

**SCOTTSDALE CITY COUNCIL
WORK STUDY SESSION MINUTES
TUESDAY, FEBRUARY 16, 2016**



**CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251**

CALL TO ORDER

Mayor W.J. "Jim" Lane called to order a Work Study Session of the Scottsdale City Council at 4:05 P.M. on Tuesday, February 16, 2016, in the City Hall Kiva.

ROLL CALL

Present: Mayor W.J. "Jim" Lane
Vice Mayor David N. Smith
Councilmembers Suzanne Klapp, Virginia L. Korte, Kathleen S. Littlefield,
Linda Milhaven, and Guy Phillips

Also Present: Acting City Manager Brian Biesemeyer
City Attorney Bruce Washburn
City Treasurer Jeff Nichols
City Auditor Sharron Walker
City Clerk Carolyn Jagger

MAYOR'S REPORT – None

PUBLIC COMMENT

- French Thompson, representing the 5th Avenue Merchants Association, Old Town Merchants Association, and Scottsdale Gallery Association, said the City should support and protect downtown merchants.
- Sean Gillespie, representing Scottsdale League of the Arts, Scottsdale Culinary Festival, and Grand Prix Scottsdale, commented on the importance of special events.
- Bob Littlefield expressed support for having the Council approve special event applications.
- Ken Koziol asked the Council to balance regulation and the benefits of special events.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

1. Special Events Ordinance Update

Request: Presentation, discussion and possible direction to staff regarding events in Scottsdale, the public outreach plan and report, proposed event ordinance language, repeal of outdated language, proposed fee changes related to events, and implementation of the ordinance, as well as scheduling ordinance adoption.

Presenter(s): Brent Stockwell, Assistant City Manager; Karen Churchard, Tourism and Events Director; Cheryl Sumners, Events Manager

Staff Contact(s): Brent Stockwell, Assistant City Manager, 480-312-7288, bstockwell@scottsdaleaz.gov; Karen Churchard, Tourism and Events Director, 480-312-2890, kchurchard@scottsdaleaz.gov

Assistant City Manager Brent Stockwell, Tourism and Events Director Karen Churchard, and Events Manager Cheryl Sumners gave a PowerPoint presentation (attached) on the proposed ordinance language, criteria, implementation, impact, notification and appeal processes, and fees.

There was general direction to:

- Provide clarification on exemptions for events organized in whole or in part by the City.
- Add language prohibiting art-related events on Thursday nights in the area bordered by Osborn and Camelback roads and Goldwater Boulevard and Scottsdale Road.
- Revise Article II, Section 22-4(a)(11), Event Criteria, to remove the economic criteria, and delete Section 22-4(a)(13).
- Remove the reference to competing events in Article II, Section 22-4(d).
- Remove the reference prohibiting events that have a primary purpose of retail or food/beverage sales from Waterfront usage.
- Add language to address duration and frequency of events, exemptions, and provisions and seasonal fee structures that would encourage events throughout the year.

Councilmembers offered the following suggestions:

- Provide event application and determination results to major associations, including merchant, business, and homeowner associations, for distribution to their respective memberships.
- Make event criteria objective and measurable and clarify interpretation processes.
- Keep the process simple and uncomplicated.

Staff was asked to provide:

- Information on the Museum of the West contract related to production of events.
- Comparative event fees from other municipalities.
- A full packet of information related to determination of rates and fees, including event venue fees, review and permit fees, downtown street fees.

2. Downtown Entertainment District

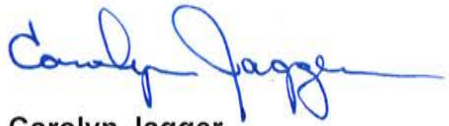
(Removed)

Mayor and Council Items – None

ADJOURNMENT

The Work Study Session adjourned at 8:50 P.M.

SUBMITTED BY:

A handwritten signature in blue ink, appearing to read "Carolyn Jagger", written over a horizontal line.

**Carolyn Jagger
City Clerk**


Officially approved by the City Council on March 15, 2016

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Work Study Session of the City Council of Scottsdale, Arizona held on the 16th day of February 2016.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 15th day of March 2016.



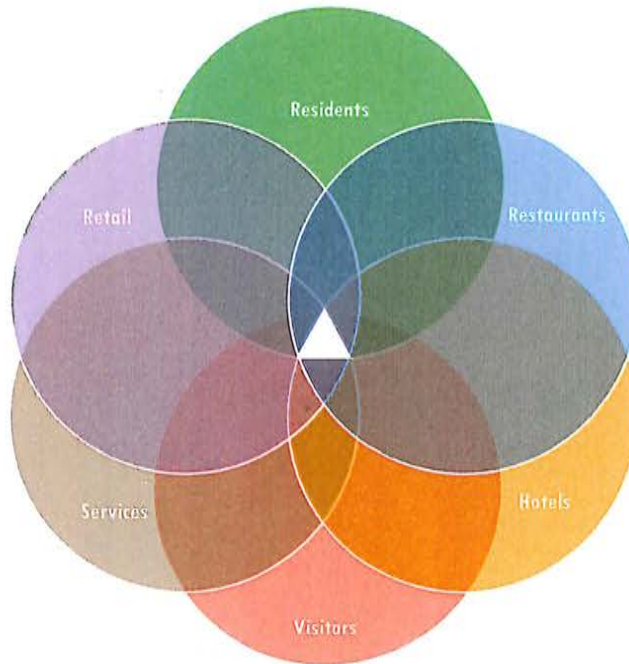
Carolyn Jagger, City Clerk

Item 1

EVENT ORDINANCE UPDATE

City Council Work Study Session

February 16, 2016



APPROACH

Require the minimum amount of regulation
necessary to achieve desired results

Make it easier to do the right thing,
and harder to do the wrong thing

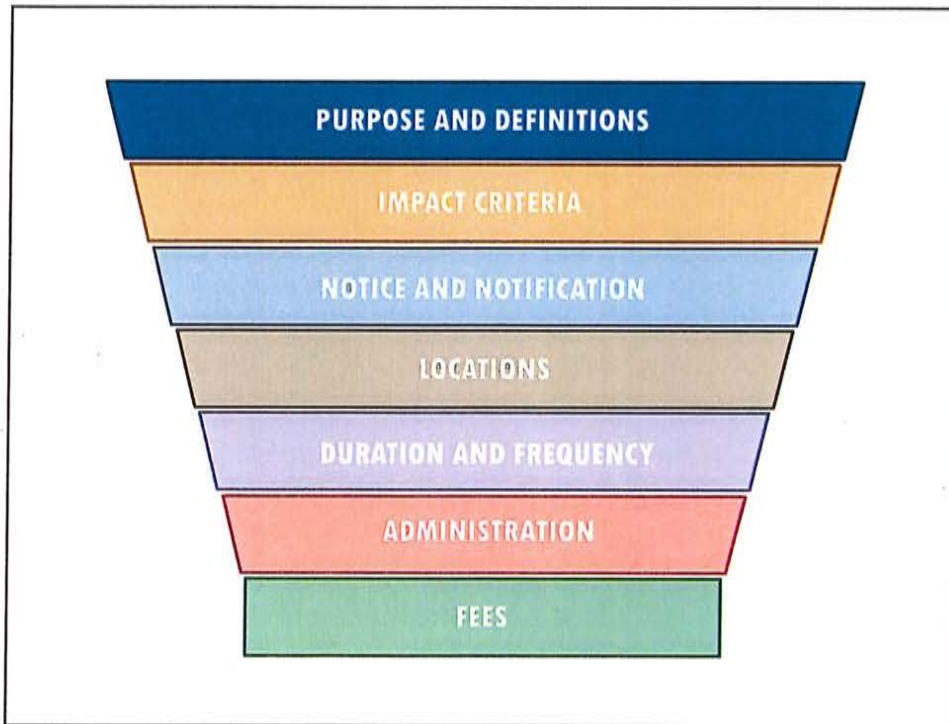
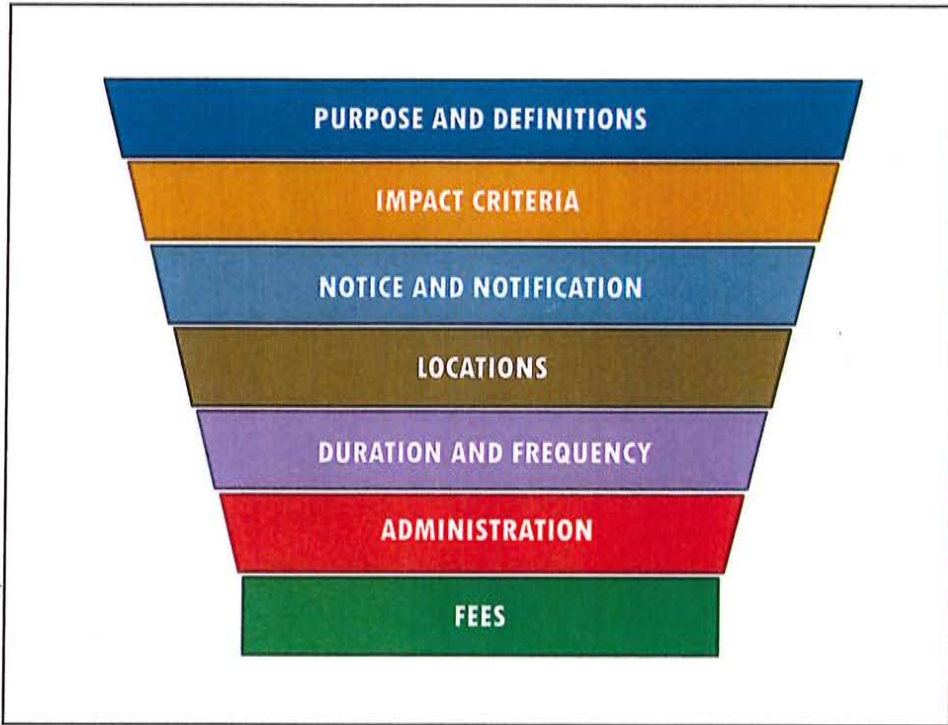


Key Question —

Are these sufficient, necessary and complete?

MAJOR CHANGES

- Covers events on private and city property
- Expands criteria to evaluate event impacts
- Improves notice and notification processes
- Proposes criteria for events using city property
- Uses different processes for different impacts:
administrative approval, simple permit, standard permit
- Enforces non-compliance with possible incremental fines
- Adds fees for use of city property and rights-of-way



EVENT DEFINITION

Event means an:

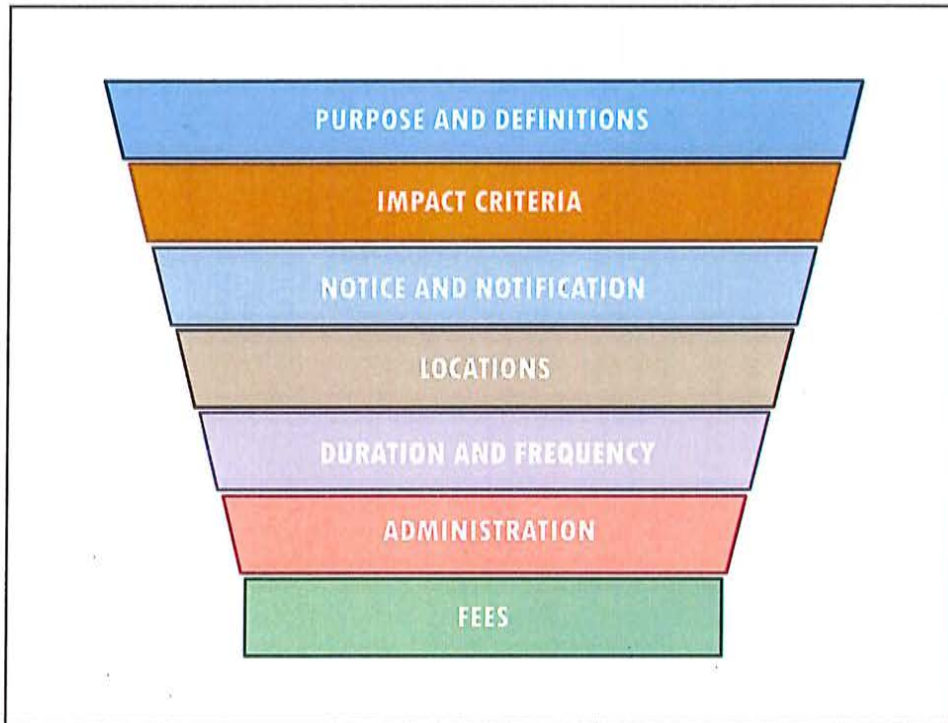
- organized
- temporary activity or series of temporary activities
- held outdoors
- on public property or
- private property
- that is inconsistent with legal use under the Zoning Ordinance

EXEMPTIONS

Ordinance doesn't apply to events occurring entirely:
on land over which the City does not have jurisdiction, or
at Scottsdale Airport or WestWorld

Events organized, in whole or part, by the City of Scottsdale (the city
doesn't need to get permits or fees for using its own property)

The following aren't required to follow the permit/fee process because
they have their own processes or fees already in place. Events occurring
entirely within City parks, McDowell Sonoran Preserve, Scottsdale
Stadium, Scottsdale Mall



IMPACT CRITERIA – OVERALL

- (A) Event organizers shall ensure that an event is conducted as follows:
 - (1) The event provides a unique organized activity or experience, such as raising awareness or for culture, education, entertainment, or recreation.
 - (2) The size, attendance and nature of the event is suitable for the proposed location and duration.

PUBLIC SAFETY

- (3) Traffic is managed so that it does not unduly interfere with the normal use of City right-of-way.
- (4) Sufficient parking is provided to accommodate event traffic.
- (5) Security is provided that protects the safety of event staff, participants, spectators and the public.

PUBLIC HEALTH AND AESTHETICS

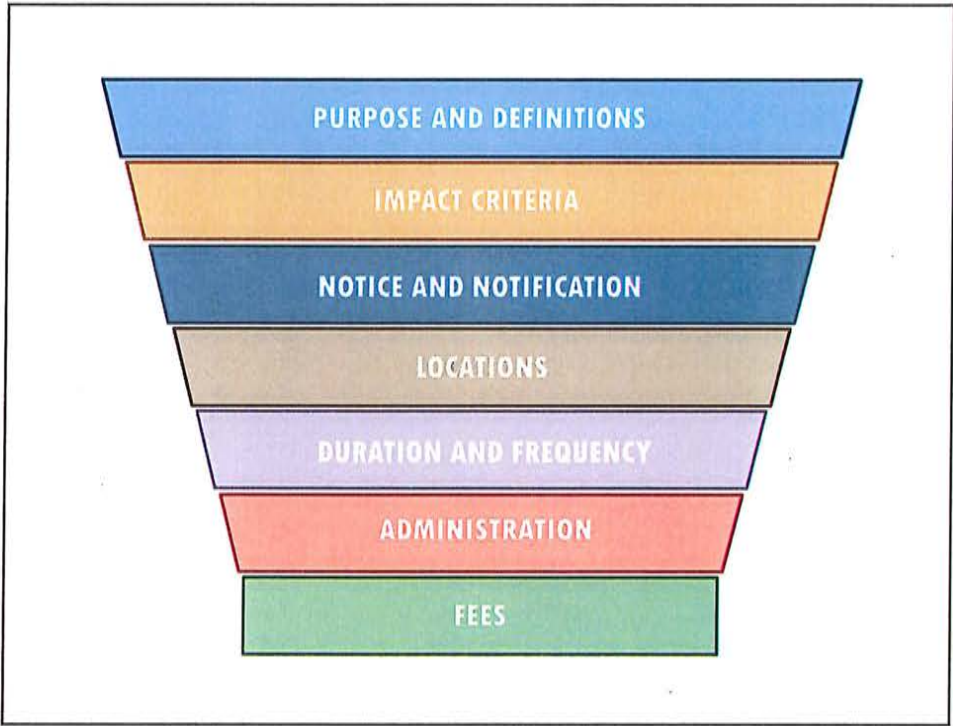
- (6) The public health is not impaired.
- (7) Restroom facilities are adequate to accommodate event staff, participants and spectators.
- (8) Trash is adequately managed and removed in a timely manner after the event.
- (9) The site is left in the same or better condition than before the event.

IMPACT ON OTHERS

- (10) Noise is managed to minimize the impact on neighboring residences and businesses.
- (11) Economic and other impacts to other properties, residences and businesses are adequately addressed.
- (12) The event is able to be accommodated for its duration and its location with required City services.
- (13) The event does not unduly conflict with or negatively impact another event.

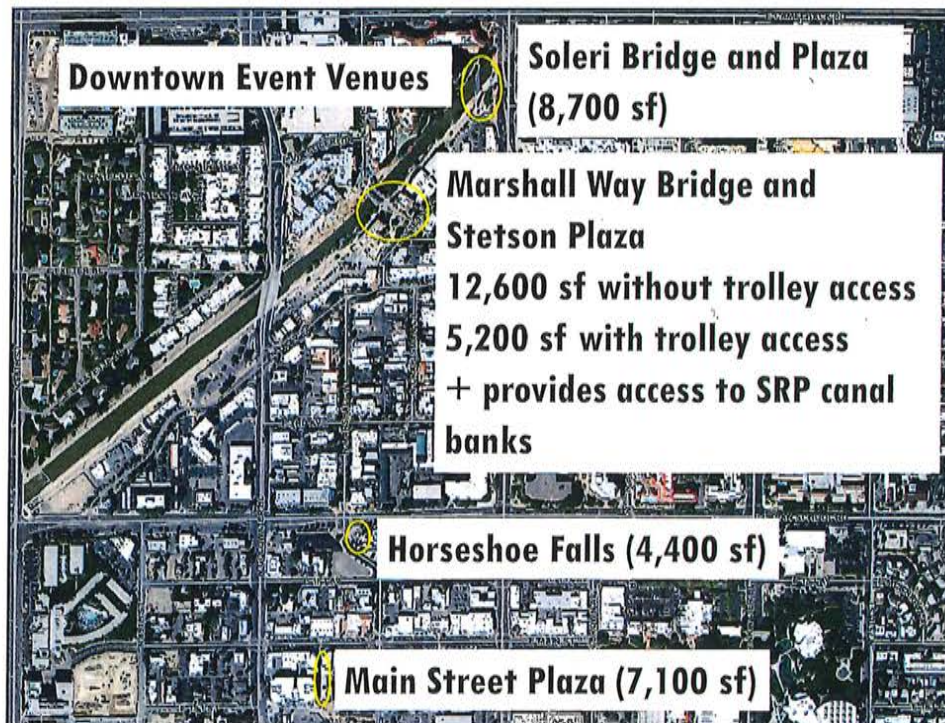
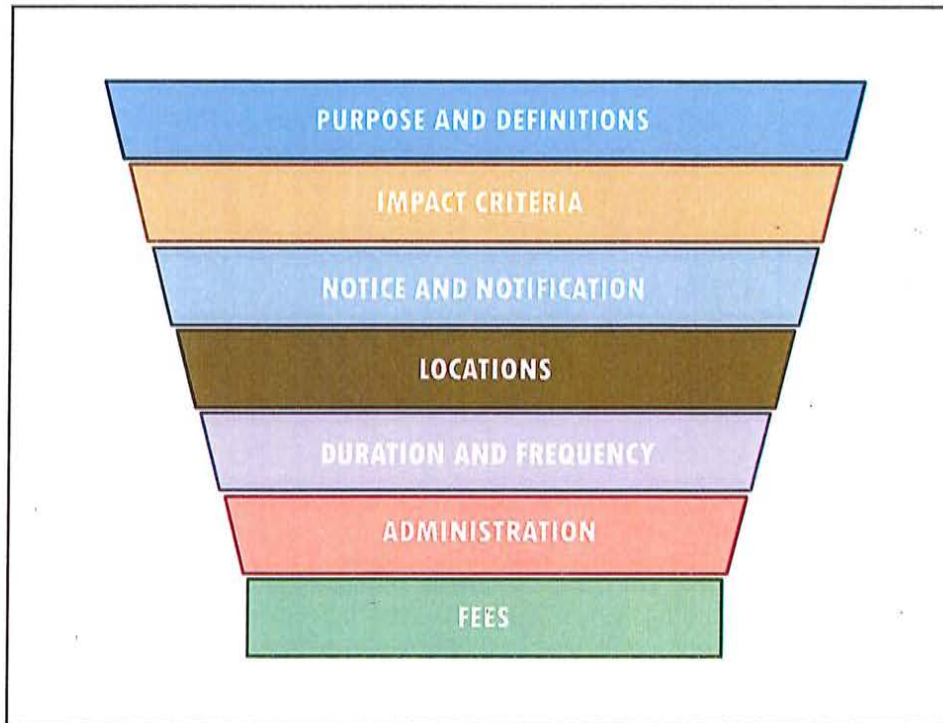
ABILITY TO DELIVER

- (B) The applicant shall demonstrate the ability to successfully carry out the proposed event, including demonstrating, if applicable, a past record of successful event performance.



NOTICE AND NOTIFICATION

	APPLICATIONS	STREET CLOSURES	EVENTS
WHEN?	After application, prior to decision. About 60 days prior to event.	After application, prior to decision. Between 30-60 days prior to event.	After decision, prior to event date. About 7-14 days prior to event
WHY?	Provide sufficient time to learn about events that may impact you. Promote early and effective participation to identify issues.	To ensure affected parties are aware, to determine support or concerns, to mitigate impacts	A reminder of events that may impact them
BY WHOM?	By City on website and via email lists	By applicant in format and to parties approved by City	By City on website and via email lists



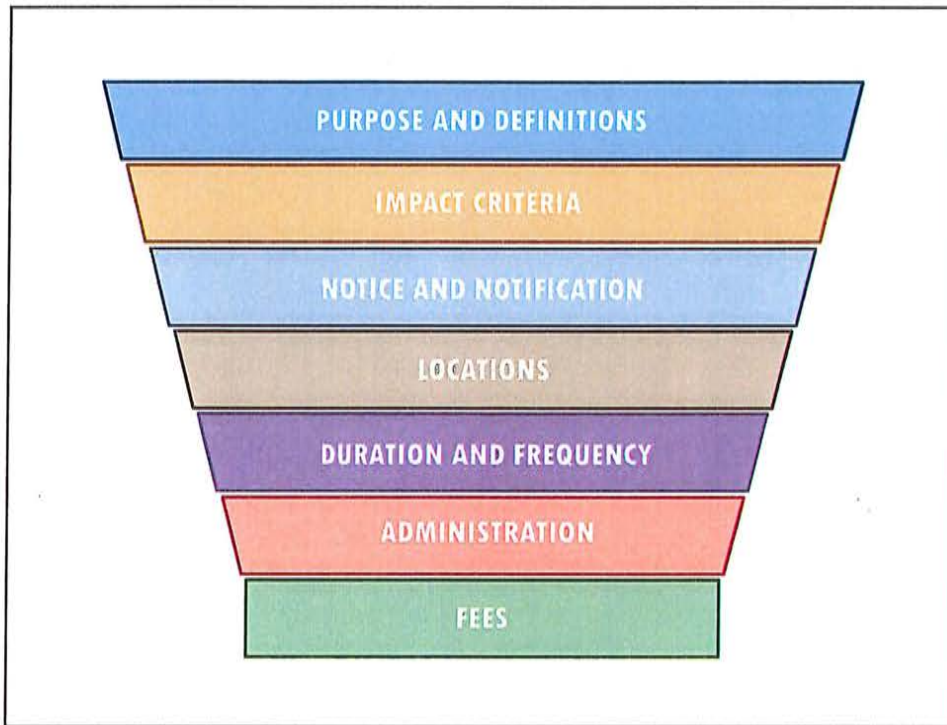
CRITERIA FOR EVENTS ON CITY PROPERTY

- a. Partners with Scottsdale businesses to encourage retail and restaurant sales;
- b. Attracts regional, national or international attendance, based on hotel room nights;
- c. Promotes Scottsdale in event-related marketing;
- d. Features or includes entertainment or attractions of regional, national or international quality or interest;
- e. Promotes civic or cultural benefit.

WATERFRONT USAGE

- Community benefit criteria
- Limit Waterfront use to events that are open to the public
- Do not allow events where primary (50+%) purpose is retail or food / beverage sales
- Consider city organized and themed events to attract visitors





DURATION AND FREQUENCY

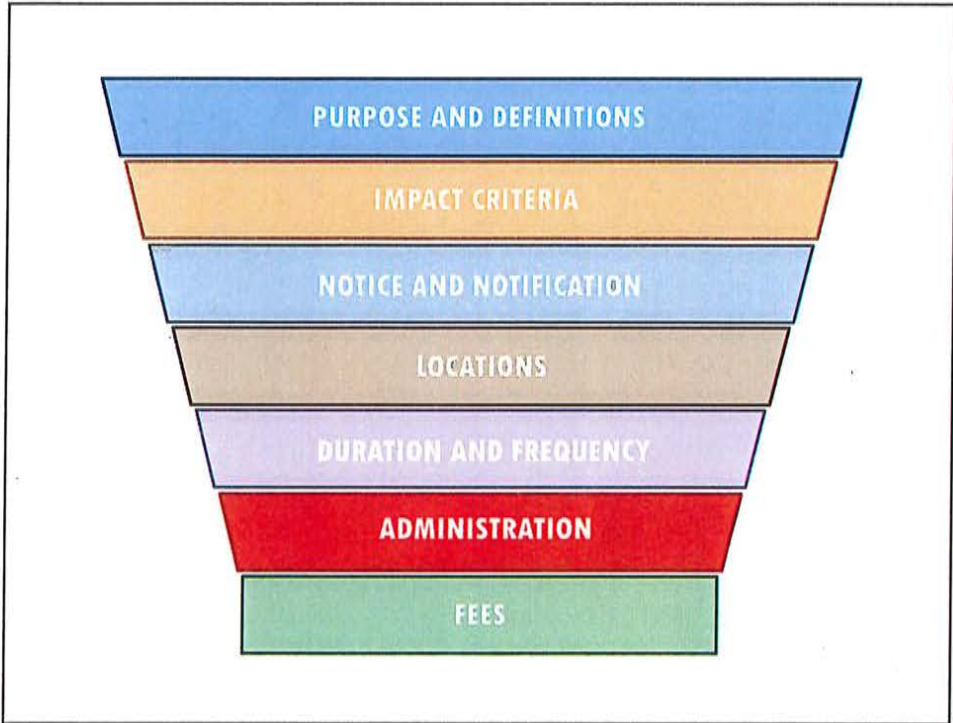
Events may occur for no more than:

- 10 consecutive days (reduced from 30)
- 24 total days per calendar year (reduced from 48)

Community input ranged from

- a maximum of 7 consecutive days and 14 total days, to
- no duration and frequency limitations – let each event stand on its own merit

Most event ordinances do not include time limitations.



REVISED PROCESS

	ADMINISTRATIVE APPROVAL	SIMPLE APPLICATION	STANDARD APPLICATION
Qualifications	Grand Opening, Seasonal (Firework, Pumpkin, or Tree), Sidewalk, or Special Auto Sales	Private Property and minimal impacts to others	City property, or Private Property with temporary structures, professional amplified sound equipment or concessions
Timeline	15 day application Same-/next-day approval	30 day application, 15 day approval	60 day application, 30 day approval
Fees	No Permit Fee	\$100	\$250 + Use fees for City property

ADMINISTRATIVE APPROVALS

Event Type	Sidewalk Sales	Seasonal Sales	Special Auto Sales
2015	6	9	2
2014	10	15	0
2013	11	5	0

APPEALS

- An applicant may appeal to the City Manager within 10 calendar days from the date of the permit decision
- The City Manager shall make a decision on the appeal within 10 calendar days of receiving the appeal
- Appeal decisions must use the same ordinance criteria that was used to make the original decision regardless of whom is making the decision

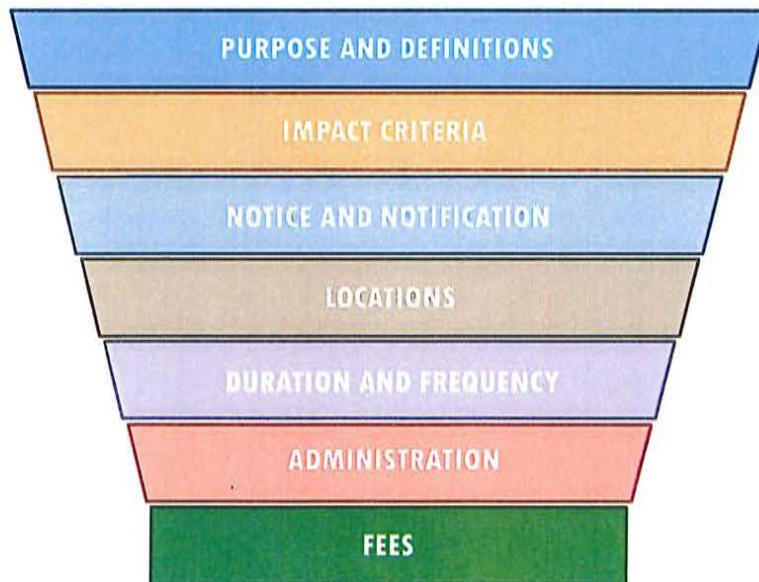
ENFORCEMENT

Adds process for enforcement if a person

- Holds an event requiring permit without obtaining permit
- Fails to conduct the event as presented
- Violates the terms and conditions of the permit
- Holds an event that violates other laws

Penalties

Notice of violation,
then \$500 for first violation, escalates up to \$1,000
includes restitution to the city for its costs



EVENT FEES AND CITY PROPERTY USE FEES

CONSIDERED FOUR FACTORS:

- Real estate value of the land
- City's cost for land including license fees, utilities and maintenance
- Degree to which public use / access of the land would be impacted
- Rates charged by Scottsdale and other cities for similar properties (when applicable)

REVIEW AND PERMIT FEES	PROPOSED FEE
Administrative approval	NO FEE
Review fee	\$75 (was \$87)
Simple permit (Event on non-city property <u>And</u> low or no impact)	\$25 (was \$105)
Standard permit (Event on city property <u>Or</u> high impact) + City use fees (varies)	\$175 (was \$159)

EVENT VENUE FEES	PROPOSED DAILY FEE
Marshall Way Bridge (6,600 sf) or Stetson Plaza (6,000 sf) without trolley access	\$600 or \$1200 for both
Marshall Way Bridge (2,700 sf) or Stetson Plaza (2,500 sf) with trolley access	\$250 or \$500 for both
Soleri Plaza and Bridge (8,700 sf)	\$300
Main Street Plaza (7,100 sf)	\$100
Horseshoe Falls (4,400 sf)	\$100

Note: Proposed fee does not include Salt River Project license fees for use of canal banks, or any additional requirements by the City or SRP for insurance, fencing, restrooms, etc.

DOWNTOWN STREET FEES	PROPOSED DAILY FEE
Downtown Arterial, Collector and Couplet streets	\$500 up to first 1/4 mile; \$375 for each additional 1/4 mile
Downtown Local Streets	\$400 for first 1/4 mile if closed to public; \$300 for each additional 1/4 mile \$250 for first 1/4 mile if open to public; \$175 for each additional 1/4 mile

STREET FEES	PROPOSED DAILY FEE
Arterial streets	\$200 per lane, per mile
Collector streets	\$100 per lane, per mile
Local streets	\$100 per full street segment up to one mile (no charge for city-registered Neighborhood Watch groups for block parties)

ANTICIPATED INCOME FROM EVENT FEES

Type	#	2015		Type	#	2016/17		\$ Change
		2015 Fees	2015 Rev. \$\$\$			2016/17 Fees	2016/17 Rev. \$\$\$	
Review Fee	189	\$87	\$16,443	Review Fee	250	\$75	\$18,750	(2,307)
Private	147	105	15,435	Simplified	150	25	3,750	(11,685)
Public	107	159	17,013	Standard	100	175	17,500	487
				Street Fees			27,000	27,000
				Downtown Street Fees			27,100	27,100
				Downtown Venue Fees			66,500	66,500
		Total	\$48,891		Total		\$160,600	\$111,709



IMPLEMENTATION

We will need to:

- update website,
- create online application,
- create online fee payment ability,
- create user guide,
- update processes

NEXT STEPS

Revise ordinance based on today's direction and
Return March 15, 2016 OR another date to be determined?

Need time to:

- update website,
- create online application,
- create online fee payment ability,
- create user guide,
- update processes



**SIX CONCERNS LISTED
IN CITIZEN PETITION**

SIX CONCERNS LISTED IN THE CITIZEN PETITION

1. Reserve Thursday nights exclusively for the traditional ArtWalk;
2. Designate the ArtWalk as "grandfathered" city Signature Event;
3. Define "special events" in the ordinance rewrite as "unique, short-term activities and/or festivals;
4. A maximum of 30 days of art related events per calendar year; single art related event not to exceed seven consecutive days;
5. Special events shall not have an adverse monetary (sales) and foot traffic effect on local businesses; and
6. Request City Council to sign off on every Special Event permit prior to issuance to ensure adherence to ordinance.

1. RESERVE THURSDAY NIGHTS EXCLUSIVELY FOR THE TRADITIONAL ARTWALK

Added Impact Criteria - The event does not unduly conflict with or negatively impact another event.

Art-related events proposed during ArtWalk would be reviewed with ArtWalk organizers for input on whether the proposed event unduly conflicts with or negatively impacts ArtWalk.

**2. DESIGNATE THE ARTWALK AS
"GRANDFATHERED" CITY SIGNATURE EVENT**

PRIOR HISTORY OF SIGNATURE EVENT PROGRAM

The original purpose of the signature event program was to use special events to promote Scottsdale

**2. DESIGNATE THE ARTWALK AS
"GRANDFATHERED" CITY SIGNATURE EVENT**

By definition, Signature Events did five things:

- Provided national exposure for Scottsdale
- Supported important local economic sectors
- Attracted out-of-town visitors
- Attracted large attendance and/or TV viewership
- Enhanced Scottsdale's quality resort image

**2. DESIGNATE THE ARTWALK AS
"GRANDFATHERED" CITY SIGNATURE EVENT**

Criteria:

- 10 Year History
- Appeal to Scottsdale Tourist
- National Exposure for Scottsdale
- Attendance exceeding 50,000 or 10 million TV viewers

**2. DESIGNATE THE ARTWALK AS
"GRANDFATHERED" CITY SIGNATURE EVENT**

Signature Events included:

- Arizona Sun Country Quarter Horse Show
- Barrett-Jackson Classic Car Auction
- Downtown Scottsdale ArtWalk
- Parada del Sol
- The Open
- Scottsdale Arabian Horse Show
- Scottsdale Culinary Festival

**2. DESIGNATE THE ARTWALK AS
"GRANDFATHERED" CITY SIGNATURE EVENT**

Signature Event designation ended in FY 2003/04, with transition to Matching Event Advertising Program and Community Event Program

TODAY- Multiple funding programs in place
(Matching Event Advertising, Community Event,
New Event Development, Event Venue funding programs)
Combined - \$142,000 in 2004/05 vs. \$271,000 in 2015/16
(high was \$315,000 in 1997/98)

**3. DEFINE "SPECIAL EVENTS" IN THE
ORDINANCE REWRITE AS "UNIQUE, SHORT-
TERM ACTIVITIES AND/OR FESTIVALS;**

Added Impact Criteria — The event provides a unique organized activity or experience, such as raising awareness, or for culture, education, entertainment, or recreation

**4. A MAXIMUM OF 30 DAYS OF ART RELATED
EVENTS PER CALENDAR YEAR; SINGLE ART
RELATED EVENT NOT TO EXCEED SEVEN
CONSECUTIVE DAYS**

Reduced event duration and frequency.

4. ART RELATED EVENTS

SHOULD ADDITIONAL REGULATION BE ADDED?

Art shows mean an event where the primary purpose is to offer for sale original arts and crafts. Original arts and crafts include one of a kind or limited edition materials. Art shows shall be limited to 30 total event days per year and each event cannot exceed seven consecutive days.

Would need clear evaluation criteria

ART RELATED EVENTS

	APPLICATIONS	EVENT DAYS
2015	11	91
2014	15	112
2013	14	112

5. SPECIAL EVENTS SHALL NOT HAVE AN ADVERSE MONETARY (SALES) AND FOOT TRAFFIC EFFECT ON LOCAL BUSINESSES

Added Impact Criteria - Economic and other impacts to other properties, residences and businesses are adequately addressed.

Phrased positively, as sometimes negative impacts cannot be avoided, but sometimes can be mitigated.

6. REQUEST CITY COUNCIL TO SIGN OFF ON EVERY SPECIAL EVENT PERMIT PRIOR TO ISSUANCE TO ENSURE ADHERENCE TO ORDINANCE.

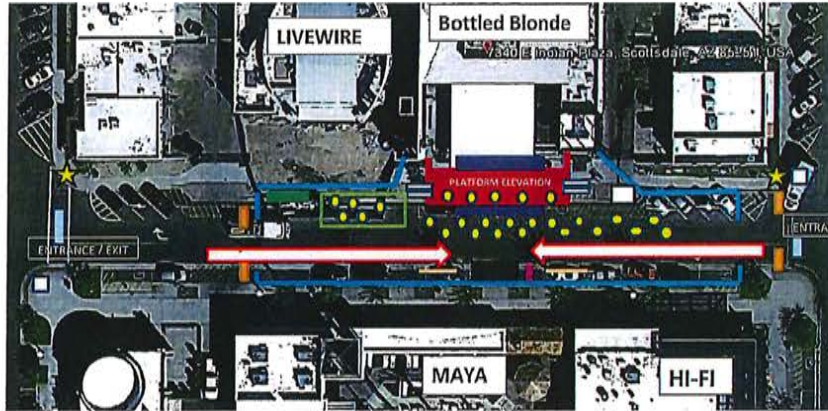
- The ordinance is policy, permits are administration
- Change ordinance criteria, improve notice/notification, and let regulatory process work
- Timing issues - could unnecessarily delay process



FEE EXAMPLES

EXAMPLE - BOWL BLOCK PARTY (2015 = \$246)

- \$75 Review Fee
- +\$175 Standard Permit
- +\$500 Street Use Fee
- +\$100 Sidewalk Closure
- \$750**



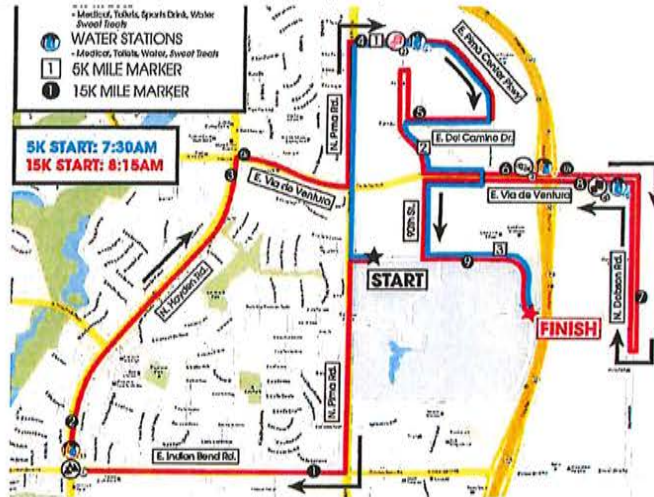
**EXAMPLE - CANAL BANKS EVENT (STETSON PLAZA, MARSHALL WAY BRIDGE, CANAL BANKS, SOLERI PLAZA AND BRIDGE)
(NO TROLLEY ACCESS) (2015 = \$246)**

- \$75 Review Fee
- + \$175 Standard Permit
- +\$1,500 Event Venue Fee (per day) — Stetson Plaza+ Marshall Way Bridge+ Soleri Plaza
- \$1,750 1 day event or \$4,750 3 day event



EXAMPLE - 15K RUN PARTLY IN CITY LIMITS (2015 = \$246)

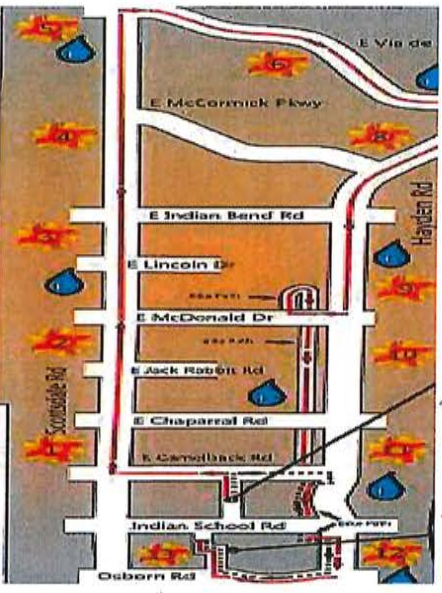
- \$75 Review Fee
- + \$175 Standard Permit
- + \$800 Street Use Fee (3.73 miles x \$200/mile)
- \$1,050**



EXAMPLE - DOWNTOWN VINTAGE KART RACE (2015 = \$246)

- \$75 Review Fee
- + \$175 Standard Permit
- + \$1,200 Marshall Way Bridge and Stetson Plaza
- + \$500 Street Use Fee (Downtown couplet .19 miles, \$500 per 1/4 mile)
- + \$775 Street Use Fee (Downtown local .91 mi, \$250 first 1/4 mi, then \$175 ea addl)
- \$2,725**





**EXAMPLE - HALF MARATHON
RUN ENTIRELY IN CITY LIMITS
(2015 = \$246)**

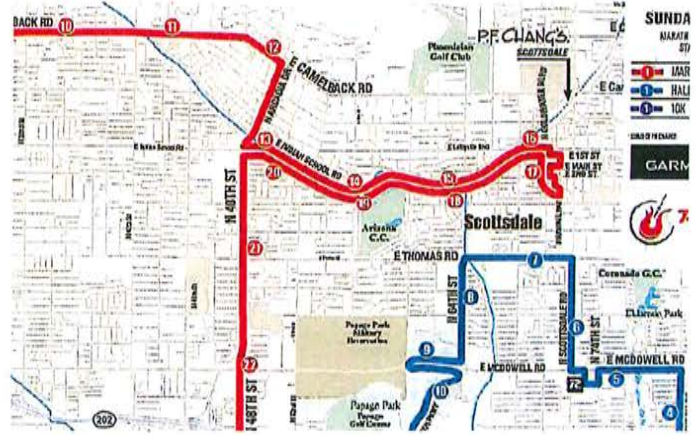
- \$75 Review Fee
- + \$175 Standard Permit
- + \$1,800 Street Use Fee (9 arterial miles,
\$200 per lane per mile)
- + \$100 Street Use Fee (.75 collector,
\$200 per lane per mile)
- + \$425 Street Use Fee (Downtown - .34 mi,
\$250 first ¼ mi, then \$175 ea addl)

\$2,575

**EXAMPLE – MARATHON AND ½ MARATHON
RUN PARTLY IN CITY LIMITS (2015 = \$246)**

- \$75 Review Fee
- + \$175 Standard Permit
- + \$3,600 Street Use Fee (7 arterial miles, \$200 per lane per mile (18 lane miles x \$200)
- + \$600 Street Use Fee (Downtown - .75 mi (\$250 first ¼ mi, then \$175 ea addl)

\$4,450



SERVICE EXTENSION FEES	PROPOSED DAILY FEE
On-street parking (per space) Parking spaces adjacent to businesses or establishments for service extensions	\$60 per space
Sidewalk	\$50 per closed segment, or less
Other closed public property not identified as downtown event venue (alley or off-street parking closure)	\$0.40 Cost per square foot (250 sf = \$100)

Service Extension Fees \$18,600