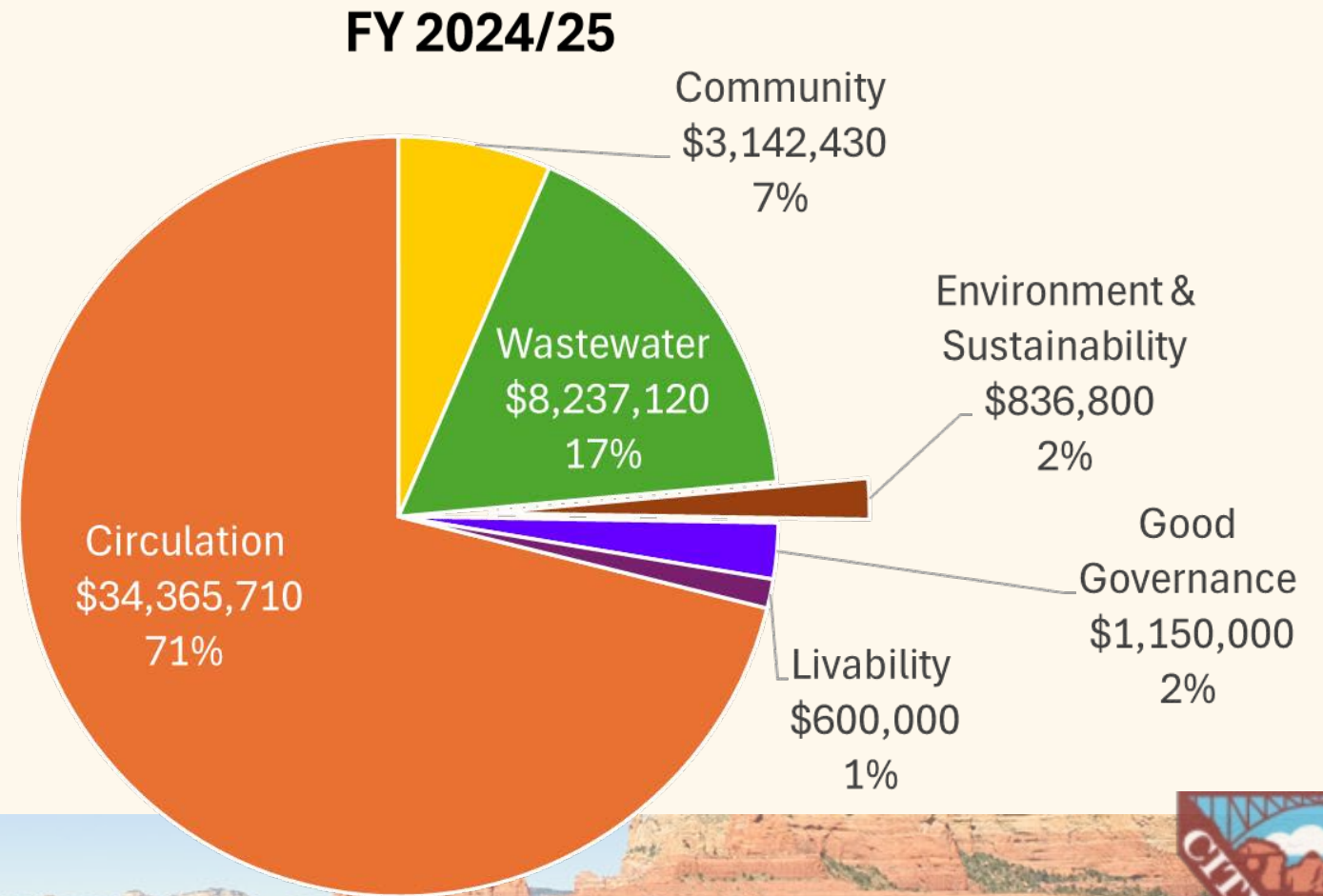
J. Andy Dickey, Deputy City Manager
Bryce Beck, Sustainability Manager

Stewardship

Capital Budget

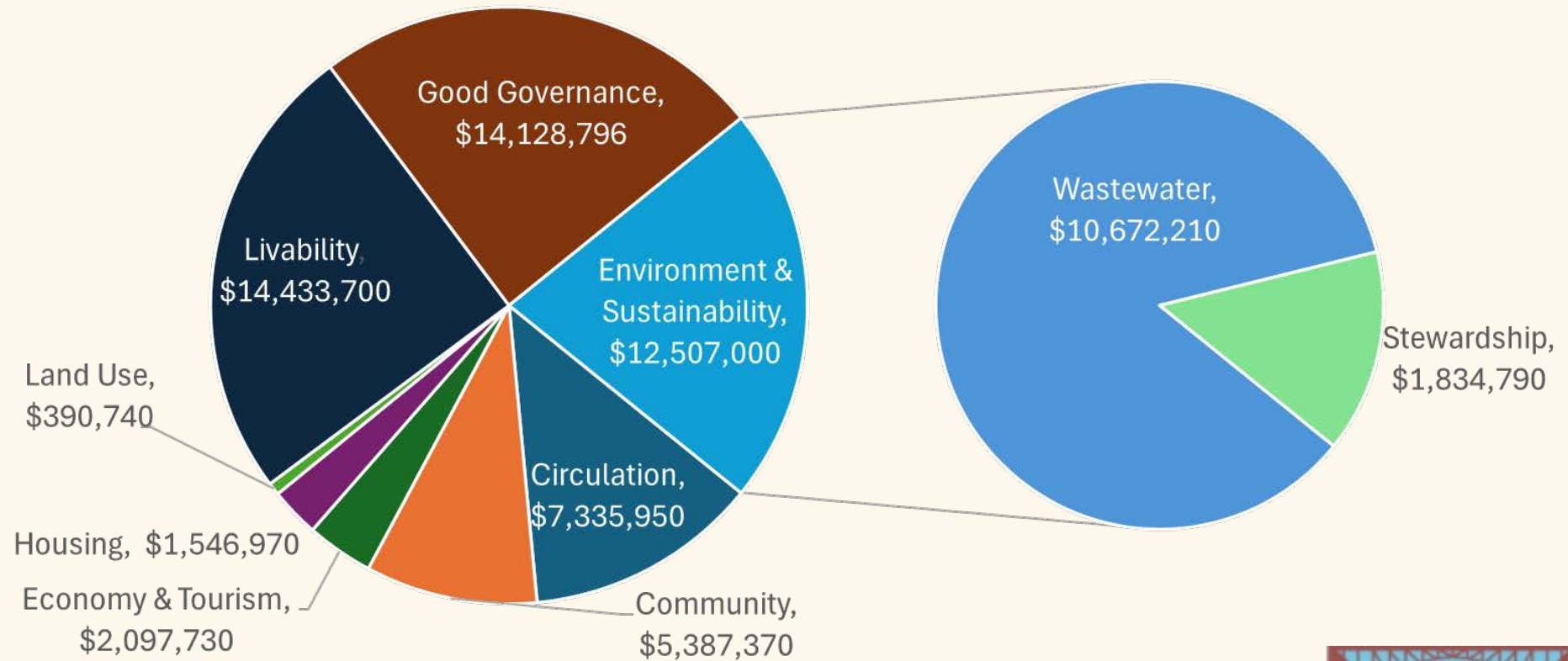
1.7% (\$836,800) of the capital budget is related to Environment & Sustainability, with 1.4% (\$686,800) in Stewardship projects.

The project budgets have not been expended yet.



Stewardship

FY 2024/25 Operating Budget



Stewardship

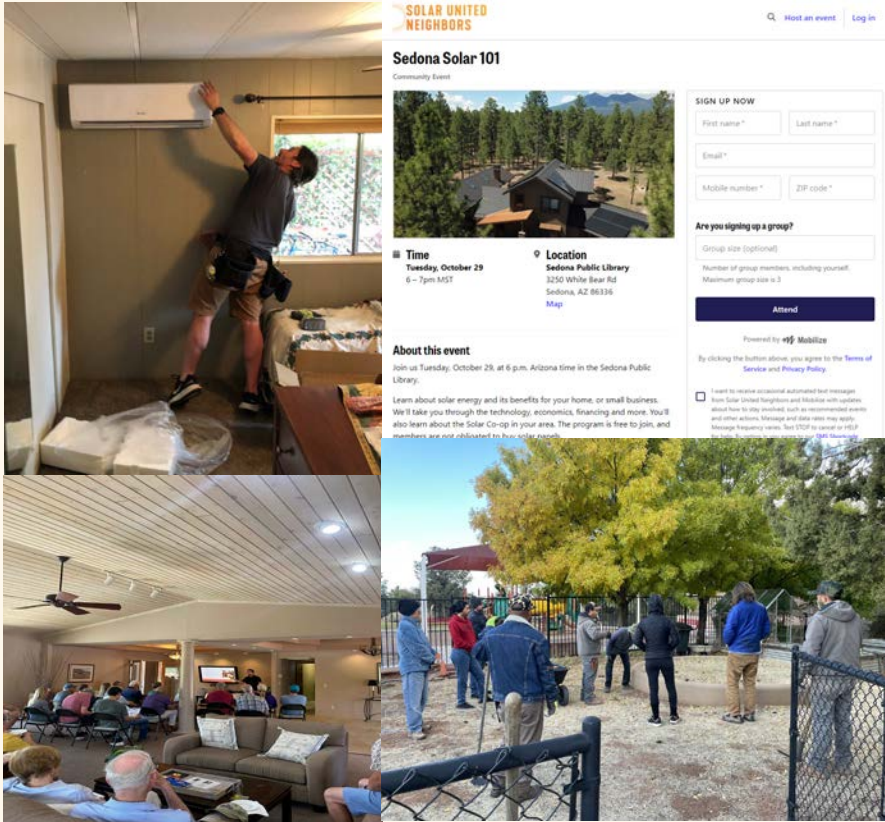
FY25 Completed Projects

- 6th Annual Household Hazardous Waste Event - \$62,000 Budget (ES22)
- Project WET Water Festival - extension of Ripple Effect Program (ES19)
- Green Business Bootcamp Facilitator with Local First Arizona (ES5)
- Installed Smart Recycling Receptacles, \$53,650 ADEQ Grant (ES22)
- School Climate Action Artwork (ES19)
- Waste Diversion Efforts at Food Truck Festival (ES22)
- Energy Efficiency and Emergency Preparedness Workshops (ES19)



Stewardship

Ongoing FY25 Programs



- 4th Round of Home Energy Retrofit Project with CozyHome - \$90,000 Agreement (ES19)
- 4th Round of Community Composting Program with Compost Crowd - \$16,000 Agreement (ES22)
- Watershed Cleanups and Invasive Monitoring Partnership with Oak Creek Watershed Council - \$25,000 Agreement (ES17/ES18)
- 4th Northern Arizona Solar Coop with Solar United Neighbors (ES19)
- Sustainable Neighbors Program - Les Springs 1st Neighborhood (ES5)
- Climate Resiliency Workshops (ES5)

Stewardship

Upcoming FY25 Projects

- 2nd Annual World Water Day Event - AWC and OCWC Partners (ES11/ES20)
- Spring Waste Collection Event -\$12,000 Budget (ES19)
- Drive Electric Arizona - Ride and Drive Event Food Systems Workshop (ES19)
- Heat Preparedness Messaging in Collaboration with Communications (ES4)
- Invasive Species Training & GIS Mapping - Partnering with OCWC (ES17/ES18)
- Cool Pavement Pilot Project in Collaboration with Public Works (ES15)
- Shade and Water Bottle Refill Infrastructure (ES15)



Stewardship

FY25 CIP Projects

- **Streetlights LED Retrofit - \$180k Budget/\$80k in FY25 (ES15/ES19)**
 - Luminaires Purchased in late FY24
 - Quotes Received for Installation
 - Installation Anticipated Late 2024/Early 2025
- **Decarbonization Roadmapping Projects - \$350k FY25 (ES15/ES19)**
 - Initial Municipal Fleet EV Charger Installation to Council in December
 - HVAC and Lighting Controls Proposal Being Developed
 - Phase 2 Planning/Design Moved to FY26
- **City Hall Window/Door Replacement - \$250k (ES12)**



Supporting Community Contracts

- Community Contracts supporting the Environment & Sustainability Goal:
- Sedona Recycles
 - \$259,000
- Total Community Contracts:
 - \$2,455,980
- 10.5%

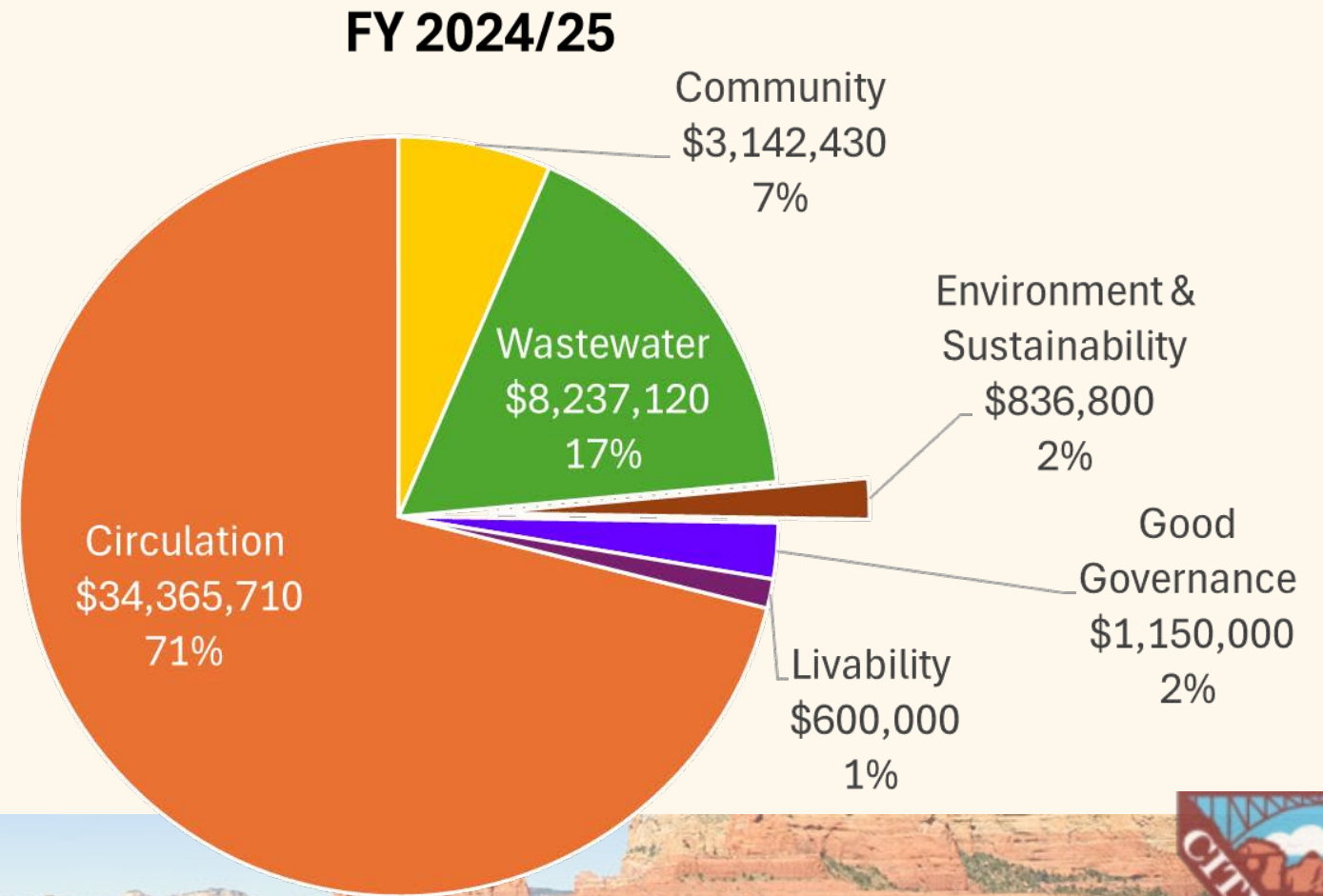
Environment & Sustainability: Stormwater, Floodplain, & Water Quality Management

Sandra Phillips, Asst. Director of Public Works

Stormwater, Floodplain, & Water Quality Management

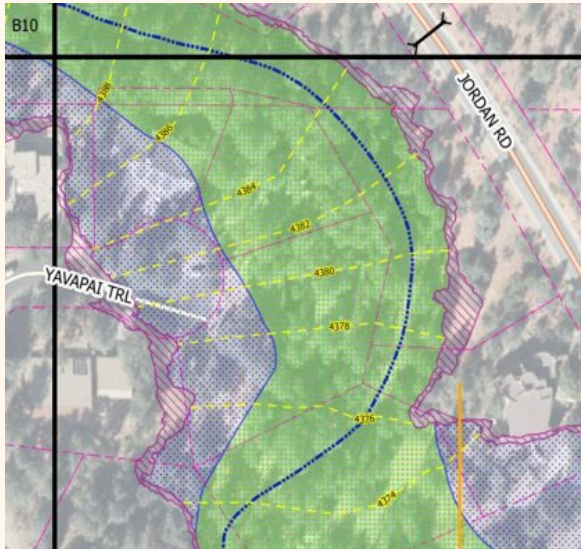
Capital Budget

1.7% (\$836,800) of the capital budget is related to Environment & Sustainability, with 0.3% (\$150,000) dedicated to ongoing drainage improvements.



- ADEQ Compliance
- Community Outreach
- Map Requests

Schnebly & Grove



Back O'Beyond Crossing



Environment & Sustainability Goal – Check-in

Sedona Community Plan Chapter 7, page 92



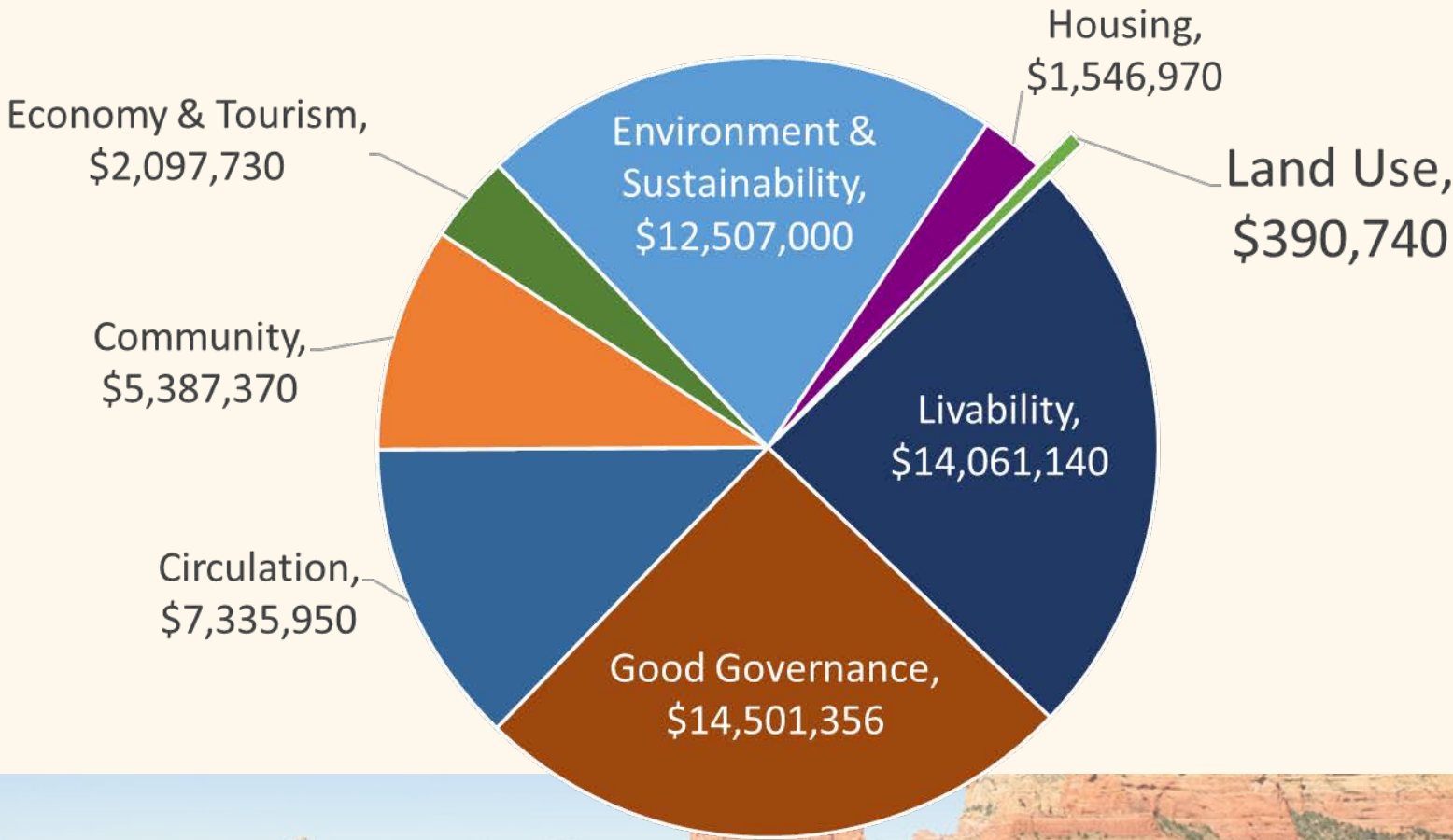
Land Use Goal

Steve Mertes, Community Development Director

Sedona's unique sense of place and stewardship of the natural environment is reflected in the design of the built environment.

Land Use

FY 2024/25 Operating Budget



Land Use

- Over 120 participants
- Over 450 surveys completed
- Survey
- Place to leave comments
- Completed workshop exercises posted
- Community Plan, CFA Plan and other plans



Land Use

Land Development Code Update

- Align with the Community Plan
- Review ways to address housing shortage and affordability.
- Address other new policies and initiatives
 - Sustainability
 - Parking
 - Tourism management



Land Use

Building Code Update

- Update delayed due to ICC publishing delays
- City is a part of an update coalition with surrounding communities, counties and the area contractor's association
- Process will use resident and contractor focus groups
- Process will include training for staff, contractors, designers and architects
- Proposed adoption in late 2025

Land Use Goal – Check-in

Sedona Community Plan Chapter 4, page 51



Livability

Stephanie Foley, Chief of Police

Steve Mertes, Community Development Director

Sedona is a safe, healthy, livable city for residents and visitors.

Livability: Public Safety

Stephanie Foley, Chief of Police

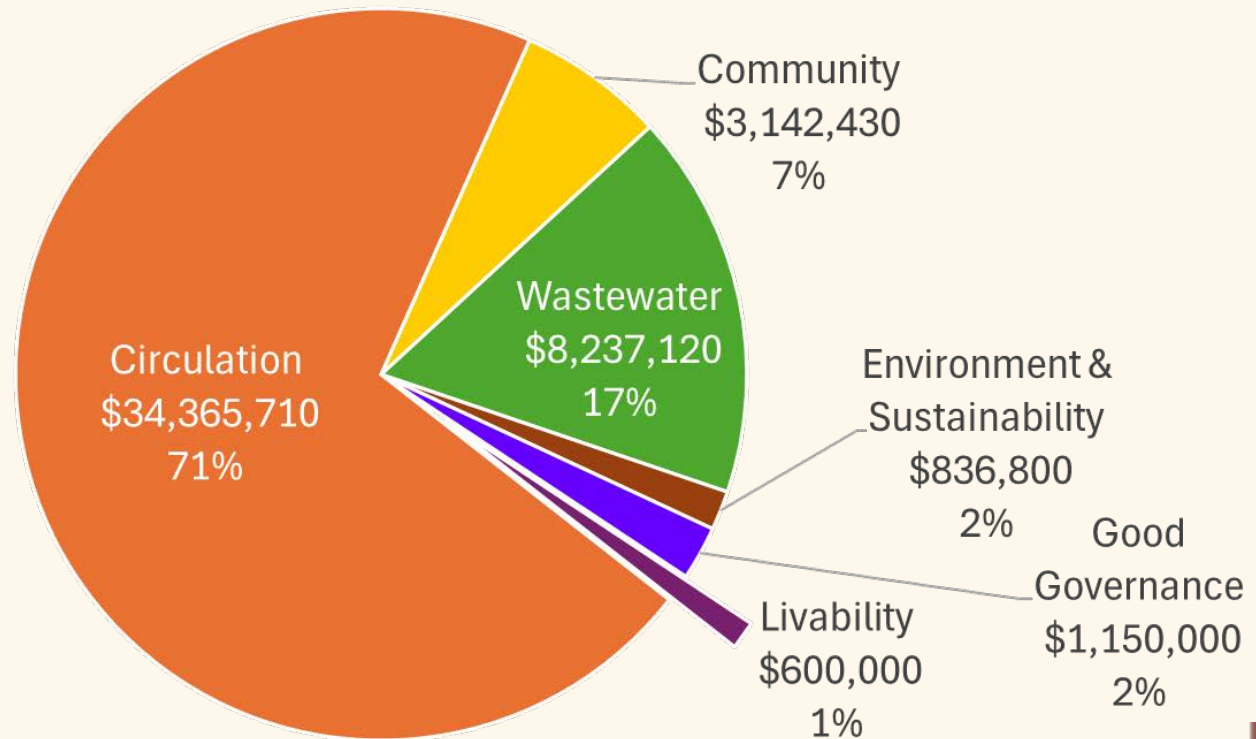
Livability: Public Safety

Capital Budget

FY 2024/25

1% (\$600,000) of the City capital budget is related to Public Safety.

The budgets for the radio system project and in-car video have not been expended yet.

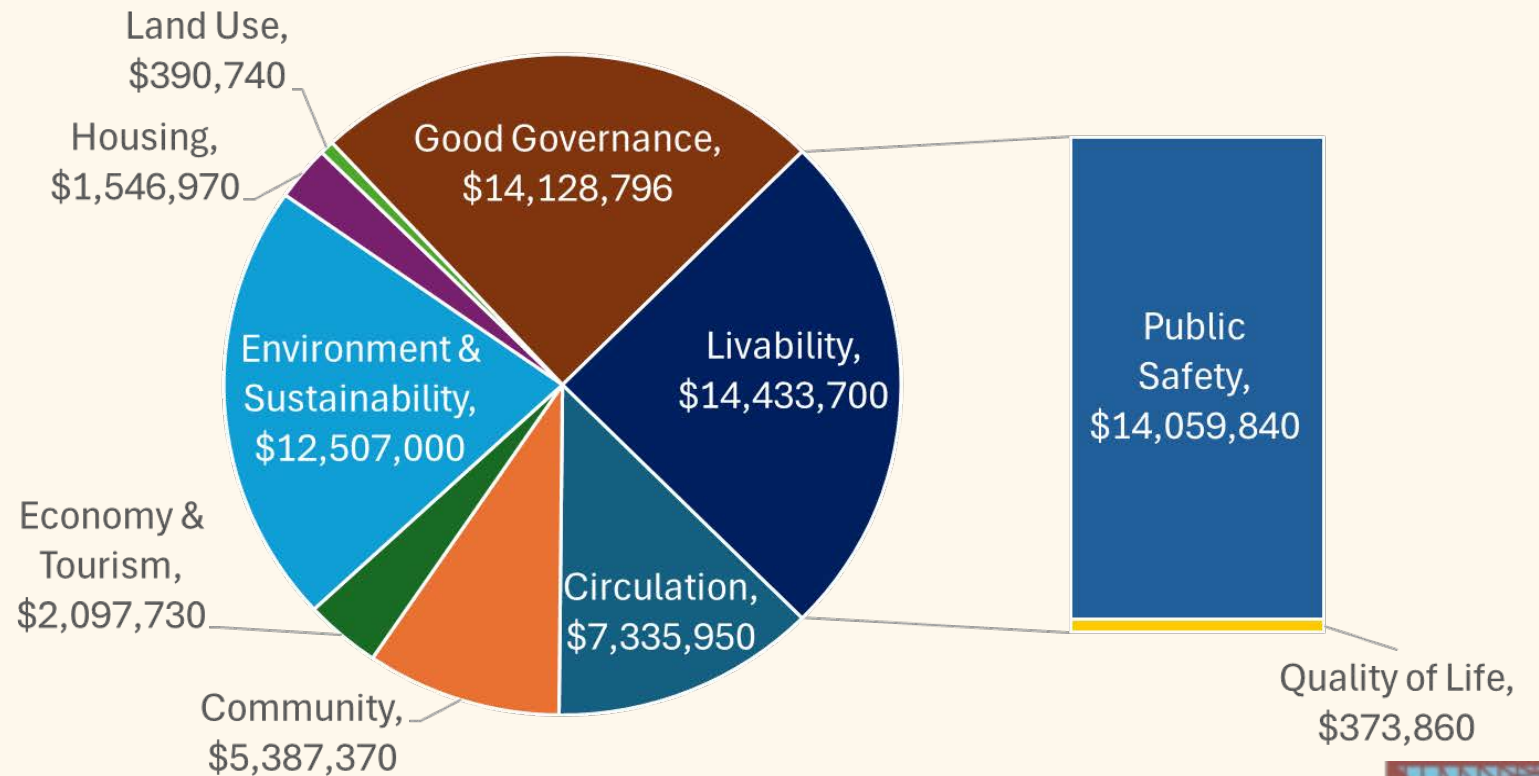


Livability: Public Safety

Operating Budget

FY 2024/25 Budget

24.3%
(\$14,059,840) of
the City's total
operating budget
is related to
Public Safety.



Public Safety Initiatives

- Radio system upgrade
- Body Worn Cameras/LPR integration
- E-citation implementation
- Policy review and update
- Training and peer support program
- Victim Advocacy program
- Pilot siren emergency notification alerting system within Coconino County, Sedona
- Continued community preparedness training and awareness engagement events
- LED infrared emitters on 2024 patrol vehicles



Supporting Community Contracts

- \$2,455,980
- Yavapai Family Advocate Center (YFAC)
 - \$2,800
- Yavapai County Emergency Mgmt.
 - \$4,320
- Humane Society
 - \$96,450
- AZ Crisis Team (A.C.T.)
 - \$3,360
- Northern AZ Justice (NARJ)
 - \$6,000
- Verde Valley Sanctuary
 - \$5,000



Livability: Quality of Life

Steve Mertes, Community Development Director

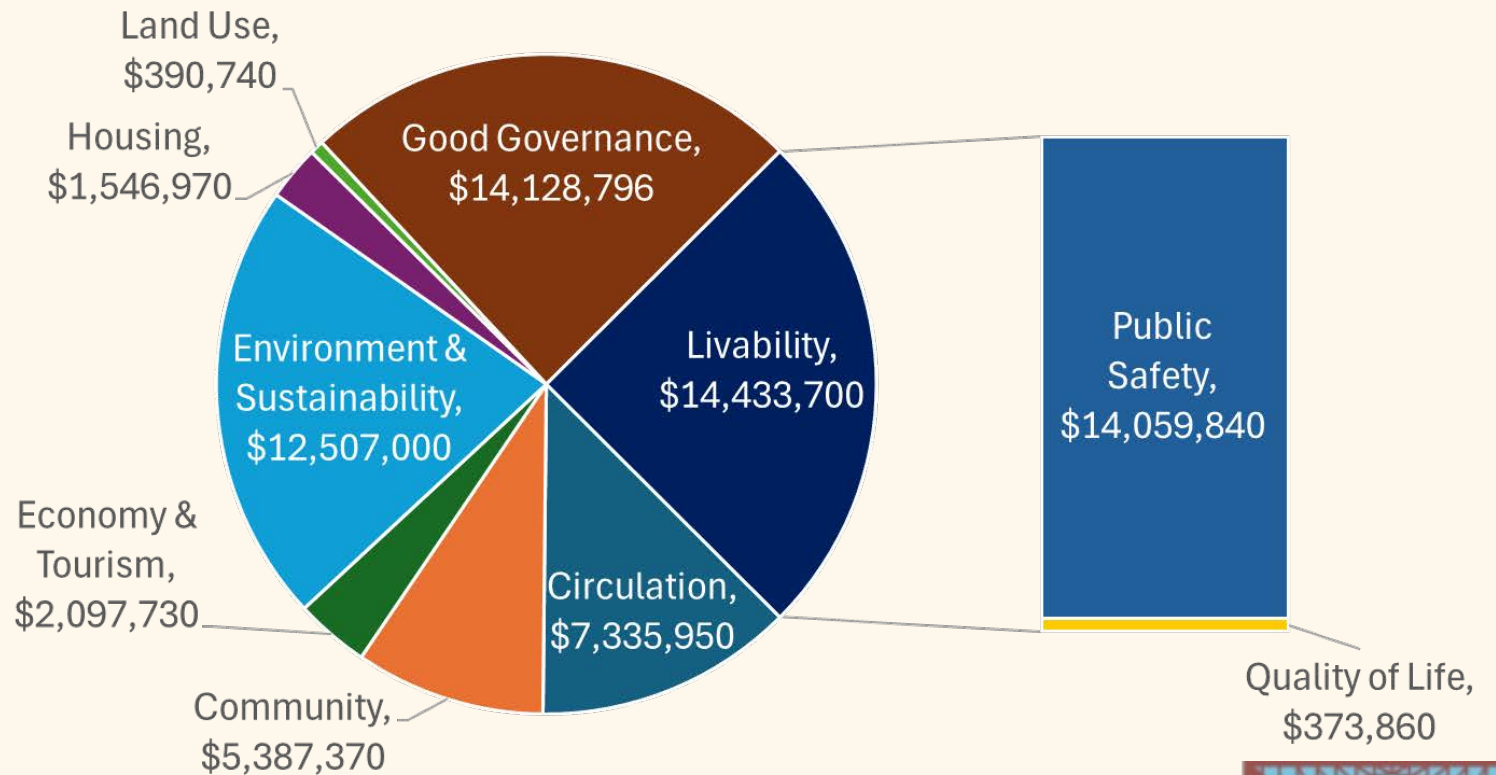
Quality of Life – Code Enforcement

Operating Budget

0.7% (\$373,860) of the City's total budget is related to Quality of Life, specifically Code Enforcement.

- Much more of the City's work is dedicated to Quality of Life; however, Code Enforcement is uniquely dedicated to this goal.

FY 2024/25 Budget



Quality of Life

Code Enforcement Statistics

- Top 2024 Code Enforcement Cases
 - Weeds 77
 - Dark Sky 67
 - Short-term Rental 66
 - Trash 54
 - Unpermitted Work 42
- Total Number This Year 442



Quality of Life

New/Proposed C.E. Programs

Volunteer Property Cleanup Program

- City Staff Volunteers
- Help residents who need the help

Tree Removal/Firewise Program

- Partnering with Sustainability and Sedona Fire District
- Intent is to be funded by grants
- Provide Education (ES3)

Volunteer Cleanup Program in Action



Livability – Check-in



Day 1: Discussion



Schedule – Day 1

1. Overview
2. Budget Review
3. Circulation Goal
 - Sedona In Motion • Public Transit • Parking Management
4. Environment & Sustainability Goal
 - Wastewater • Stewardship • Stormwater, Floodplain & Water Quality
4. Land Use Goal
5. Livability
 - Public Safety • Quality of Life
6. Day 1 Discussion

Schedule – Day 2

7. Community Goal

- Parks & Recreation • Arts & Culture

8. Economy & Tourism Goal

- Tourism, Marketing & Communications • Broadband

9. Housing Goal

- Housing & Homelessness • Short-Term Rentals • Legislative Priorities

10. Good Governance

11. Citywide Staff Recommendations / Council Topics

12. Day 2 Discussion

Community Goal

Josh Frewin, Parks & Recreation Manager

Sandra Phillips, Assistant Director of Public Works

Nancy Lettanzi, Arts & Culture Specialist

Build a strong sense of community and culture.

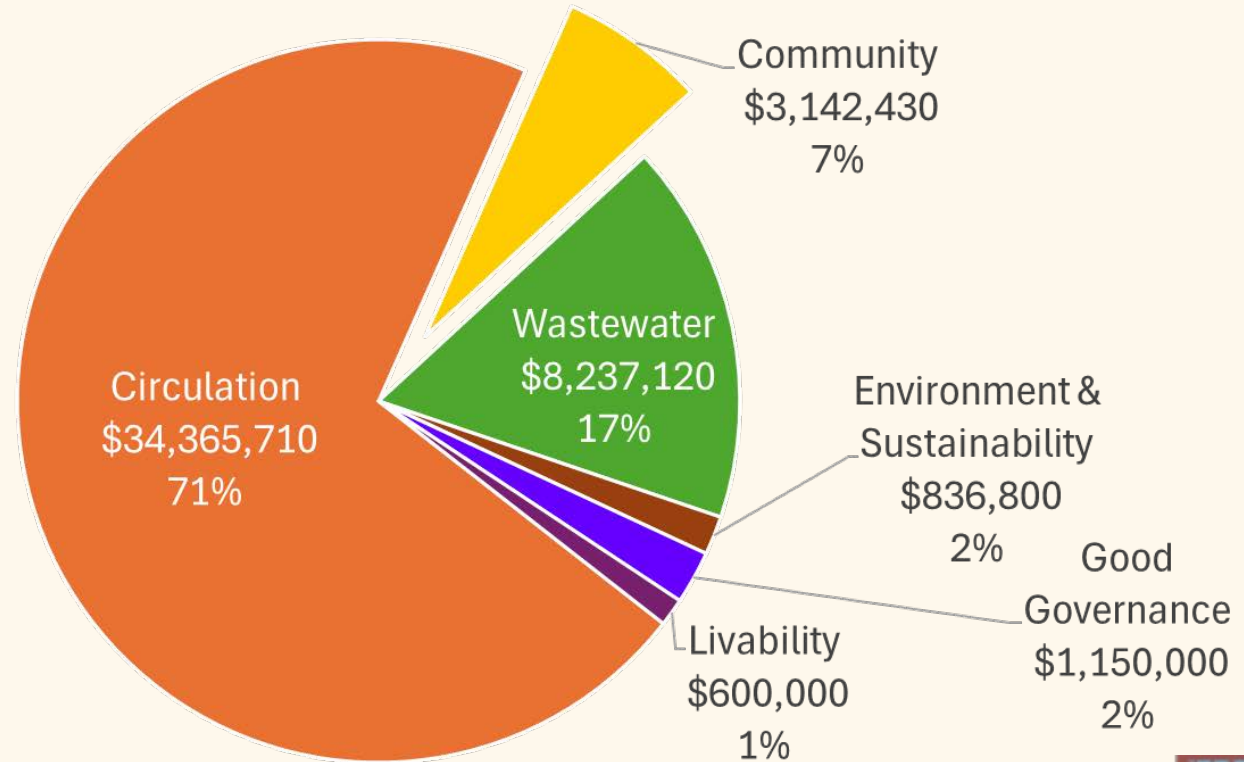
Community

Capital Budget

7% of the City's Capital Budget is related to the Community Goal.

Year-to-Date spend:
\$1,314,079 of \$3,142,430
budget

FY 2024/25

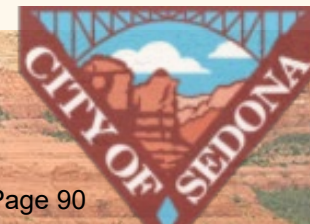
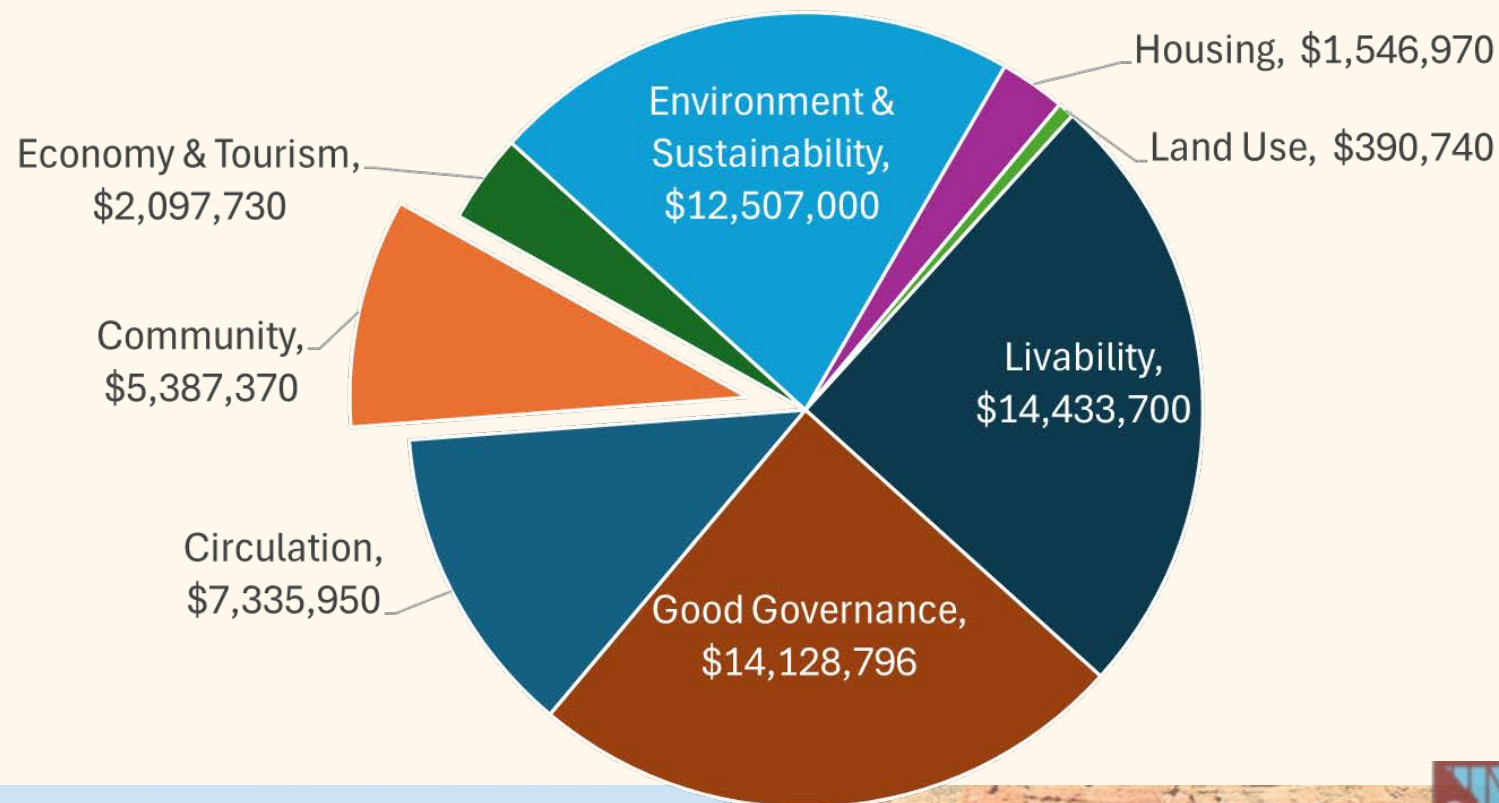


Community

Operating Budget

9.3% (\$5,387,370)
of the City's total
Operating Budget
is related to the
Community Goal.

FY 2024/25 Operating Budget



Community

Posse Grounds Pickleball Courts (C9)



Community

- Park exterior with walking trail, grass lawn, parking, and landscaping completed in Summer 2024.
- Yard games such as Cornhole, Ping-Pong, Putting Green, and Game Tables were installed in August 2024.
- Playground and Adult Fitness Station installation coming in December 2024.
- Total Capital Budgeted \$751,890 FY25
- Council to discuss interior use of historic house and barn including restroom cost containment alternatives.

Historic Ranger Station Park



Vision for the Historic Ranger Station House & Barn

Preserving History, Building Community
Historic charm meets modern functionality



KEY GOALS

- Preserve unique history while adapting venues for versatile community use.
- Foster community engagement through unique useable rental spaces.



Community Programs: Special Events (C2)

- Including:
 - Celebration of Spring
 - Food Truck Festival
 - St. Patrick's Day Parade
 - Uptown Trick or Treat Halloween
 - July 4th Summer Splash
 - Red Dirt Concert Series
 - Breakfast With Santa
 - Wagfest
 - And Many More!



Community Programs (C2)

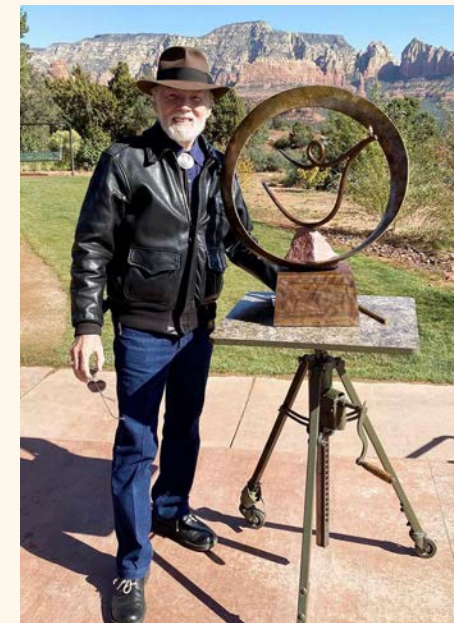


- 9,872 people swimming at the pool during Summer/Fall 2024.
- 124 kids in Youth Basketball.
- 260 kids in our summer camps.
- Hundreds of adults in our Adult Softball League, Bocce League, and Open Gym adult sports programs.
- Published Event Flyers and Promotional Materials in English & Spanish (C1)

Supporting Community Contracts

- Community Contracts supporting the Community Goal:
 - \$1,729,050
- Total Community Contracts:
 - \$2,455,980
- 70.4%
- Sedona Chamber Visitor Center
 - \$350,000
- Sedona Community Center
 - \$244,500
- Sedona Public Library
 - \$896,350
- Sedona Historical Society
 - \$155,400
- Verde Valley Caregivers
 - \$82,880





Community: Arts & Culture

Nancy Lattanzi, Arts & Culture Specialist

Sedona's diverse creative programming has a wide outreach, which supports all local K-12 students, promotes many local artists and their work, as well as integrates public art throughout our city. All programs focus on enhancing community connections and raising quality of life.

Community: Arts and Culture

Programs



Elaine Belvin The White Horses of the Camargue

FY24/25 will have exhibited
55 artists including NAWS
April-June.



Dennis Sohocki leading Running River sculpture classes.

FY24/25 hired 12 new artists
with 12 returning for Artist in the
Classroom.

Community: Arts and Culture

Art in Public Places - Completed Projects



Community: Arts and Culture



Julian & Maria
installed December 2



Sedona Roadrunner
installed November 26

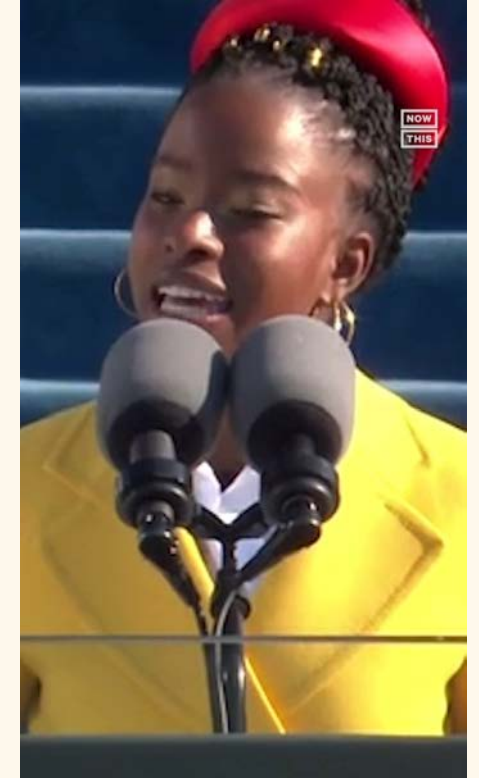
Community: Arts and Culture

Mayor's Arts Awards



Community: Arts and Culture

Proposed Initiatives (C6)



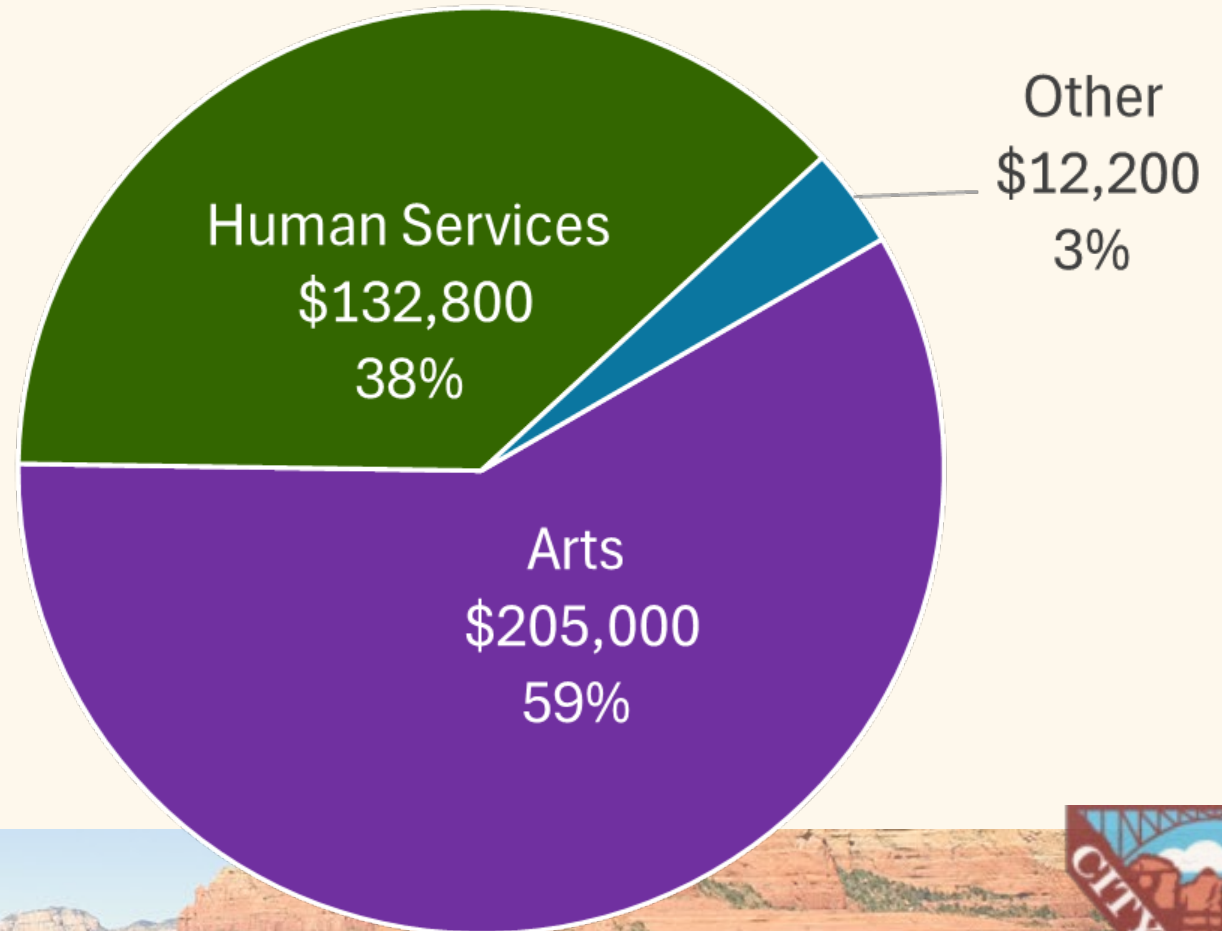
Small Grant Program

Anette Spickard, City Manager

Small Grant Program (C3)

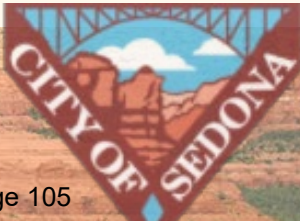
- 40% Arts (minimum)
- 40% Human Services
- 20% Discretionary

Small Grant Distribution, FY 2025



Community Goal – Check-in

Sedona Community Plan Chapter 3, page 31





Economy & Tourism Goal

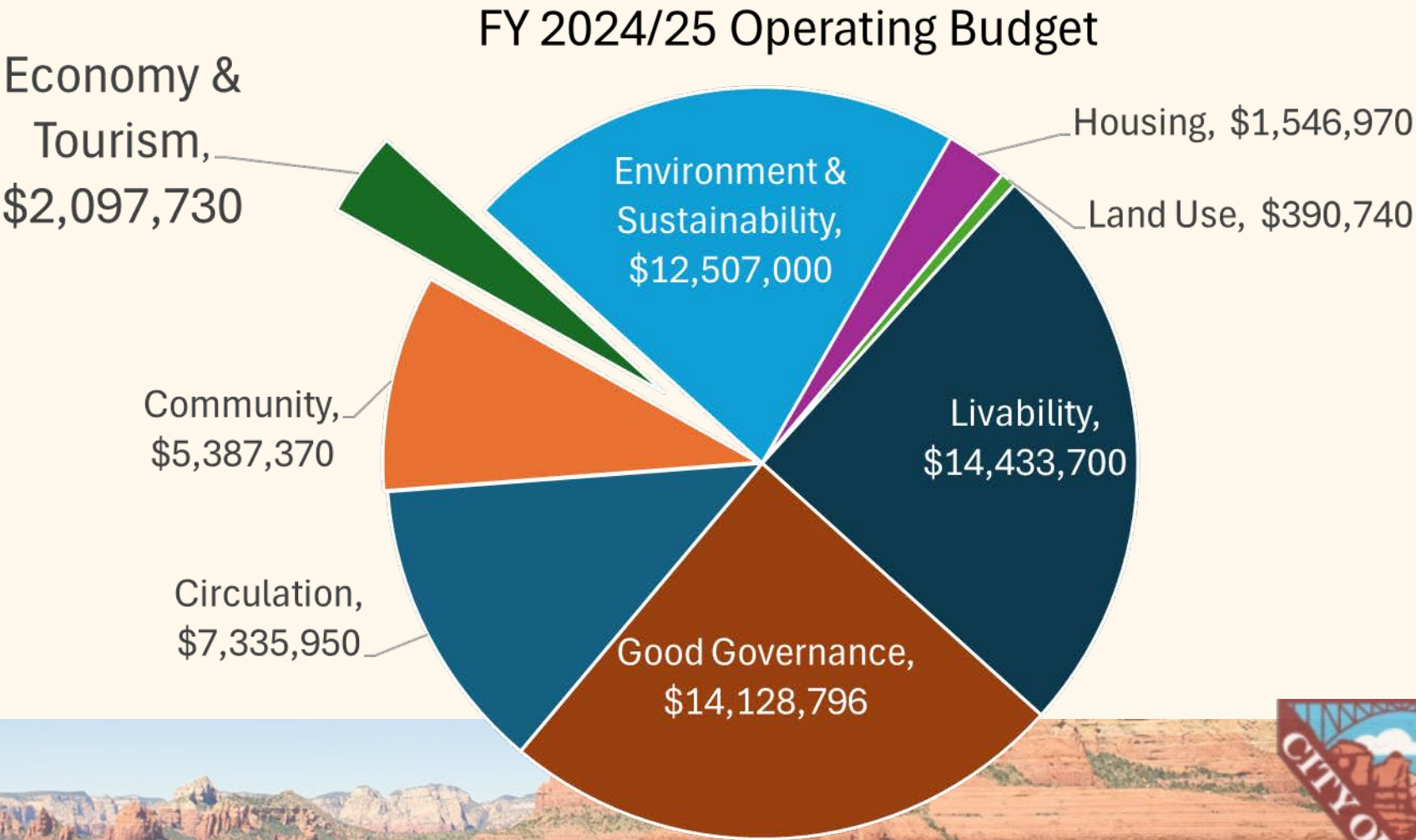
Lauren Browne, Communications Director

Sedona's Economy is resilient and sustainable, and tourism is managed to ensure a healthy balance between environmental stewardship, community quality of life and visitor expectations.



Economy & Tourism

3.6% (\$2,097,730) of the City’s total Operating Budget is related to Economy & Tourism.



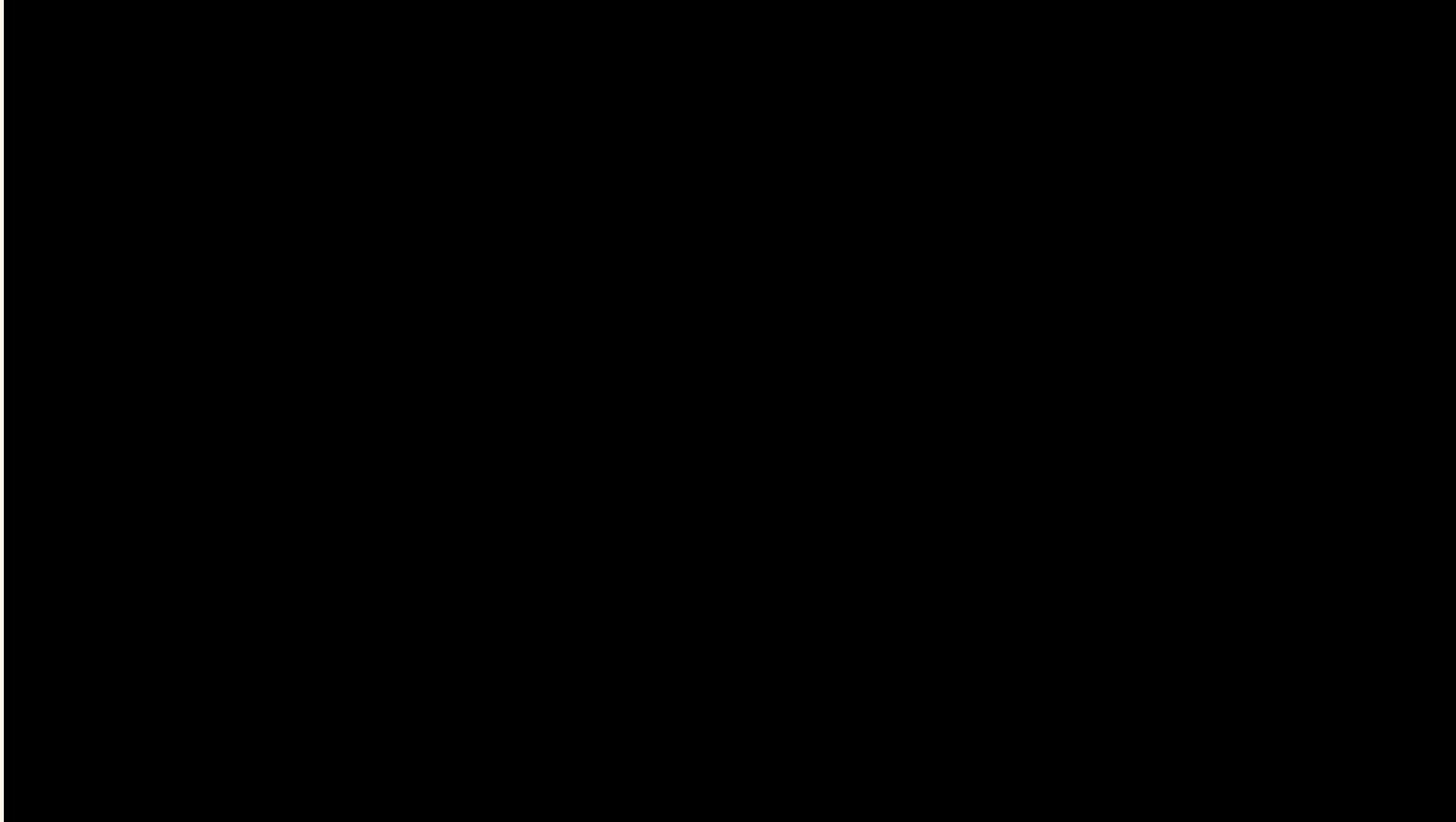
Economy & Tourism

City Council established the following priorities:

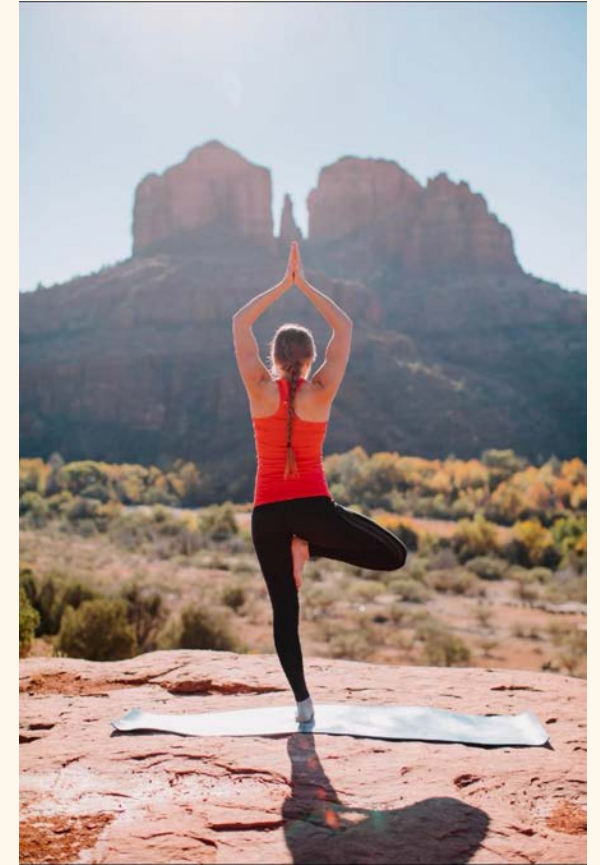
- Create and execute a Tourism Plan as a guiding light (ET5,6) ✓
- Create a brand (ET7) ✓
- Use data to make decisions (ET9) ✓
 - Make this data public ✓
 - Communicate this data to the business community (ET4) ✓
- Focus on ROI in off-peak destination marketing & incorporate educational messages (ET10) ✓
- Make decisions with both residents and businesses in mind ✓
- Create metrics to determine success measures (ET9) ✓
- Establish a long-term Visitor Services strategy (ET6) ✓



Sample messaging



Sample imagery



Economy & Tourism: Broadband

Chuck Hardy, Information Technology Director

Ensuring that high-speed internet is available to the community.

Economy & Tourism: Broadband

Broadband Equity Access and Deployment (BEAD) (ET3)

- Federally funded program to bring high speed broadband internet to every household.
- Funding is awarded by these thresholds:
 - **Unserved:** Speeds below 25 Mbps downstream and 3 Mbps upstream
 - **Underserved:** Speeds between 25-100 Mbps downstream and 3-20 Mbps upstream

Economy & Tourism: Broadband

- Arizona was allotted \$993 million through the BEAD program.
- The State of Arizona published a map of every household with current available speeds. The speeds could be challenged during the Challenge Phase by Internet Service Providers (ISPs) and/or local or county governments.
- Suddenlink challenged all unserved and underserved locations stating that they were either served or had planned service.
- *Sedona successfully counter-challenged every household, one at a time.*

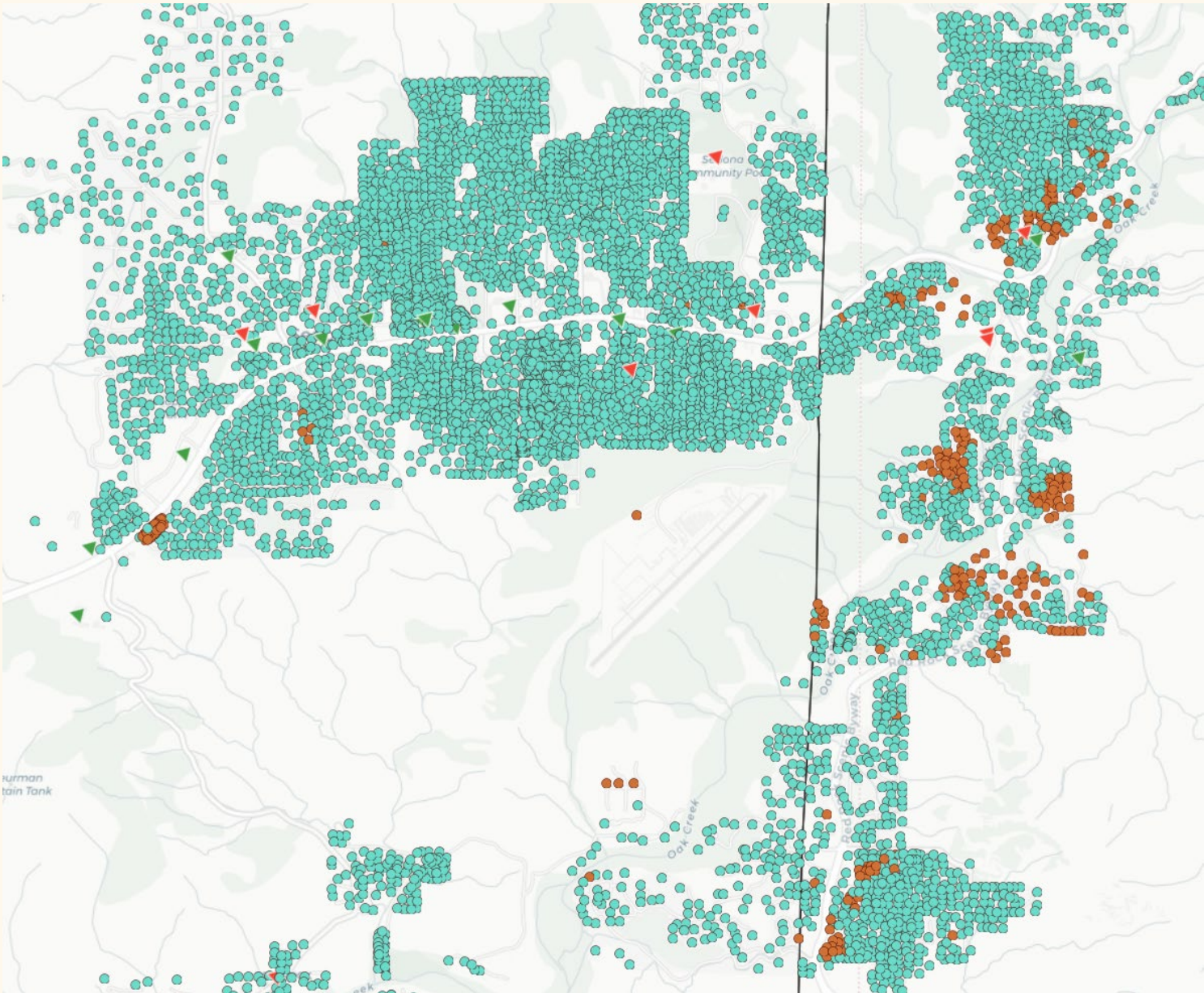
Economy & Tourism: Broadband

- In the next phase, Market Sounding, Arizona will be working with the National Telecommunications and Information Administration (NTIA) in the published project areas. ISPs and county or local governments may provide feedback on these areas.
- Currently we are in the Preregistration Phase where ISPs can preregister before bidding opens.
- The latest timeline from the State puts final proposal submission August 2025.
- Sedona's Broadband Committee issued a Request For Information (RFI) to various ISPs. The RFI is currently open.

BEAD Timeline



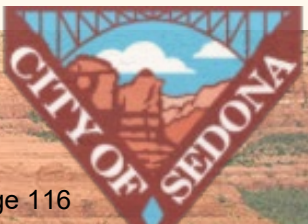
Latest BEAD
Timeline
from the
State



BEAD eligible
locations (turquoise)

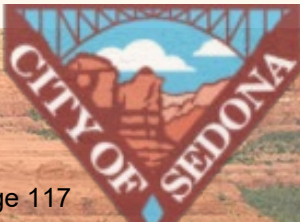
This map can be viewed
by location (address),
area, or provider on the
Federal Communication
Commission (FCC)
website:

[Home | FCC National
Broadband Map](#)



Economy & Tourism Goal – Check-in

Sedona Community Plan Chapter 8, page 101

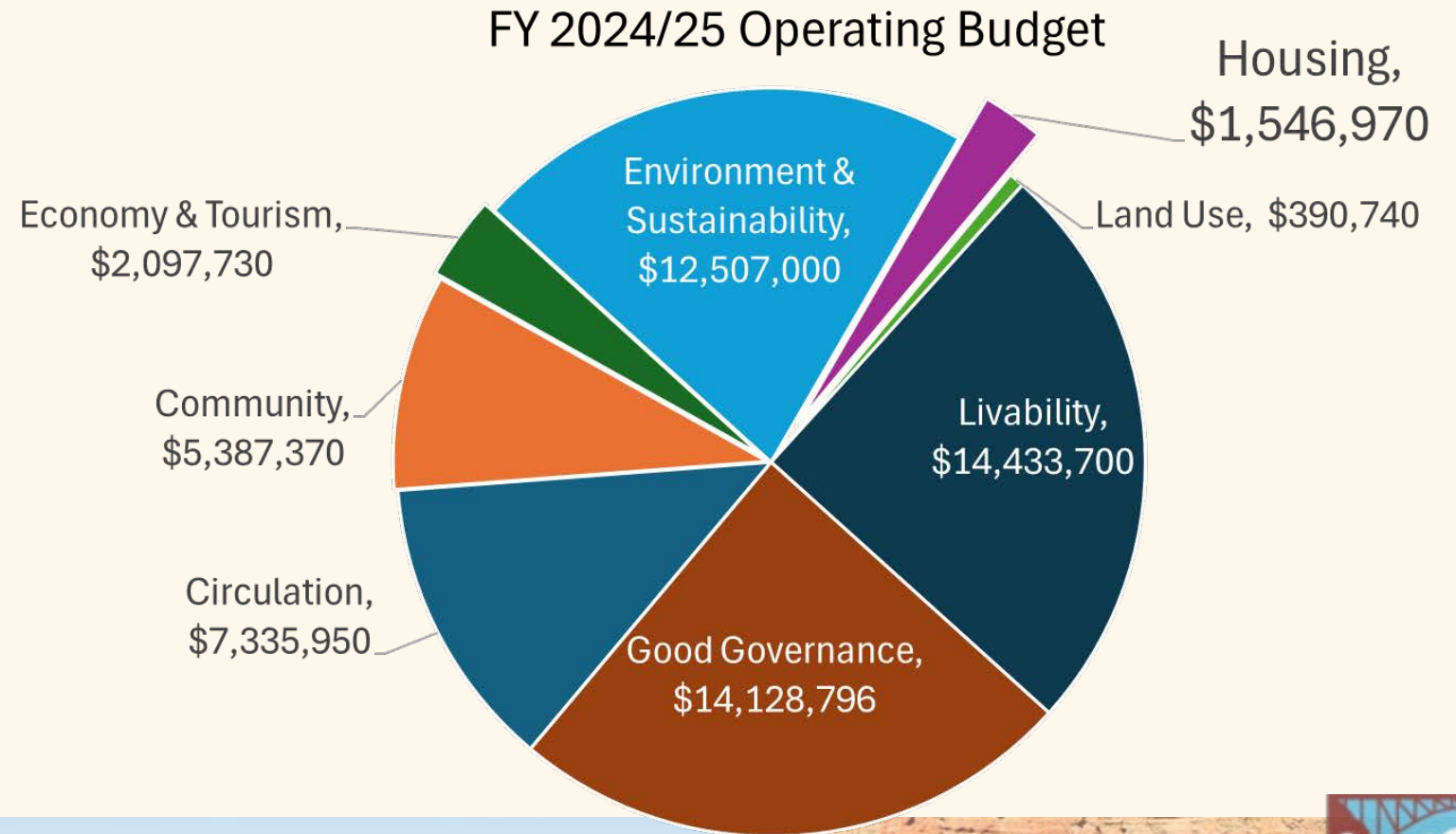


Housing Goal

Jeanne Frieder, Housing Manager

Sedona has diverse housing options that are safe, secure, and affordable.

Housing



Housing: Programming and Initiatives

Programs:

- CDBG Sedona Home Repair Program - \$402,110
- ADOH HSSF Rental Assistance Program - \$875,638
- Down Payment Assistance Program
- Rent Local Incentive Program

Housing: Development

Development / Pre-Development (H5)

- Villas on Shelby
 - 30 Units, 4% LIHTC, 60% AMI
- Saddlerock Crossing
 - 46 Units, 80-120% AMI
- Goodrow
 - 54 Units, 27 at 120% AMI or below
- Sunset Drive
 - 46 Units, 80-120% AMI



Housing: Regulatory Environment

- Accessory Dwelling Unit (ADU) Ordinance update
- Development Incentives & Guidelines for Affordable Housing (DIGAH) update
- Low-Income Housing Tax Credit (LIHTC) - potential changes to the Qualified Allocation Plan (QAP) in 2025

Housing: Future Opportunities

Public-Private Partnerships (H5)

- Western Gateway CFA properties
- Shelby Phase 2
- Hotel/Redevelopment conversions
- NAH potential development



Housing Fund Loans

Loans & Reserves

- Sunset Drive
 - TBD
- Down Payment Assistance
 - \$400,000
 - \$156,864 loaned
 - 243,136 remaining
- Villas on Shelby
 - \$2,250,000
- Affordable Housing Reserve
 - Future project loans
 - \$10,050,000

Housing: Homelessness Study Update

Homelessness Needs Assessment

- 600 discrete homeless in the Verde Valley
 - Explore development of regional outreach team
 - Explore development of housing stability team
 - Explore Re-housing strategies
-
- Strategic Plan to Address Homelessness
 - January 15, 2025, Viam Advising, LLC will return to Council

Housing: Short-Term Rentals

Teresah Arthur, Short Term Rental Specialist

- The Short-Term Rental Emergency Contact List was published on the city's website in January 2024.
- Collaborated with the Special Initiatives Coordinator to produce three short educational videos for residents and property owners.
- Established monthly meetings with Sedona property managers.

Housing: Short-Term Rentals

- Continuing to lobby the State for changes in legislation to allow local control and regulation.
- Continuing to work with City Attorney on updates to short-term rental code.
- Permit-per-Unit Requirement, Program launches December 1, 2024
 - Applies to short-term rentals advertising multiple units at a single address.
 - Conduct spot audits of random short-term rentals for compliance with neighbor notification and sex offender screening requirements in Q1 2025.
 - Notice to all short-term rentals that as of 2025, compliance with all short-term rental code requirements will be reviewed as part of the permit renewal process.

Housing: Short-Term Rentals

- Permits:
 - As of end September there were 1125 permitted properties
 - 87% of those were actively renting.
- In Sedona, there are 1,157 total identified STR properties, or 17% of Sedona housing stock.
- There are 654 additional STRs in the greater Sedona area.
- Growth:
 - The growth of short-term rental properties to date hovered around 16.6%.
 - Growth was flat through July, small incremental growth through September.



Housing: Short-Term Rentals

- 97%+ compliance as October 2024.
- Citations:
 - 87 properties were cited for permit non-compliance through the end of September
 - 95% came into compliance prior to adjudication.
 - Properties adjudicated received penalties in accordance with the schedule outlined in the City Code.

Housing: Short-Term Rentals

- Monthly meetings with local STR property managers continued
 - Discussion of policy, issues and ongoing education, and distribution of Good Neighbor brochures.
 - Two property managers new to Sedona were added to the meetings.
- Arizonans for Responsible Tourism (AZRT) - STR owner advocacy group
 - Guest speaker at two meetings, provided education
 - Began a collaborative relationship with AZRT.
 - Program manual for short-term rental citation process in collaboration with Code Enforcement and the Municipal Court is in progress.

Housing: Short-Term Rentals

- Inter-Community Meetings
 - Conducted multiple meetings with five Arizona communities that have STR programs
 - share best practices and ideas for program improvement.
- Outreach
 - Continue to create brief educational videos for publication on YouTube.
 - Create a longer educational video for the website, with step-by-step instructions for applying for a permit, as requested by property managers and property owners.

Housing: Legislative Priorities

Kurt Christianson, City Attorney

Short-term rentals are exacerbating the City's housing shortage. The City's lobbyists are pursuing legislation in the 2025 session and collaborating with the League of Arizona Cities and Towns to:

1. Pass a bill to return some local control over short-term rentals to cities and towns, including the ability to cap the number of short-term rentals in a community.
2. Prevent bills from passing that would further remove local control over residential zoning issues like height and density.

Housing Goal – Check-in

Sedona Community Plan Chapter 5, page 59



Good Governance

Barbara Whitehorn, Director of Financial Services

Russ Martin Human Resources Director

Sedona is a well-managed city, focused on good stewardship of public funds, transparency and quality of life.

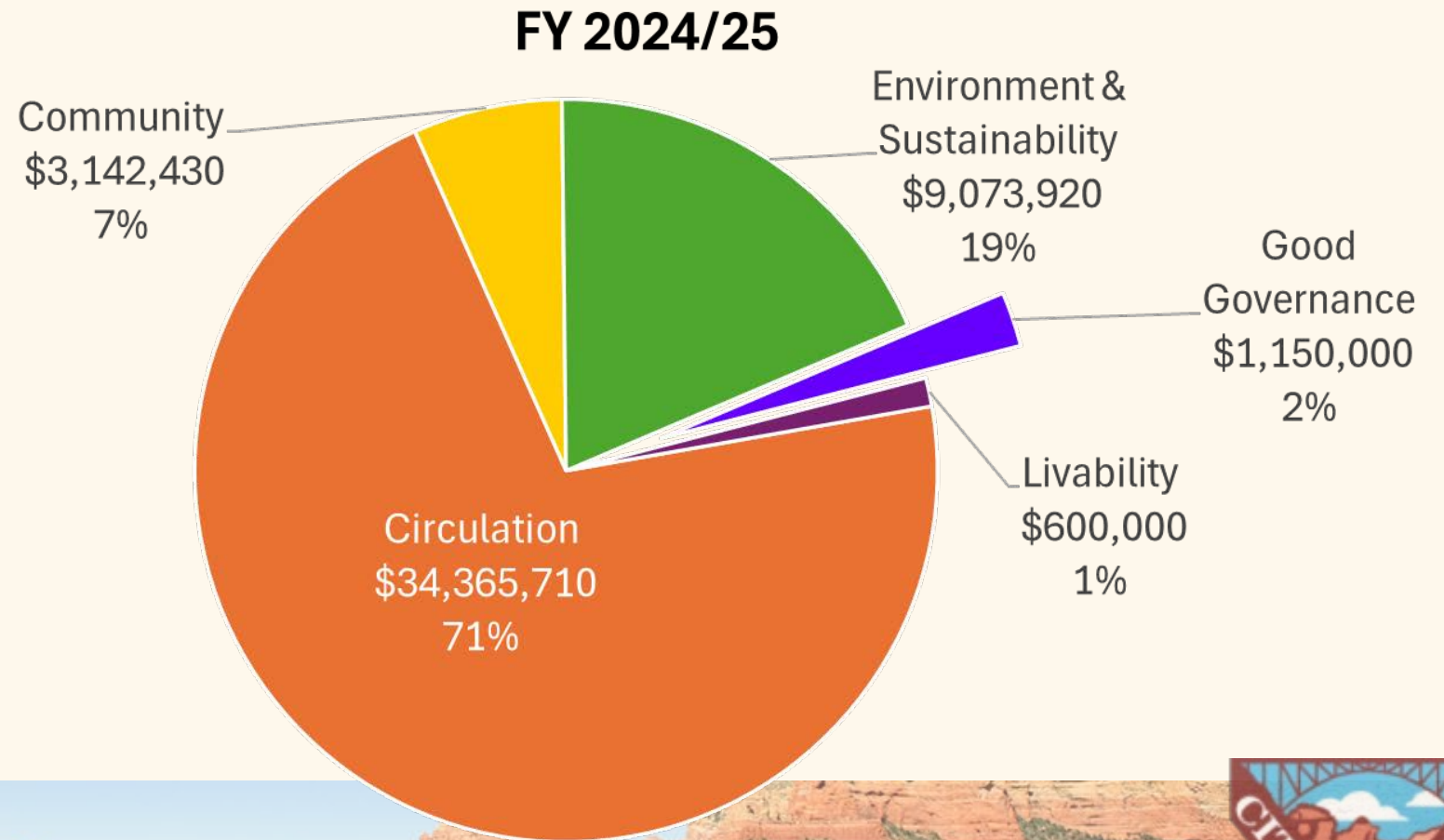
Good Governance: Overview

Barbara Whitehorn, Director of Financial Services

Good Governance

Capital Budget

2% (\$1,150,000) of the City's FY 2025 Capital Budget is related to Good Governance for the new ERP system.

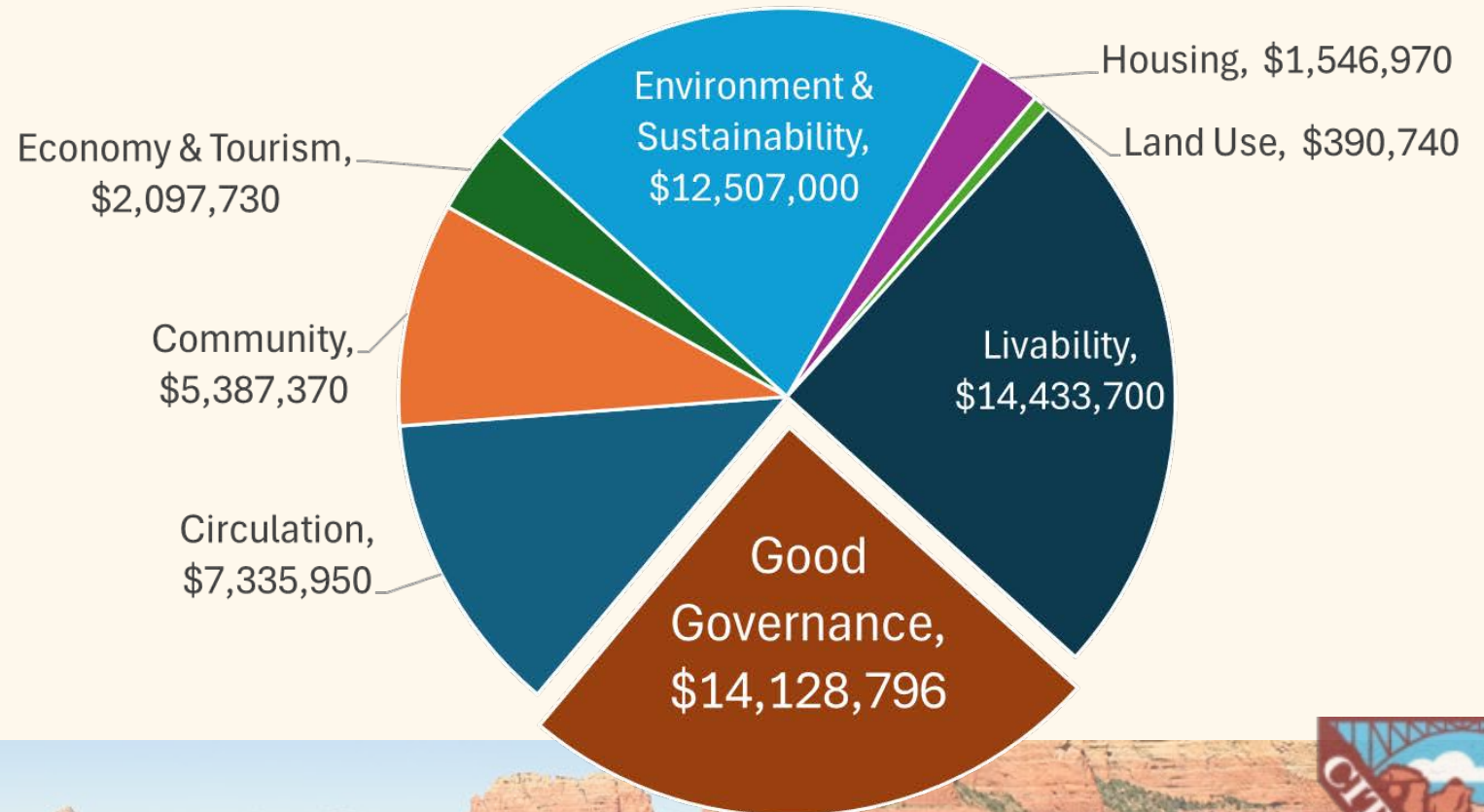


Good Governance

Good Governance is
\$14.1M or 24.4% of
citywide operating
budget,

And \$10.5M or 29% of
General Fund
operating budget.

FY 2024/25 Operating Budget



Good Governance

Good Governance Projects

- Municipal Court move and remodel
- Enterprise Resource Planning (ERP) system
 - FY 2024/25 Budget: \$1,150,000
 - Project Budget through 2025/26: \$3,400,000

Good Governance Operations

- Management and Stewardship Functions
 - Financial Services
 - Information Technology
 - Human Resources
 - City Clerk
 - City Management
 - City Attorney
 - Municipal Court
- Support for other goal areas

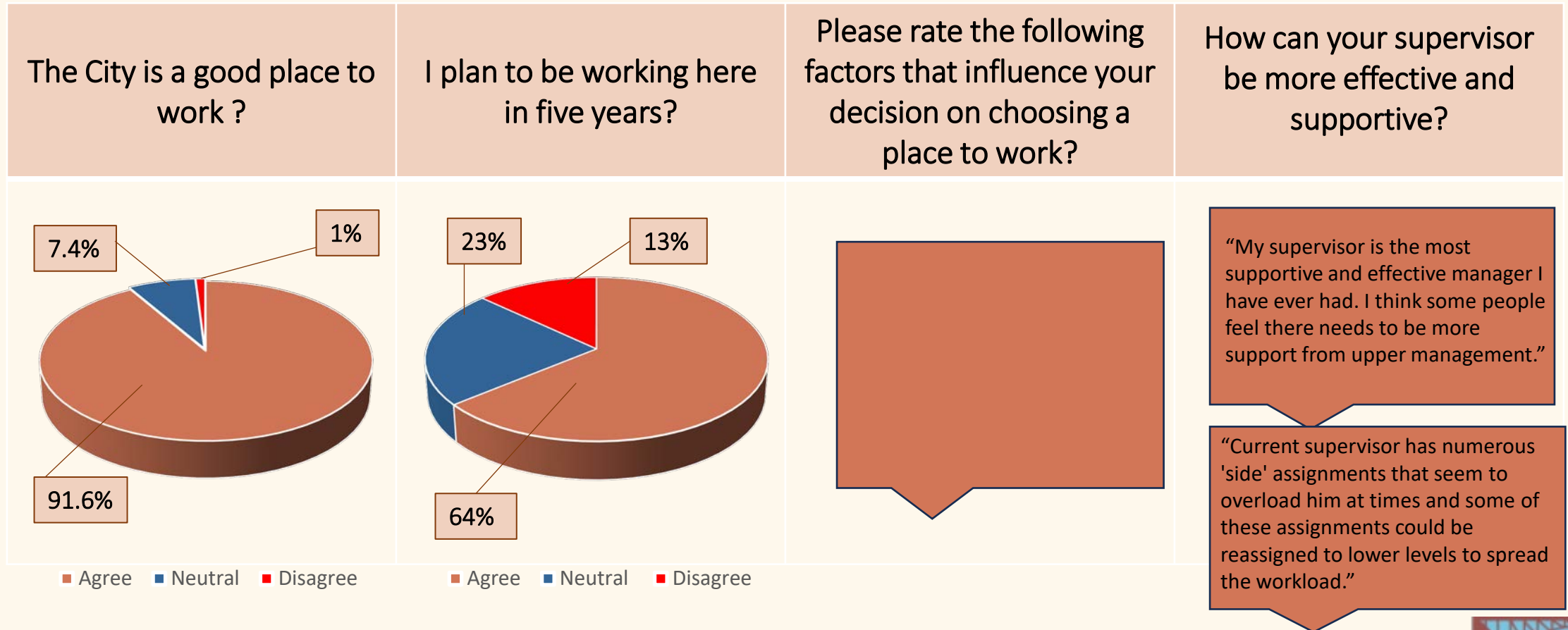


Human Resources Update

Russ Martin, Human Resources Director

Employees are the organization's greatest asset.

Employee Engagement Survey Results



HR Statistics/Initiatives

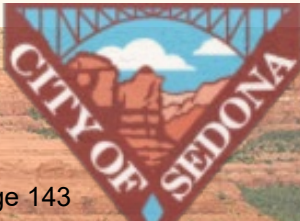
Initiatives

- Exit Interviews
- Comprehensive Classification & Compensation Study
- Onboarding expanded
- Expanding Training Opportunities (personal/professional)
- Stay Interviews
- Continued building of a strong professional culture; focused activities/events

Class and Comp Study

- 18.5% turnover rate

Good Governance – Check-in



Citywide Staff Recommendations

Operational and capital recommendations in support of exceptional service to the community.

Traffic Mitigation

Stephanie Foley, Chief of Police

-
- 2,156 traffic citations
 - 2,786 written warnings
 - 231 non-injury collisions
 - 45 injury collisions
 - 2,959 trailhead & Uptown parking citations

Capital Investments

- Vehicles, equipment and technology to support the Police Traffic Unit
- Infrastructure supporting alternative traffic patterns
 - Roundabouts - *ongoing*

Sustainability

Bryce Beck, Sustainability Manager

Capital Investments

- Decarbonization Roadmap Projects – ongoing (ES15/ES19)
- Incorporation of Heat Mitigation and Adaptation Guidebook Strategies (ES15)
- Exploration of Renewable Energy Projects at Community Scale (ES19)
- Evaluation of proposed debt issues for “green bond” designation

Housing and Homelessness

Jeanne Frieder, Housing Manager

Fleet Management

Barbara Whitehorn, Director of Financial Services

- Fleet Manager
- Software for fleet maintenance, repair and mileage tracking

Capital Investments

- Charging stations and electrification of fleet – *ongoing*
- Evaluation of existing fleet and plan for replacements over time – *new*

Policy Updates

- Guidelines for Federal Single Audit (total grants > \$750,000)
- Update to guidelines for when debt is appropriate; types of debt, debt capacity, and management
- Update to guidelines for vehicle replacement schedules and fleet management

Council Topics (not previously covered)

Anette Spickard, City Manager

Capital Investments & Other

- Additional seating at Posse Grounds Park
- ASRS funding opportunities
- Land Acquisition budget

Discussion





**FY 2024/2025
City Council Priorities
November 1, 2024
UPDATE**

Traffic / Transportation Improvements (SIM)	1
Transit	3
Affordable / Workforce Housing & Homelessness	6
Climate Action Plan (reduce carbon emissions by 50% by 2030)	8
Short-Term Rental Legislation (regain local control)	10
Broadband.....	11
Cultural Park Master Planning & Future Development	13
Tourism Management.....	14
Evaluation of Airport Acquisition by City	15
Other Projects / Initiatives.....	15
Pickleball Courts.....	15
Enterprise Resource Planning	16
Revisit Land Dev Code.....	16
Development Impact Fee (DIF) Update	17
Update The Building Code	17

Traffic / Transportation Improvements (SIM)

- **Completed:**

- SIM 4C – Pedestrian Crossing at Oak Creek
- SIM 11O – SR179 Signing and Striping
- Survey capabilities established

Status / Process Updates:

- SIM 1B - Uptown northbound improvements under Job Order Contract (JOC) with Combs Construction. Final pavement mill/fill with slurry seal and striping complete in Spring of 2025 in concert with Forest Road Connection paving to reduce impact to businesses.
 - .
- Replacement of Interpretive Panels coordinated through CMO. Currently RFP from three potential vendors.
- SIM 3A – Uptown Parking Improvements (Forest Road Parking Structure).
 - McCarthy on track to mob in November upon Fann completion of excavation.
 - Blasting on Tuesday and Thursday mornings.
 - 22,000 cys of rock is being trucked to Materials Yard (WWTP)
 - Lance Lunsway, new Parking Manager to develop SOW for solicitation for future additional parking actions in Uptown that include hiring a parking coordinator:
 - Work with Uptown businesses to develop a plan for employee parking.
 - 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 Parking and Revenue Collection System (PARCS) - no attendant.
- SIM 5B - Forest Road Extension.
 - Construction began April 25, 2022, remob and continuation on October 10, 2023. Scheduled for completion March 2025
 - Utility installation is nearing completion.
 - Retaining walls complete.
 - .
- SIM 5D - Portal to Ranger/Brewer Intersection 5 leg Roundabout design approved contract modification to install Shared Used Paths (SUP) along Brewer Road to include nuisance flooding drainage concerns for affected business. ROW or land purchase is final in evaluation for offered cost. Tlaquepaque employee parking driveway relocation and Mi Amor (Hart/Butterfly) Store on parking access to be designed as part of design modification.
- Shared Use Paths (SUP)

- SIM 11E – Navoti Ph2 - State Trust Land application approved for further processing, so passed the first hurdle and it is moving ahead.
- SIM 11M - Dry Creek SUP Phase II in-house design and in-house construction started the process. September 24th Construction contract to Mulcaire to complete SUP improvements from Two Fences Trailhead to Gringo Rd. Two speed tables installed. Road alignment adjustment construction underway, completed by end of November. Phase III Design Gringo Rd to White Bear Rd design underway, survey completed.
- SIM 11N – Andante Rd SUP feasibility study plans were presented to Council at the SIM update on August 9th indicating proposed locations of SUP. Notifications were sent to residents to meet with staff in June and July. Anticipate design completed in December 2024. Bid project early 2025 and begin construction, if bid within budget, late spring.
- SIM 11O – SR179 Signing and Striping, complete.
- SIM11P - Brewer Road SUP from Ranger Station Park to Brewer Road Trailhead - Contract executed and feasibility completed. A grant was received for this project. 30% design completed. Consor is ADOT's consultant to complete the design by June 2025. Construction grant being pursued. Anticipate construction FY26.
- SIM 11Q - Shelby Drive Phase 2 improvements including a SUP, utilizing Congressionally Direct Spending funds. A consultant is under contract and has completed feasibility. IGA AB transmittals submitted for November Council meetings.
- SIM 11S – Little Horse SUP – Coordination with USFS required to move this project ahead. email received from District Ranger that as a low priority project for them we may not hear until March 2025 if cleared to move ahead. Concern from resource specialist regarding archeology clearance.
- SIM 11T – Coffee Pot SUP – Contract for feasibility to proceed awarded to engineer. Field walk November 13th.
- SIM 11V – Navoti to Upper Red Rock Loop Rd – Investigating alignments prior to engaging engineer. Alignment to connect Park and Ride to Dry Creek SUP
- SIM 12A Travel Information - ADOT Dynamic Message Sign I17 General Crook Northbound design phase is near completion with advertisement planned in April to inform motorist travel times to Sedona on SR179 or SR260/89A. Construction bid schedule pushed to late spring.
- Y Roundabout Property - Old Chevron building
 - Building is suitable for reuse rather than demolition. Windows glazed, parking lot improved and striped, invasive species removed, office partitions constructed for Police lockable office, heat and time clock installed for TCAs.
 - Evaluating RAB improvements of RHT slip lane from SR89a NB to SR170 SB and metering. Based on this evaluation proposing temporary aesthetics improvements for FY25 while awaiting determination of future transportation related use(s).

- Forest/Ranger/SR 89A roundabout intersection improvements and bus lane on Cooks Hill, is 90% design currently and CLOMR permit application for FEMA Floodplain is approved with ongoing ADOT encroachment design review. Regional Priority Projects Grant for construction in FY27 is voted top project through NACOG. Awaiting this spring's State Congressional Appropriation funding.
- Lance Lunsway started September 23 as Parking Management/Coordinator position as a program manager, Lance Lunsway, 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.
 - Oversee ST&Ps
- SIM Dashboard is uploaded with traffic monitoring data from Fourth of July and in process for Labor Day to demonstrate SIM improvements. Presented to Council November 13 with upload to web site soon after.
- SIM-12a Traveler Info. - Travel Time Data, ADOT to start construction in February for I17, SB, General Crook Trail 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. The concept is to add another at W. SR 89A Park and Ride and potential other locations.

Transit

Completed:

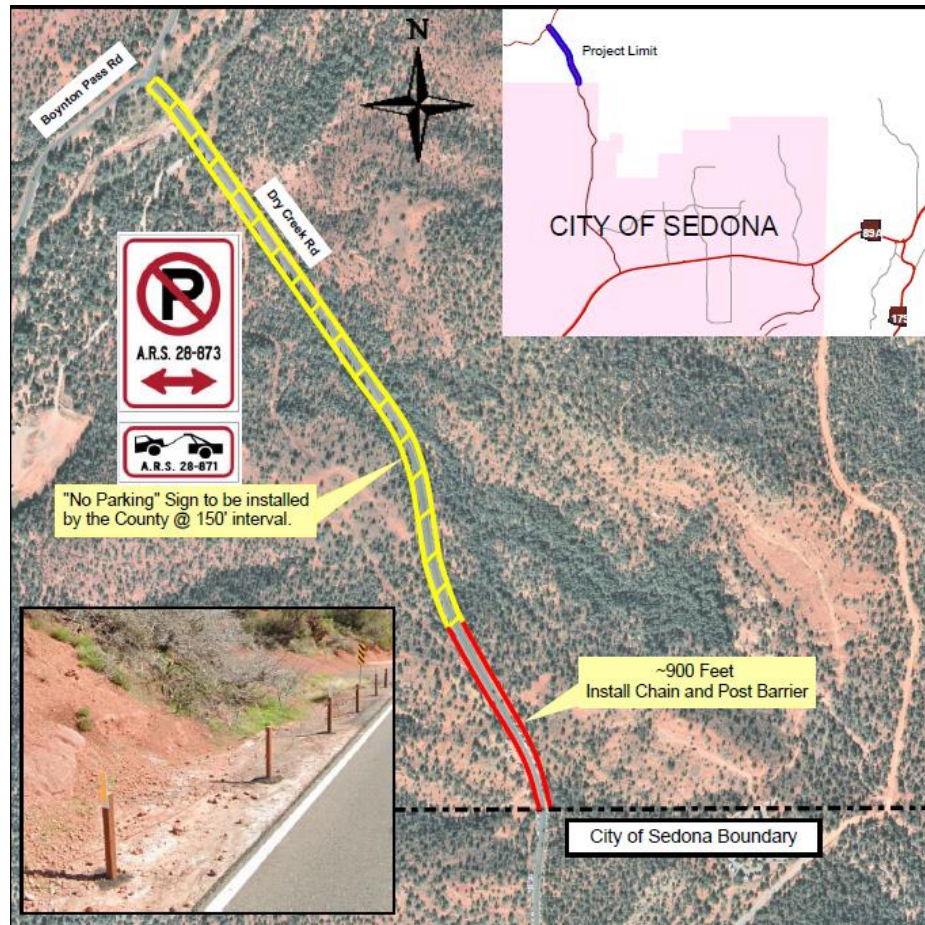
Status / Process Updates:

TH Shuttles-

- As of October, of this year, the trailhead shuttles have logged 882,463 passenger boardings since the service was launched in March of 2022.
- N SR179 North Park and Ride Lot.
 - Permanent site improvements to include, transit only access slip lane, shade structure, public restrooms, & bike racks are scheduled for construction in mid FY25.
- Transit marketing plan. City staff have completed its transition to continue transit

marketing efforts in house. Staff are working directly with Transit Marketing LLC to continue marketing efforts for both the trailhead shuttle and the microtransit (Sedona Shuttle Connect) programs.

- On April 29, 2024, Yavapai County Public Works completed its project to impose parking restrictions within the unincorporated corridor of Dry Creek Rd.



- Preliminary data showed that the Line 11 serving Dry Creek Vista and Mescal trailheads showed a 27% increase in ridership in May of 2024 compared to May of 2023. Staff will continue to monitor ridership on that route; however, the initial data suggest that these parking restrictions had a positive effect on shuttle utilization to that area.
- Preliminary discussions have occurred with the USFS to identify additional park & ride locations in SR-179 corridor. Future 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.

Microtransit (Sedona Shuttle Connect) service -

- The Sedona Shuttle Connect demand response service launched on Thursday August 29, 2024. Within the first 37 days, the new service completed 996 trips – transporting 1,117 passengers.

- Staff are continuing to advance the marketing campaign, and meeting with key community stakeholders within the community to increase awareness of the new service and grow ridership.
- **Other**
 - FFY24 FTA 5311 Grant awarded in May 2024 for Transit Administration and Microtransit operating assistance. Year one award \$155,000 – As this program is a two-year program, the year two award was approximately the same amount.
 - Transit Maintenance & Operations Facility Design FY23 - FTA 5339 grant award for \$720,000 in funding assistance was issued by ADOT for engineering and design of the facility in October 2023.
 - The solicitation process to seek a qualified firm for the design and engineering of the Transit Maintenance & Operations facility was completed in September 2024. The design process should formally begin in October of 2024 and take approximately sixteen (16) months to complete.
 - 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 March 1, 2023.
 - 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.
 - Complete final design and engineering for the transit maintenance and operations facility - mid to late FY2026.
 - Staff to apply for US DOT FHA grant funding in October of 2024 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 grant submittal (depending 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 is required. FLAP provides 100% funding.
 - Draft RFP for the Sedona Uptown & East Sedona Transit Fixed Route Circular Study has been approved by ADOT and is pending publication to solicit a qualified firm to conduct the study. ADOT granted an additional two years to use the 5311 planning funds awarded in FFY20. ADOT has extended the deadline to use these planning funds until September 30,

2026 – allowing staff to use these funds to conduct this study.

- Note: This study is intended to identify the best transit options to support the consolidated parking model in Uptown.

Affordable / Workforce Housing & Homelessness

Completed:

Status / Process Updates:

- 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 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. A new ADU Ordinance, addressing new state statute requirements and allowing for full kitchens went before Council November 12, 2024.
- Continuing to explore additional public private partnerships ongoing. Total of 587affordable 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) - Update – HSNAZ was not able to secure grant funding to advance this project. Update – Housing and HSNA are exploring alternatives for acquiring the property.
 - Goodrow property/ private nonprofit developer ~54 units- in public outreach phase, plans submitted to Comm Dev, for three-story townhomes and apts. Plans are currently in the Development Review process
 - 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. This site has been identified as the Sedona Fire District’s top choice for the building/development of their new Fire Station 4
 - 2250 Shelby – with 4% tax credits and other funding from ADOH developer’s gap is at \$2.25 mil proposed City funding – Council has

approved and will go to P&Z for development review in 2024. The project went to P&Z November 5, 2024 and received Development Review approval. The Developer is on track to receive funding in December and will then submit for a Building Permit.

- 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 the current \$4 million development gap. An RFP has been issued on November 7, 2024, for new development proposals using the City approved and owned permit plans.
 - 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 proposals. Proposals were scored and the housing manager attempted negotiations with the top-ranked developer in hopes of bringing something forward for Council's consideration. As negotiations with the top-ranked developer did not pan out, this portion of the Western Gateway will be reviewed as part of the total Western Gateway Master Plan and not carved out separately.
- Continuing community outreach and public engagement strategy/communications in support of affordable housing
 - Ongoing regular social media re: programs
 - Planning Housing info sessions at Library – initial sessions planned for January to reach Spanish speaking community on issues raised regarding landlord tenant law and Fair Housing. A Fair Housing Seminar was held on April 17, 2024, presented by Arizona Fair Housing Center.
 - 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.
 - In September 2024, FY23 CDBG funds were reallocated to the Sedona Home Repair Program in collaboration with the Verde Valley Habitat for Humanity and NACOG, to provide home repair services to low- and mid-income Sedona households.
 - Research and create a plan to address homelessness in the City of Sedona – budget approved for FY24. RFP went out for consultant in spring 2024. Work has been ongoing with the selected consultant from June 2024 to present. The resulting Homeless Needs Assessment will be presented to City Council on November 26, 2024, for discussion and direction.
 - Approximately 12 voluntary deed restrictions prohibiting STRs imposed by property owners. Fifteen deed restrictions have been processed to date.
 - Explore temporary use of the Cultural Park as a “Safe Place to Park” for Sedona workforce.
 - January 9 Council discussed and directed staff to move forward with the

- program, pending final Council action for contracts and zone change
 - Feb 6 P&Z recommendation of approval for zone change
 - Zoning and ADOH and VVHC contracts were approved by Council on March 12, 2024
 - The zoning ordinance was referred to the November 5th ballot by citizen referendum.
 - The November 5, 2024, referendum resulted in a “No” vote. A zone change for “Safe Place to Park” was not approved. The Housing Department is in discussion with ADOH to pivot the grant funding to other eligible uses and will bring those forward to the Council for review and approval.
- Working on recommendations to revise Rent Local program. The pilot resulted in only two homes converted and 4 people housed. Two applications have since come in. Seven homes have been converted and 14 people housed.
- Revisions suggested for the Down-Payment Assistance program will be coming before the at a future meeting. The new contract with HSNMZ will be pay-for-performance rather than an annual fee due to the small number of applicants. Two new applicants purchased homes in Q4, 2023. A revised ‘pay-for-performance’ contract will be coming before Council on December 10, 2024. Fifty-two clients were processed, resulting in two new home purchases. To date, four homes have been purchased through the program.
- Exploring partnerships to develop and administer a cold weather sheltering or voucher program for local homeless - winter 2024. Housing has reached out to multiple hoteliers regarding the voucher program. To date, no hoteliers are interested in operating the program.
- Effective July 1, 2024, the City’s shared housing manager position was 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. Jeanne Frieder has been appointed the new Housing Manager as of October 2024. The search is on to fill the vacancy in the Housing Coordinator role.

Climate Action Plan (reduce carbon emissions by 50% by 2030)

Completed:

- Launched Sustainable Neighborhoods Program
- Participated with Community Development, Wastewater, Public Works and Arizona Water Company at the Growing WaterSMART Workshop
- Installed ADEQ Smart Recycling Receptacles
- Decarbonization Roadmap Created with McKinstry

- Completed Municipal and Community GHG Inventories
- Created Heat Mitigation and Adaptation Guidebook
- Facilitated a Climate Action Artwork Project with West Sedona School
- Coordinated Sustainability/Environmental Education Opportunities with West Sedona School
- Renewed contract for Home Energy Retrofit Project
- Renewed contract for Community Composting Program
- Hosted Water Festival with Arizona Water Company and Project Wet
- Energy Efficiency Workshop with APS and AZDES
- Green Business Bootcamp – Facilitated the Energy Session for Local First Arizona
- 6th Annual Household Hazardous Waste and Electronics Collection Event with Yavapai County and West Sedona School (record attendance)
- Community Plan and Emergency Evacuation and Preparedness Plans translated in Spanish
- Launched 4th Round of the Home Energy Retrofit Project
- Launched 4th Northern Arizona Solar Co-op with Solar United Neighbors, Coconino County, and the City of Flagstaff.
- Completed grant application for Phase 2 Decarbonization Design through the Arizona EECBG Program.
- Completed grant application for EV chargers at municipal parking lots, affordable housing projects, and Sedona Public Library through the CFI Program.

Status / Process Updates:

-
- Exploring heat mitigation projects derived from Heat Mitigation and Adaptation Guidebook
 - Collaborating with Public Works for a pilot project on alternative surfacing
- Collaborating with Parks and Recreation to incorporate zero waste efforts at Food Truck Festival.

Exploring development of a voluntary sustainable building recognition program in collaboration with Community Development.

- Gathering quotes for installation of LED streetlights.
 - Quotes received and are evaluating best options. Installation anticipated in the next couple of months.
- Gathering quotes for HVAC optimization controls
 - Proposal being developed
- Gathering quotes for installation of four (4) fleet EV charging stations
 - Quotes received. Anticipate to go to the Council next month or so.
- Coordinating and collaborating with Arizona Water Company and Oak Creek Watershed Council to hold 2nd World Water Day Event in March 2025
- Hosting Emergency Preparedness Workshop with PD, Sedona Fire District, and Coconino and Yavapai County Sheriff's Offices

- Scheduling a Food Systems Workshop in the Spring of 2025
- Collaborating with Communications on heat awareness messaging for next Spring and Summer
- Working on hosting a pest management workshop/training opportunity for City of Sedona and Oak Creek Watershed Council
 - o Lessons learned and materials would be shared with the community as well.
 - o Working with Oak Creek Watershed Council on invasive species auditing and/or community workshops.
- Exploring PROTECT Grant opportunity for climate resiliency with Public Works
- Exploring renewable energy grant for rural communities under 10,000 people.
 - o Reached out to APS as well
- Exploring and Researching efficacy of Virtual Power Partner Agreements for municipal and community energy generation.
- Working on inclusion of applicable decarbonization roadmap and heat resiliency projects into fiscal budgeting.

Evaluating Phase 2 Decarbonization Design Proposal

- Moving Phase 2 Decarbonization Design to FY26

Short-Term Rental Legislation (regain local control)

Completed:

- The Short-Term Rental Emergency Contact List was published on the city's website in January 2024.
- Collaborated with the Special Initiatives Coordinator to produce three short educational videos for residents and property owners.
- Established monthly meetings with Sedona property managers.

Status / Process Updates:

- Continuing to lobby for changes in legislation to allow local control and regulation.
- 97+% compliance as October 2024.
- 87 properties were cited for permit non-compliance through the end of September; 95% of them came into compliance prior to adjudication. Properties adjudicated received penalties in accordance with the schedule outlined in the city code.
- Monthly meetings with property managers continued, focusing on discussion of policy, issues and ongoing education, and distribution of Good Neighbor brochures. Two property managers new to Sedona were added to the meetings.

- Attended two meetings with the STR owner advocacy group Arizonans for Responsible Tourism (AZRT), as a guest speaker to provide education and begin a collaborative relationship with AZRT. Program manual for short-term rental citation process in collaboration with Code Enforcement and the Municipal Court is in progress.
- Conducted multiple meetings with five Arizona communities that have STR programs to share best practices and share ideas for program improvement. Continue to create brief educational videos for publication on YouTube. And create a longer educational video for the website, with step-by-step instructions for applying for a permit, as requested by property managers and property owners.
- Launch the permit-per-unit requirement for short-term rentals advertising multiple units at a single address. Program launches December 1, 2024. Conduct spot audits of random short-term rentals for compliance with neighbor notification and sex offender screening requirements in Q1 2025. Notice to all short-term rentals that as of 2025, that compliance with all short-term rental code requirements will be reviewed for compliance as part of the permit renewal process,
- Work with City Attorney on updates to short-term rental code.
- As of end September there were 1125 permitted properties, 87% of those were actively renting. Total identified STR properties 1157. 17.0% of Sedona housing stock. 654 additional STRs in the greater Sedona area. The growth of short-term rental properties to date hovered just below or above 16.6% flat through July, and has grown in small increments as of September month's end.

Broadband

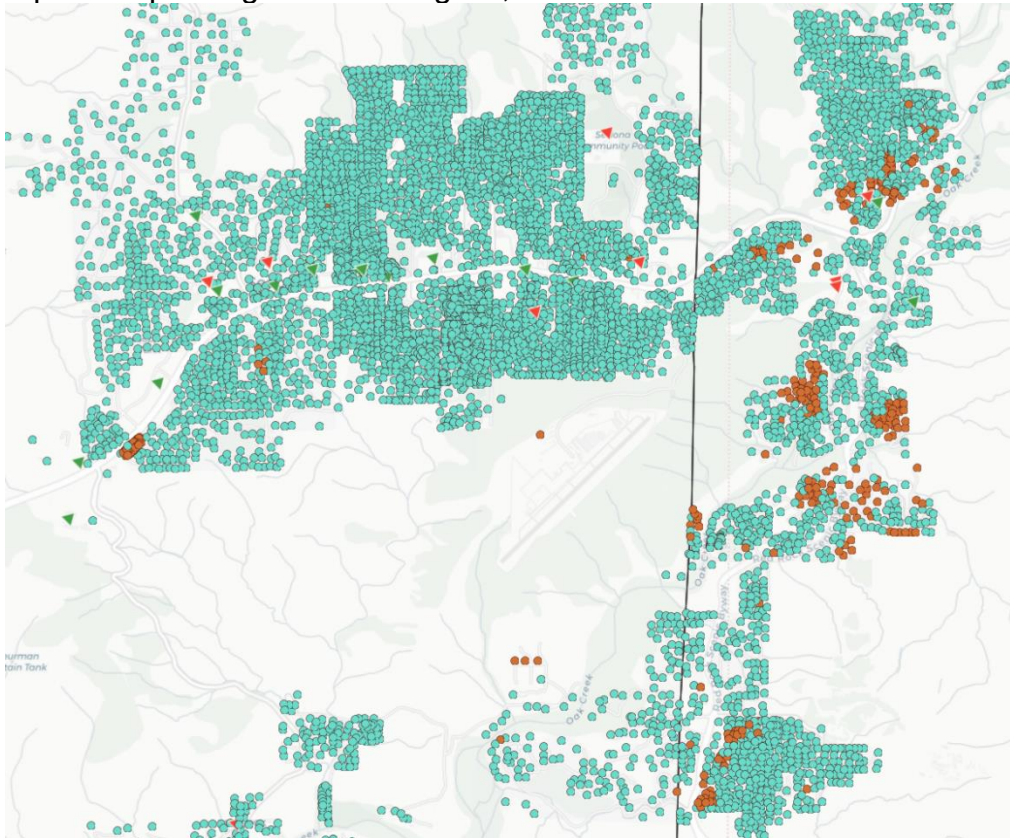
Completed:

Status / Process Updates:

- The federal government has been working through the States regarding BEAD funding. The City of Sedona's Broadband Committee has been working with the State. The State initially set up a challenge map where every address in Arizona was displayed with current speeds, determining eligibility of unserved (speeds less than 25 Mbps download 3 Mbps upload), underserved (speeds less than 100 Mbps download 20 Mbps upload), or served (higher than 100/20). Unserved and underserved are eligible for BEAD funding.
- The next step was the challenge phase, where anyone could challenge the data on the map. Most of Sedona fell into the underserved category. Suddenlink (aka Optimum, aka Altice), challenged all addresses in Sedona. They waited till the end of the window to make their challenges. This gave the City an approximate window of 2 weeks to rebut these challenges. The committee drafted a letter

("Mayor Letter to Governor BEAD Challenge Bulk Rebuttal for the City of Sedona June 2024") from the Mayor to the Governor's Office to help fight Suddenlink's challenges. This letter is basically a technical report proving the speeds Suddenlink is challenging with is impossible with the technology they have deployed. The IT team also went into the challenge map and did a rebuttal on each individual address over several days, attaching the letter, Suddenlink's Broadband Fact sheet stating they are below speeds, and Suddenlink's planned service offers at the time of the challenge (which was also below speeds). We did this with approximately 6,000 addresses, uploading the documents one at a time. All rebuttals were accepted, pending the State's decision.

- Both the State and NTIA (National Telecommunications and Information Administration) went through a lengthy review process where they reviewed the challenges and rebuttals. On Monday evening, 9/23/24, they finished their review and made their challenge/rebuttal decisions available. Sedona did very well with the rebuttals. Most of Sedona is eligible for BEAD funding. The turquoise dots represent passings that are eligible, brown are not:



- The next phase is the States' "Market Sounding," where they allow subgrantees (potential ISP providers) to provide their input, financial information, and more for each project area.

- The State and NTIA will ultimately decide which ISPs will get BEAD funding and where. They are awarding it in regional sections, also known as project areas. Sedona will be treated as a whole, regardless of county.
- Two of the Broadband Committee members (James Cury and Chuck Hardy) are on the Yavapai Team, which also includes members from Coconino County. They meet every 2-3 weeks for updates. There are other webinars Chuck attends, looking for status changes.

Cultural Park Master Planning & Future Development

Completed:

- The Phase 1 RFP failed to obtain a viable developer for affordable housing. As such, the approximate 4 acres of Phase 1 has been included in the Western Gateway Master Plan.
- The Master Plan process for the Western Gateway/Cultural Park, has commenced. Two public outreach Work Group meetings were held at The Hub on October 24, 2024.

Status / Process Updates:

- 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
 - City Staff have met on-site with the USFS to continue discussions on the development of the trailhead, and such discussions will continue. USFS is also one of the stakeholders of the Western Gateway Master plan and is scheduled to be interviewed as a part of that process.
- Continue the Master Plan process for the Western Gateway using Consultant facilitation and in-house project management. The completion of this process is expected at the end of FY 25 or the beginning of FY 26.

Tourism Management

Completed:

Status / Process Updates:

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. 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 the other tourism businesses manually entered by the tourism team to equal 520 businesses.
- We purchased a CRM system to host the database and use it to track all leads, contacts, and business listings.
- We launched ScenicSedona.com on Nov. 6th., 2023
- We have implemented the most premier, industry leading, data gathering tools available so we can obtain an accurate count of visitors, understand where they come from, how long they are staying, what they have purchased, as well as their demographics: household income, age, education, etc. The transparency hub will be launched in early 2025 on the City's Tourism page on sedonaaz.gov.
- We are providing a custom report to the Tourism Advisory Board. Next, we will be working on a report for the Lodging Council, City Council and the general public. We also receive three sets of lodging data now to understand a fuller picture of lodging performance and occupancy: traditional hotel data, scraped data from the short-term rental platforms, and direct source data from 29 participating short-term rental management companies. Over the next couple of months, a strategy on how to communicate this data will be devised.
- Total visitation for 2019, 2021 and 2022 was determined as those have been referred to as the baseline and high-water mark years. Total visitation for 2021, the highest yet, was 3.28 million with approximately 1.42 unique visitors. This was presented to the TAB and Council in Summer 2024.

Tourism Advisory Board in October went over the Visitor Center Budget, logo and tagline options and winter destination marketing campaign concepts. Branding and

marketing campaign concepts will come to City Council on Nov. 12. If approved, a Winter campaign will begin in mid-Nov.

- Completed the Sedona Tourism Program Strategic Plan in August 2024. Read it at www.sedonaaz.gov/tourism.
- Hired Tourism Manager in June 2024 and will hire another coordinator in the coming months.
- City staff attend and present updates at monthly Lodging Council meetings as they are major stakeholders.
- City and Chamber staff meet regularly to outline roles and responsibilities. The City will market and manage the destination and the Chamber will market businesses and provide them with support services.
- Launched all digital summer marketing campaign, called In the Moment on June 1, and it concluded on Aug. 31. Results showed a 89:1 return on ad spend.
- Council agreed to consider continued funding of the Visitor Center for another year with an 80/20 split. The Tourism Advisory Board will make a recommendation on what to do moving forward at the December TAB meeting.
- In the process of interviewing for another member of the TAB after the Chair left. 11 applications were received. Hopefully interviews can be scheduled before the new year.

Evaluation of Airport Acquisition by City

Completed:

- The Airport Assessment is complete.

Status / Process Updates:

-
- Consultant contract executed and report received.
- Staff presented the Airport Assessment to council at the September 25th council meeting and council decided not to pursue sponsorship at this time.

Other Projects / Initiatives

Pickleball Courts

Completed: 8 new lighted courts at Posse Grounds Park completed

Current and planned actions:

- Complete design of concession stand and restrooms in FY27 and construct in FY28.

Enterprise Resource Planning

Completed:

- Discovery meetings were held Jan 30-Feb 1, 2024.
- RFP was issued for ERP proposals
- Proposals were scored and top firms were invited to present demos of their products in October and November.

Current and planned actions:

- Project coordination, oversight of consultant services and implementation for this citywide effort will be handled centrally through the city manager's office, by the deputy city manager.
- Firm selection and contract negotiation

Revisit Land Dev Code

Completed:**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.).
- 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. See Building Code updates below.
- 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.
- Will work to identify any code impediments to the development of diversified housing, with a workforce/affordable focus

Development Impact Fee (DIF) Update

Completed:

- Consultant Tischler-Bise presented the draft Land Use Assumptions and Infrastructure Improvement Plan to Council on August 13 and September 24, 2024. Council adopted the LUA and IIP on October 8.

Current and planned actions:

- A public hearing on the proposed DIF fee will be held on November 12.
- Final adoption is scheduled for January 14, 2025 (subject to council direction)

The effective date for the new DIF is March 31, 2025, or later per council direction.

Update The Building Code

Completed:

Current and planned actions:

- Adoption of Property Maintenance Code – future item to Council. Staff still intends to propose the adoption of the 2024 International Property Maintenance Code as part of the Building Code adoption process.
- 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 items 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). Originally estimated to begin the process in spring 2024 with final adoption in fall 2024. With the delay of the full publishing of the International Code Council Codes (I-codes) until October 2024, and the departure of the City's Chief Building Official, also in October 2024, the timeframe for adoption has been pushed into FY 26. The Director of Community Development has joined a task force with the surrounding communities and counties, along with the Contractor's Association, to adopt the 2024 I-codes and the 2023 National Electrical Code (NEC) with as many consistent amendments as possible. This will make codes and amendments more consistent within the Verde Valley and hopefully gain the backing of the Verde Valley Contractor's Association. A citizen work group comprised of local industry members will be invited to review the code changes prior to implementation.